



History of Jantzen

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Chapter 1: Childhood in Missouri

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EDITOR'S NOTE: This is the first installment of a series of articles by Mr. J. A. Zehntbauer, which, when completed will form a detailed history of the organization. The beginning of the series is autobiographical.

Every product of human hands must first be conceived within the mind of an individual or individuals and become the immediate goal of the individual or individuals. Since man's wants are insatiable, he no sooner reaches the goal of his first conception than he conceives a higher goal.

The Jantzen Knitting Mills as it stands today was not visualized by any individual but a kind of business was conceived and that conception realized and then a more pretentious goal was set and it was realized and so on, up to the present Jantzen organization. The business known as the Jantzen Knitting Mills does not primarily consist of buildings, machinery, merchandise and money, but by the use of these materials the Jantzen organization, which is people, works toward a goal, and when that is attained, toward a newer and greater goal.

Carnegie once expressed clearly the difference between the value of materials and an organization by saying that every material thing that his company owns might be destroyed and taken away from him leaving nothing but his organization and he would soon be running along" the same as usual. But he said that if his organization were destroyed it would take a lifetime to rebuild it.

Since the Jantzen Knitting Mills is not material things but an expression of the ideas of individuals I feel that to make this history complete I must give a brief history of the lives of the individuals who conceived and started this business.

It is said that one should start with one's grandparents to develop a perfectly healthy body and I am sure that one should start with the training of executives in childhood to develop a great business.

When Benjamin Franklin started to write his great autobiography he admitted that his own achievements were one of the things that prompted him to write but he hoped what



he had to say might be useful to posterity. I cannot deny the influence of a similar pride but I hope a brief outline of my life will give courage to some young man who thinks he has no chance in life.

I was born in a two-room log cabin about four miles north of a little town called Purdin in Lynn County, Missouri, on August 4, 1884. About two years later my parents moved to Kansas near the town of Lucas. I began to remember things when I was about four years old. I remember well when my youngest brother was born that mother led me up to the cradle and showed me a little red wrinkled baby face. I was then four years and two months old.

I remember visiting a neighbor's house a mile or two from our house where I sat on a large bag of peanuts, which had been recently harvested, and I gorged myself with raw peanuts, suffering no ill effects that I can remember.

School was held in one of the rooms of our house and I remember distinctly visiting this schoolroom often. I remember riding on horseback and hearing the coyotes (or prairie wolves as we used to call them) howl, in the evening, and the young jack rabbits my father used to catch while in the field. Also I recall clearly the large grasshoppers and the very large butterflies and moths that we used to have in Kansas.

When I was about 5 years we left Kansas for Nebraska. In Nebraska we lived one year in a sod house on a farm. In this sod house my two brothers and I had the measles. This was before my sister was born. I remember the many snakes that mother used to kill around the house and how one day the prairie wolves came right up on the roof of our house and howled.

I saw several prairie fires, which were quite serious things in Nebraska where there was so much high prairie grass. In those days these fires were quite common and they were a wonderful but terrifying sight as I remember them.

When I was six years old we moved to Loop City, Nebraska and I went to school for the first time. We lived in quite a large house, a part of which was occupied by the owner, a man and his wife. The man was in the saloon business and I remember well when he used to come home with a bag full of money, the receipts of the day, and well loaded with his own merchandise. He used to be quite generous with his money but I remember



that mother would seldom let us take any money that he would give to us while under the influence of liquor.

After a few months my father decided that he would go back to his old line, the cooperage business, so we moved back to Utica, Missouri when I was something over six years old. Here my youngest brother Harry had what was called at that time the membranous croup. I remember mother and father became quite frantic about his condition as the doctors said there was no hope of saving him but mother decided that she would try a home remedy of which she had read or heard. So she gave him a teaspoonful of kerosene, which seemed to loosen up the membrane and enable him to expel it and he soon recovered.

The outstanding event during the time we lived in Utica was when I was sent to the store early in the morning to get a loaf of bread. The store was near a railroad cut, on the edge of which I liked to stand and watch the trains go by. As I approached the store I heard the whistle of the train which was known as the Cannon Ball, a passenger train which went through the little town without stopping, so I ran to the edge of the cut to watch the train go through but I noticed there was a freight train coming in, the opposite direction. I instantly realized that there was going to be a collision as the freight train seemed to be puffing and pulling as hard as it could to go up the grade while the passenger train was coming down grade at a very high speed but apparently making an effort to stop, as the brakes seemed to be squeaking. In an instant they were together and the passenger train seemed to scoop the freight train right off the tracks as they collided. There was a deafening roar—smoke, steam, dust and boards and everything flew up into the air. The freight train carried cattle, grain and other freight and the wreck left a great mess of this mixture of freight. The engines were both badly smashed, but in some way the freight engine seemed to rear up into the air and the passenger engine go under it and they were not smashed as badly as one would think. To be an eye witness of such an impressive sight was one of the great events of my childhood days. As I remember, there were only one or two people killed in the collision. I do not recall whether I brought home the bread or not. I am sure such a sight as that today would make me forget the bread.

When I was about eight years old we moved back to Purdin, Missouri and father got



started in business in the old stand making apple barrels and shaving hoops for barrels. In those days a great many hoops for barrels were made of young hickory and oak trees split and then shaved down to make the proper width and thickness for barrels. This house we lived in in Purdin was the place where I got the toy trunk for Christmas and my first pair of long trousers. I was eight years old.

There was not a schoolhouse in the town of Purdin and we had to walk about a mile out into the country to school. After a few months in town we moved out about three miles on a small farm where we had a good sized garden patch, a melon patch, a horse and a cow, etc. Father used to drive in with the horse and cart to his business. This house was not very far from the log cabin in which I was born. One day mother took me over to show me the house and I remember she showed me the straps on the ceiling to which she had fastened a swing for me when I was a baby. It was while living at this place that my brother and I attempted to build our first swimming tank. We dammed the small creek that ran through our place and brought the water up to ten or twelve inches deep, but our attempts at bathing were frowned upon by mother on account of the mud and dirt that we brought in on our bodies and our clothes. So we did not get to enjoy it as much as we had hoped.

It was here, known as the Pound place, at the age of 12 that I learned to shoot a shotgun which happened to be my uncle's muzzleloader. When all the folks were away from home my brother and I had managed to catch a cottontail rabbit with the help of our dog by chasing him into a hollow log and then pulling him out. We conceived the idea of tying the rabbit up to the clothes pole in the back yard and bringing out my uncle's shotgun and trying it on him. I got the rabbit all right but as my arm was not long enough to reach the trigger with the stock against my shoulder I put it under my arm and the recoil brought the hammer of the gun back against my nose with disastrous effect. I believe I shed more blood than the rabbit. There was still lots of the day left, however, and we had just got a taste of shooting so we got the old powder horn and the shot and paper for wadding and we loaded up the barrel that had been discharged and started out for a squirrel hunt. That evening we brought in three squirrels but with each shot I bloodied my nose.

The reprimand which we received from our parents and uncle when they came home



was not as severe as we had expected and I imagine now that our success at getting game rather surprised and caused them to go easy on us. After that we were often allowed to take the gun and go hunting. Shooting a gun became a very fascinating sport for me and the following summer I agreed to work for a neighboring farmer for about three months hoeing corn for an old muzzle loading shot gun and my board. I stuck to the job until I completed my contract of three months and received my shotgun. I was very proud of it but always felt that I had been taken advantage of in the time I was required to work for it. Twenty-five cents a day was the wage for a boy of my age working on a farm hoeing corn or raking hay or whatever a boy might do. It was not easy to procure work even at twenty-five cents per day.

On the Pound place we had about forty acres, which was considerably more ground than we had tackled before. Father's business had grown quite rapidly and my uncle was living with us on the farm and while father was gone uncle managed the farm.

I was getting to the age when I could be of considerable help around the farm and had to do quite a lot of hoeing and other farm work. The hoeing was the thing that I seemed to dislike most. We had quite a large garden patch right along the road where people would drive by and often I would be working in that garden on real hot days after school or on Saturdays and would see some of my boy, friends drive by in a buggy or go riding a horse. I remember well when the thought came to me one day while hoeing in this garden that I was not going to pursue the farming business, but get into something where I would not have to hoe corn on such hot days. I realize now that right then my character and disposition were being formed and that this apparent hardship was a blessing because it made me begin to think. Had I been riding horseback or in a buggy along the road as some of my boy friends were I would not have been forced to think and I might have still been enjoying the Missouri farm life. And there might not have been a Jantzen Swimming Suit.

From the Pound place we moved to the Warren Ogle place, which was about a mile from the town of Purdin. The house was a large log house, a very common kind of construction in those days. I have a number of interesting memories of that place. One of the outstanding memories I have was the narrow escape from a cyclone we had there. We had a cyclone cellar but the storm came so suddenly that we were not able to



get into it. I do not remember now how we were surprised by the storm coming up so quickly, as one could usually see them coming in plenty of time. However, when the blow started we were all in the house including father. Trees were uprooted and carried out of our yard and others were strewn over the yard that came from we did not know where. A large straw stack that was in back of our house was blown away. Even our chickens and pigs were blown off the farm. Some of the pigs were recovered miles away. Our house was moved on its foundations although it had been pinned down to its foundations, as is the custom in Missouri. In that year the great St. Louis cyclone and the great Kirksville, Iowa, cyclone occurred.



Chapter 2: Childhood in Missouri

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A very interesting phenomenon of nature was witnessed by me and I believe both my brothers. One day we started for a swim in a pond that was a few hundred yards from our house and as we approached it we noticed a large greenhead bullfrog, a variety of edible frog, and behind the frog was a very large garter snake, one that was three and a half or four feet long. The snake's head was perhaps a foot away from the frog when we first noticed them. We saw that the snake was after the frog and we sat down near by to see what would happen, being careful of course to stay far enough away and out of sight of the snake and frog. We sat for quite a long while and without any perceptible motion the snake gradually crept closer and closer to the frog. Finally the nose of the snake apparently touched the joint of the frog's hind leg that protruded in back of the frog. He held this position for quite a long time but finally his mouth opened slowly and gradually he pushed it upon the joint of the frog's leg. The frog moved slightly several times apparently as though he felt something tickling him then finally the frog attempted to make a leap but the snake's teeth were already set and when the frog leaped it was too late, for the snake had caught him securely. The frog after a brief struggle laid out flat on the mud bank of the pond and allowed the snake to slowly swallow him. The snake's mouth seemed to un-joint at the hinges and stretch over that large frog that was several times as big around as he was. We watched them until the snake had swallowed everything but one hind foot of the frog, the hind foot stuck out because the snake swallowed one hind leg first which left the other to go down after the body of the frog. We then killed the snake and extracted the frog and turned him loose. He seemed to be all right outside of a slightly skinned hind leg caused by the snake's teeth when the frog made his first struggle. With a croak he jumped into the water and dove out of sight. The snake was in no fit condition to eat more frogs after we got through with him.

All of us boys learned to swim in these ponds without any instruction whatsoever. I remember distinctly several narrow escapes from drowning before I learned to swim. One time I started across a water hole in a small creek, which I did not think, was very deep. My brother, Roy, was directly behind me with his hands on my shoulders. I waded



until the water was up to my shoulders and then slipped off into deep water over my head. I had made some attempts at swimming but could not say that I knew how to swim but as the distance was probably not more than two or three feet to cross over to where I could wade by struggling, some way I made it, but I can see now how easily we both could have been drowned. While living at this place and while I was about fourteen years old Mr. W. C. Dodson, a brother of Mr. John R. Dodson, the Treasurer of our Company, his wife and son Harry and daughter Louise moved to Purdin, Missouri, from Quincy, Illinois. Mr. Dodson went into the drug business with a Mr. Campman in Purdin. Harry Dodson was the first boy from a city that I had ever met. His manner and point of view was entertaining and attractive to me. He was tall and slim and was fully as large as I although nearly two years younger. He was evidently attracted to me also for we immediately became very close friends and remained so until his death in Portland, Oregon, about ten years later.

I had an old 22 Flobert rifle, which took his eye, and he had an Ingersoll watch, which looked good to me so we made a trade. Although I am ashamed to admit it I did not carry the watch many days when I had to see the works. The watch never worked after that and Harry felt so badly about it that he traded back with me. I do not remember the details of the transaction now but it must have been a great imposition on him. However, I am sure that he got a great deal of pleasure out of the gun just the same as he used to spend every possible spare moment with us out hunting. We used to find great difficulty in raking up fifteen cents to buy a box of cartridges and he seemed able to get the fifteen cents more easily and would often come out with several boxes of cartridges. Life was a great joy those days. I have not said anything about my school life but think I must mention a few incidents. I liked geography and mathematics best of my studies. I remember having teachers compliment me on my work in arithmetic and also in composition and on the cartoons I loved to draw of current school events. I remember receiving only one thrashing from a school teacher and while I am sure that many times I deserved a thrashing, this particular time I did not, as I was accused of something I did not do. At that time there was a woman teacher and she was carrying on a crusade against swearing among the pupils. As I never used profane language I felt extremely chagrined to say the least at having received a thrashing on account of a report by one of the pupils that I had used bad language on the way home from school. I was not even



given a chance to plead my case, but was thrashed and told that I knew what it was for. I have long since forgiven the teacher for it because she did have an unruly lot of farmer boys to handle and a few thrashings perhaps would be a good example to the others. I was never much for fighting but of course had a few scraps like all boys in country schools have.



Chapter 3: Childhood

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Will Reedy, now a minister in Long Beach, California, was one of the boys with whom I had a scrap as a boy. The scrap was not about anything but was just worked up between us by some of the older boys. One of the older pupils, in the school I attended in Purdin, graduated there and went to high school. He afterwards studied penmanship and came back to teach this subject in Purdin. Father sent my brother, Roy, and me to him for lessons. Since I have been in Portland I have met him through his having seen an article in the paper which mentioned my name. He lives in Seattle and is Pacific Coast Manager for the Western Auto Supply Company. His name is Orville Pound.

It was while living on the farm of Orville Pound's uncle that I found two tiny young squirrels in a nest early in the spring and took them home to raise. They were nearly frozen because the mother squirrel had been mistaken for a young one and shot, as per the customary way to treat young squirrels that feed on the elm buds early in the spring. The squirrels were so tiny and young that they did not have their eyes open and when I discovered them there was almost no life left in them. I put them in my pocket to warm them, and took them home, and put them with some young kittens that were apparently about the same age as the squirrels. When the mother cat came back to her kittens, we youngsters watched very carefully to see what she would do. To our surprise she got in and licked the squirrels and the kittens just the same as though they were all her kittens, and with great delight, we watched the young squirrels help themselves as though they were being fed by their own mother squirrel. In a few days one of the squirrels died, as he never quite got over his chill, but the other one grew very rapidly and romped and played with the kittens and the mother cat as though he were a kitten. He seemed to develop more rapidly than the kittens and soon got so he could boss the cat family as he liked.

When I found these squirrels they had been bob tailed, by some other squirrel I imagine. It is something I had never seen or heard of before but their tails seemed to have been freshly bitten off so that only about a third of their tails remained. On account of the bob tail we called our little pet squirrel "Bob. " Soon after we brought the squirrels home, the



old mother cat brought home a bird that she had killed for her kittens. When we saw her bring it in to the kittens we watched with interest to see what the squirrels would do, and to our amazement the squirrels were first to grab the bird and start tearing it to pieces, and shortly had dug into it and started eating the heart of the bird and licking up the blood. The kittens, of course, did their best to get their share of the fresh meat. It was a great surprise to us to learn that a squirrel would eat fresh meat and blood. In the wild state I do not believe the squirrels in Missouri molest the birds, as we have found the squirrels and birds nesting in the same trees, apparently without interfering with each other. This squirrel became a great pet and quite a curiosity to the neighbors and to anyone who saw him. He would jump up on a person and go through their pockets to see if they had anything he would like to eat. He did not seem to be afraid of anyone and he was always friendly toward the kittens and seemed to enjoy romping with them.

On a visit to Purdin a few years ago, I was reminded of an incident that happened when we were skating on a pond near our schoolhouse, one day during the noon hour. Craig Beckett, son of the president, manager, and principal owner of the Purdin Mercantile Company, a boy about the age of my brother Roy, broke through the rotten ice on which we were skating and was unable to crawl back because when he attempted to take hold and draw himself up on the ice it would break off, and no one could skate near him as it was only at high speed that one could skate over the ice. Some of the pupils had started to the schoolhouse to get help from the teacher, and others were frantically hurrying off the ice, when I remembered from a former experience that the ice would hold me while lying flat down on it, and in this manner I approached him and helped him to pull himself out of the water. I thought nothing of it at the time, but he and his family, as well as the witnesses, always gave me credit for saving his life. Craig is a prosperous merchant now and he likes to remind me of the time I pulled him out of the ice water, and I am glad I happened to think of a way to do it.

Sometime before I was fifteen years old we moved to the Phillips place, about three miles from Purdin, where we had a fifty-acre farm. My uncle had gone to St. Louis about two years before and we boys were left at home to run the farm when father was at his business. When I was about fifteen years old and my brother Roy thirteen, and Harry eleven, we took care of this fifty-acre farm consisting of about forty acres in corn and the rest in pasture and garden.



Chapter 4: To Denver

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We had been left to manage our affairs so much of our lives that we had learned a great many things youngsters of our ages did not usually know. If any of the farm implements were broken or out of order, there was nothing to do but fix them ourselves. We had no telephone and had not even seen one until we moved to the Phillips farm in the spring of 1900; therefore when anything went wrong we could not go to the telephone and call up but had to devise some way of fixing it. If a horse was sick, we had to doctor it, and sometimes broken parts of farm machinery gave us real problems, but we usually devised some way of repairing it. We planted, cultivated and harvested a crop of corn practically without assistance and it was not such a bad one either.

It was when my two brothers and I, with a neighbor boy by the name of Ernie Couch, were swimming in a large swimming hole in Locust Creek near Purdin, that the Couch boy, who could not swim, got beyond his depth and was drowning. Something had to be done at once, but there were no sticks or ropes or anything with which we could reach him, and none of us were good enough swimmers to rescue him, so we made a human chain, my younger brother holding on to the roots of a tree where he could wade, with Roy next and myself on the end of the line where I could barely reach the Couch boy. I no sooner got him by the hand than he drew himself right on top of me pushing me under the water and squeezing me so tightly that I could not breathe, but the chain hung together and we were pulled to the shore. The Couch boy was not yet unconscious but very weak and frightened.

I can now see that responsibility while young had taught me to act quickly in emergencies, although at the time it seemed such an obvious thing to do that I thought nothing of it, notwithstanding I came so near to losing my life and was so badly frightened that I do not believe I have told my mother the details of the incident to this day.

When I was about eight years old my father had taken me with him on a trip to St. Louis and later my uncle, who lived there, visited us. After he returned to St. Louis he often wrote about the city and sent us presents, among which was a new breech-loading



shotgun. These associations with the big city of St. Louis, about one hundred and fifty miles away, had given me a desire to leave the farm and go to the city and I had worked up a determination to manage it some way sometime. It was through my friendship with Harry Dodson that my opportunity came. He went to Denver to live with his grandmother and attend school there. He continually coaxed me to come to Denver and I kept at my parents until they agreed to let me go. It was difficult for me to find-enough money to buy clothes and a ticket and have a few dollars left when I reached Denver. My father had re-established his business in Purdin—mostly on borrowed money and credit—but his reputation for honesty and reliability was very high among his business associates and throughout the community, and it was this reputation that enabled him to get started in business again. It was necessary for him to put the profits back into the business, to pay his debts and to use as little of his money as possible for living expenses. On the farm we raised almost everything we ate and usually sold enough products from the farm to buy our clothing, and while good food was plentiful and clothing sufficient in our house, money was scarce. Therefore, I did not ask for any more money to take along with me than was necessary. My uncle had returned home from St. Louis and he volunteered to give \$20.00 toward the pot I was striving to get for the journey. I do not remember the exact sum I had in my pocket when I reached Denver but I am sure it was less than \$25.00, and while I never wrote home for money, Father and Mother did send me a few dollars from time to time, although never more than \$5.00 at any one time. When the time came for me to leave I was torn between a great desire to go and a terrible feeling at the thought of leaving home, for we were a happy family and enjoyed one another's company. Finally the old gray mare was hitched up to the cart and Father and I started off for the station of Laredo, where I boarded the train for Denver. As a parting favor the old dog treed a squirrel right near the house just as the cart was waiting for me. My brother went in and brought out the gun to me and said, "Here, you shoot it, it will be the last one you will get for quite a while, " so I circled around the tree until I sighted the squirrel and got him. This was quite a parting treat, as shooting was my greatest pleasure.

I got the greatest thrill out of the train ride from Purdin to Denver I have ever gotten out of any ride. It was a great experience to ride over the great expanse of prairie and alfalfa fields and some sagebrush country that was between Purdin and Denver. Shortly before



we arrived in Denver a large, good-natured man spoke to me and asked me where I was going. He took notice, of course, that I was a boy from the country and alone. I did not visit the dining-car as I had enough lunch to carry me through and had stayed in my seat throughout the entire journey, and I do not think anyone else spoke to me. I told him where I came from and where I was going and he warned me that the city would offer many temptations, but said I should remember the teachings of my parents and to continue to associate with people like them and not acquire any bad habits. He also told me that the city offered many opportunities and that by honesty, hard work, and perseverance I could make a success in the city. We said good-bye and I have never seen or heard of him again. I would like very much to see that man again and to thank him for his kind words and advice, for I am sure, simple as it was, that it did me good. It came at the psychological moment to do me good; it was corroboration of what I had been told by my parents.



Chapter 5: Denver to Portland

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I was just 15 years old when I landed in Denver and I had had only a poor country school education. I was fond of reading and I believe I got more out of school than most of my associates, for I remember on two occasions that teachers asked me what I was studying for and what I intended to do when I grew up. My last teacher, Miss Wanless, asked me what I was studying for and when I wanted to know the reason for her asking she said that I took such an unusual interest in my studies that she thought I must have some particular purpose in view. I remember telling her that I did not know what I wanted to do excepting that I wanted to do something besides farming and that I wanted to go to a large city. Therefore, when I landed in Denver, I had realized my immediate great ambition. Harry Dodson went to school and I would like to have gone to school in Denver also but could not because I had to work. Harry's father was not yet in Denver but was still running the store in Purdin, but his mother and grandmother were there and I lived with them. They could not afford to keep me unless I could contribute something towards the living expenses of the family, so I started out to hunt a job. I had an uncle and aunt and several cousins who lived in Denver but I did not know them as well as I knew Harry Dodson and, although my uncle begged me to live with them, I preferred to live with Harry and did so.

My cousin, George Rentfrow, knowing that I was looking for a job asked me to come down to his office and apply for work, which I did, but could not get in. I then went with him to a printing shop where I did get a job delivering. I stayed with this job for a few weeks until there was an opening in the shop where my cousin worked, the Denver Hotel Bulletin. They printed a newspaper and also practically all the bill of fares for all of the hotels in Denver. My salary was \$2.50 a week and after two or three weeks I figured that I had learned the job pretty well and I asked for a raise and got my salary raised to \$3. 00. I was used to hard work on the farm and I dug into this work with all my might and I evidently gave satisfaction as I often got raises and plenty of praise. I soon saved up enough money to buy a second-hand ladies' bicycle which Harry and I used to ride out into the country on Sundays and holidays hunting for rattlesnakes and jack rabbits



with a 22 revolver, which he owned. We also had a hobby of climbing mountains and we often rode out to the mountains from Denver, two of us on one bicycle that had but one saddle.

In the spring of 1901, Harry's father got a job in Portland, Oregon, and he came through Denver on the way to Portland and said that he would send for his family as soon as he got located and accumulated enough money to pay the fares, and in May 1901 we left Denver for Portland, Oregon. I had not accumulated enough money to pay my fare, but Mr. and Mrs. Dodson were kind enough to advance the money to pay it, which was \$15.00 plus meals on the dining car, on the way. This was my first experience of eating on the dining car.

Harry and I had read everything we could get hold of about Portland and Oregon, and we expected to see Indians and wild animals thick out here in Oregon. The spring must have been late in Denver, as the buds were just beginning to grow when we left and when we arrived in Portland all the trees were in full leaf and Portland was a beautiful sight to our eyes. There were no clear streams of water in Missouri and none close around Denver, with which we came in contact while we were there, and the Columbia and Willamette rivers and tributaries that we saw on the way in were so clear and beautiful that they impressed us most favorably. The Cascade mountains with their luxurious foliage seemed so much more beautiful than the Rocky mountains that have so little foliage.

I had been so busy in Denver trying to learn everything about my work and about a big city that I had not had time to get so very homesick although I longed for home many a time. The first few weeks, however, after landing in Portland, I suffered a great deal from homesickness. It seemed so very far away from home and although Mr. and Mrs. Dodson were extremely kind to me. I felt that I could not earn enough to quite pay my way and that I was a burden to them, and this, of course, helped to make me feel more homesick, but just the same I struck out to hunt a job the next day after we arrived in Portland, and I found a sign in a window, "Boy Wanted, " at 150 Third Street, the Luke Knitting Company. I went in to inquire about it and was given a job learning to run a knitting machine making woolen socks and stockings at \$3. 00 per week. I was supposed to work the first week for nothing but I made such rapid progress that Mr. Luke



paid me for the first week's work. This job was not a very enviable one from the standpoint of most boys, as Mr. Luke told me that he had great difficulty in getting boys to stay with him. Two or three others were hired at the same time I was and none of them were there over two weeks, so it was not so much luck to get a job right away as it was luck to be able to hang on to it.

Mr. Luke ran a retail store handling all kinds of work gloves and dress gloves, knitted underwear, sweaters and hosiery. There were two of us working on the hosiery machines, one on the sweater machine and one on the same machine that made underwear. The young fellow that was working with me on the hosiery machine told me one day that he was going to have one of those "swell" pairs of gloves before he left the place. He said he had been trying to swipe a pair for quite some time but he believed now that he had found out a way to do it. I told Mr. Luke what had been said and he immediately let the boy go. He told me that he was not a very good knitter anyway but he did not want a boy around him that he could not trust.

Within a few weeks I became quite expert in running these sock machines and one day I made 45 pairs which he said was the record, as 36 pairs were the most that had ever been made before in his shop in one day by any one person. I had accomplished this increase in production by the invention of a little cam which prevented drop stitches at high speed. This accomplishment pleased Mr. Luke so much that he gave me a gold watch and chain as a present for the invention.

Mr. Luke's head man and assistant, Mr. William Blohm, used to trim windows once a week at night and I asked him if I could come down and help him trim windows as I would like to learn how. He seemed surprised that I would ask to come and help trim windows at night without pay and he was glad to accept my assistance. He soon taught me how to do the job to his satisfaction and soon got so he would let me do practically all of it and, although it was a very hard job, I enjoyed it very much. I then asked Mr. Luke if I could come down Saturday nights and wait on trade as I would like to learn how to sell merchandise. I offered my services without extra pay and they were accepted.

I had started going to night school at the Y.M.C.A. and along with spelling, writing, commercial correspondence, English and mathematics, I took a course in salesmanship, and I was anxious to get the practical experience. I worked like a Trojan and I seemed to



give them satisfaction in trimming windows and selling merchandise Saturday nights until 10 and 11 o'clock, as well as in knitting, and almost every month I would get a small raise and words of encouragement.

I soon learned to do everything there was to be done around the store, including running all the knitting machines, waiting on customers, trimming windows and going to the wholesale house for new supplies. I got acquainted with several heads of departments in Fleischner-Mayer & Company and longed to get into a big wholesale house like Fleischner Mayer & Company's store, where I felt I could learn still more about business and especially the wholesale selling end.

Coming from the farm and being used to fresh air and outdoor work, then going into a knitting factory, working all day, going to school four nights a week and working Saturday nights until 10 or 11 o'clock was too much for me and, after about two years of this I could tell that it was injuring my health. The doctor advised me to get some outside work or take a vacation and, as I regarded my health as more than anything else in the world, I made arrangements to get a vacation and go to Hood River where I stayed for five months, during one whole spring and summer.



Chapter 6: Vacation at Hood River & Work at Luke Knitting

Originally Published May 1929

By this time my folks had sold their belongings in Missouri and moved to Portland. My brother Roy was working in a wholesale house and attending night school, and my brother Harry and my sister Minerva were attending grammar school in Portland.

During the summer of 1904, our entire family, with the exception of my brother Roy, who stayed at work on his job, went to Hood River where we worked in the mountains putting in a ditch and flume to carry lumber from the mountains down to a mill. My work was helping a surveyor and catching trout for the camp in spare moments. Five months in the mountains put me in excellent physical condition and incidentally I became acquainted with the Pregge family and later on through Emma Pregge, who is now Mrs. Carl Jantzen, I met Mr. Carl Jantzen. My experience in the mountains was so delightful that from that time on until I was married in 1910 I spent all my vacations in the Hood River valley and the surrounding mountains. During these visits I became very well acquainted with Mr. Carl Jantzen. One summer evening Mr. Alfred Cormack and I attended a party at the Pregge farm home, where I came in contact with Mr. Jantzen for the first time at a social party. Mr. Cormack remarked to me while we were on the way home that he considered, "that Carl Jantzen a very clever fellow. " I was thinking the very same thing about him; I liked him better each time I saw him.

In 1904 I came back from my long vacation and got a job with the wholesale dry-goods firm of Fleischner - Mayer & Company where I worked for five years. I was very anxious to go to work for this firm and when I was offered a job as trucker boy I accepted it without asking how much the salary was. At the end of the month I found my salary was \$22. 50 per month, which was considerably less than I had been earning in the mountains and less than I had been earning at the Luke Knitting Company, but it was the opportunity to learn and advance that attracted me and I was satisfied. My job was to take a roller truck and gather up merchandise in all the different departments for delivery to the billing department for billing. I worked with all my might and tried to learn everything about the business as I worked. I was one of three or four boys doing this



work. It was the practice of the boys to stand around and talk and play when there was no work for them to do. Instead of employing my time in this manner, I assisted the clerks who laid up the merchandise in order ready for billing. I soon learned to do this work and was often given the job of helping. It was not long until promotion to this work came.

In the meantime I had asked to be transferred to the hosiery department and I was given the job. The manager of the billing department objected to letting me go but finally when the head of the hosiery department agreed to allow me to come back in emergencies I was transferred. I had to start at the bottom again here; my work was principally opening cases and putting away stock. Occasionally I was permitted to wait on some small customer. I worked so hard that the department head once said that I could put away more merchandise than any two men he had ever had. It also pleased me when the next highest man in the department called me the bricklayer because he said I stacked the boxes so neatly that I must have had experience in laying bricks.

I always made an effort to please my supervisors and this meant hard work and study. The study of salesmanship interested me and I was very anxious to practice it as much as possible. Even though I did not wait on customers I made an effort to learn their names, their businesses, and locations, when they came into the department. The head salesman would often call me to ask where certain merchandise was and about prices, etc., as I made a special effort to remember where everything in the department was. It was the custom of this head salesman to call me immediately when one of our largest buyers, who bought for four stores, would come in to buy as he was always impatient and wanted to get through quickly. So I was kept close at hand to answer all questions he might ask as to whether we had certain merchandise in stock. One day when this man came in he asked the floorwalker who brought him up from the office to allow me to wait on him as I knew more about the stock than anyone else. This was my great opportunity and I must have given him satisfaction as he always insisted on having me wait on him thereafter. This incident brought me to the attention of the management and also aroused a great deal of jealousy among the other salesmen in my department. I was always friendly with all of the men, however, and did my best to conceal my elation over my success and to make light of it to them, and, in this way, avoided any serious trouble.



Another incident which brought me to the attention of the management occurred one Saturday afternoon when the carpenters were doing work in our department and someone had to be in the department until they left in the evening. I volunteered to stay in place of the head of the department who had intended to stay, and he appreciated it so much that he mentioned it to the manager, Mr. Sam Simon, who came up to me the following Monday and told me he appreciated my attitude toward my work very much, that he was going to give me a \$10.00 raise starting next pay day, and that if I would continue just as I was going I would advance very rapidly in my position. Shortly after this, Mr. Harris, the manager of the department, went on a six weeks' buying trip to New York and left me in charge of the department. I was next to the youngest man in the department and had to conduct myself in a very diplomatic manner to avoid arousing jealousy. I am sure I owe a great deal of my success to my ability along this line, and what I possess of my ability is due to the influence of my mother and father who have always had the reputation of being able to get along with anyone.



Chapter 7: Work in Portland

Originally Published July 1929

I am sure it was just as easy for a young man to spend all of his salary on his clothing and lodging and entertainment as it is today, but my determination to save enough money to get started in business for myself enabled me to overcome the temptation to spend any money that was not absolutely necessary. I budgeted my income and obligated myself to make payments on real estate and I lived up to the program.

I am sure that all the good intentions and all the hard work and anything else I might have had to my credit would not have enabled me to succeed in getting started in the knitting business had I not succeeded in saving enough money, as I had no friends or relatives in Portland of whom I could borrow it.

Among the group of boys about my age who worked at Fleischner Mayer & Company when I did, and with whom I associated more or less, was one boy who was very handsome and who used to wear the best clothes. He spent all of his money entertaining lady friends, attending ball games, theatres and other things attractive to him. His parents were in comfortable circumstances and frequently gave him money. Finally after wandering around from one concern to another he became untrustworthy and found it difficult to obtain a position, and he has gone down the ladder until he cannot get and hold a position equal to that he had when a boy. The funds of his parents have been exhausted and the last I heard of him he was in very uncomfortable circumstances. A few years ago he made application for a position with our Company, which, of course, had to be declined. Another very bright and promising young man, whose parents were in comfortable circumstances, and who was supposed to have a pull with the management, has, despite all his advantages, made almost no progress. Another young man—very intelligent and pleasant to associate with—inherited a fortune reputed to be worth \$100,000, but he has lost practically every bit of it, although at that time he could see nothing ahead but ease and luxury for the balance of his life. And so the list looks as I scan it; those who had plenty have either lost it or have made little or no progress, but a few hard working young fellows who had nothing have made by far the best showing. One of the men now owns and operates a prosperous jobbing



business, another has made a fortune as an investment banker, and others have responsible positions with good companies. From the experience of these men whom I have known it certainly appears that the young man who starts with little or nothing has the best chance of financial success.

During the five year period while I was employed by the firm of Fleischner Mayer & Company, we had the 1905 World's Fair in Portland. Many people were pessimistic about the Fair and said the city would be very dead after it was over. However, the Fair proved to be a great advertisement for the city and its growth was accelerated during the Fair and it continued to grow more rapidly thereafter than ever before. In 1906, San Francisco had an earthquake and a great fire and the firm of Fleischner Mayer & Company, having one of the largest stocks of merchandise on the Pacific Coast, were in a position to supply merchandise in a hurry to the merchants of San Francisco and those of other sections. During that year we did a large business.

Mr. Theodore Roosevelt was President of the United States during these years and his famous trust-busting procedure was well under way which temporarily affected business adversely. However, it was during this same five year period that manufacturing in the United States took a new lease on life on account of the high duty placed on imported goods. When I first went with Fleischner Mayer & Company, we imported most all of our best hosiery from Germany and England. All of our laces and embroideries came from France and some of our better woolen underwear came from Switzerland, and many things in other departments came from abroad. Within a few years our importations of hosiery, embroideries and laces ceased almost entirely, and never again have these countries regained their business in the United States in these lines.

What I saw happen to industry in the United States in those few years, strengthened my belief in the wisdom of the protective tariff for our country. It started up our factories, employed our people and gave them money to buy what all of our factories were producing. It is true the tariff made prices higher, but it also made wages higher and produced more business and enabled more people to purchase the things they needed, and in recent years we have learned, largely on account of Mr. Henry Ford's example, that high wages are essential to the prosperity of our country, and, of course, a protective tariff makes a high living scale and high wages possible.



Now that my finances were in good shape and also my health —as a result of having been out of doors for nearly a year—I began to negotiate a deal with my old employer Mr. Luke, of the Luke Knitting Company, 150 Third Street, to buy him out. As he was getting quite old and was anxious to dispose of his business, he immediately became interested in my proposition and made me an offer which I took under consideration for further study and to plan a way of financing the deal.



Chapter 8: Starting Portland Knitting Co.

Originally Published September 1929

About five years of this strenuous working indoors, sometimes until 10 or 11 o'clock at night when we were busy, besides going to night school four nights a week, was beginning to have its effect on my health, therefore, I asked for a vacation of a month to spend in the mountains and it was granted. When I returned I felt much better but was still not in perfect condition, so I was told to go back and stay another month, or longer if necessary. After another month I came back and, to my surprise, the next pay envelope included my wages for the two months I was away. This was very much appreciated, although I had heard many harsh things said about this firm by some of my associate employees, but it seemed to me they were more than fair to those who gave them good service. I worked a few months but found that my health was poor so I told the manager it seemed best to work out-of-doors until I regained my health. He told me to go ahead and work outside for a year if I liked and then come back. I well remember the words of Mr. Simon, then the manager, when he said that at any time I was ready, to ask no questions but to come in, hang up my hat, and go to work where I pleased, as there would always be a job for me. Those words were very comforting and I really expected some day to go back, but I left then and went to work as a real estate salesman about January 1909.

While waiting for a certain tract to be opened up for sale I decided to visit my uncle in Vancouver, British Columbia, to go hunting and fishing and also to look over business prospects in that country. After our hunting and fishing trip I took the job of guarding a car of Chinese passengers from Vancouver, B. C. to Montreal, Canada, the compensation being a free trip across the country and back. On my return trip I stopped off at every opportunity and in this way I saw all of the main cities in Canada and also visited Buffalo, N. Y. and Niagara Falls. By this time I was anxious to get to work and did not have a long wait after returning to Portland before I was into the business of selling real estate. 1909 was a good year for real estate sales and that summer I made about three or four times as much in commissions as I had been getting in salary at Fleischner-



Mayer & Company. With the money I earned I was able to pay ' the balance I owed on real estate which I had been buying on the installment plan, and have a little cash left. My ambition to some day go into business had caused me to save every penny possible instead of enjoying some of the fancy clothes and entertainment that most of my associates did.

At that time I was doing my banking with the Portland Trust Company, then located on Third and Oak Streets, a concern with whom I had become acquainted through Mr. Joseph Friedenthal, then the head of one of the largest departments of Fleischner Mayer & Company, and at present owner of the Columbia Knitting Mills. My introduction to the banking concern came through' the purchase of ten lots from Mr. Friedenthal for which I paid \$1000 at the rate of \$10.00 per month to the bank for his account. Mr. Cohen was then President of the bank, and Mr. B. E. Paget was Cashier. Upon the recommendation of Mr. Friedenthal, and my own experience with them, I had no difficulty in getting the President, Mr. Cohen, to give me a credit of \$5000 with which to make the purchase of the Luke Knitting Company. As collateral I turned over the title to the real estate which I held jointly with my brother Roy, as we had made our purchases jointly and one \$700 house and lot in Montavilla which I held jointly with Mr. Alfred Cormack. All of the real estate which was put up at collateral was soon sold and released to us by the bank, with the exception of the main parcel of ten acres which my brother Roy and I still own. It is situated between the Base and Section Line Roads about two and a half miles east of 82nd Street.

The negotiations which I have just mentioned took place in the summer of 1909 and Mr. Luke had promised to reduce his inventory so that a payment of \$5000 would be sufficient as the first payment on the purchase price of about \$9000, but as more merchandise would have to be purchased for the fall business, and as a new man in the business would not be entitled nor able to secure the necessary credit to obtain this merchandise, I knew I would have to procure more capital to be on the safe side. While the inventory was being reduced, I felt I must have a few days in the mountains before I buckled down to business, so off I went for a vacation with Mr. Herman Pregge, Mr. Louis Pregge, Mr. Carl Jantzen and a friend of his from the East, to Lost Lake near Mount Hood, to fish and hunt and gather a few huckleberries and to have a general good time hiking around the mountains, as we always did when we got together. When the



day came to pack up and start for home I told Mr. Jantzen what I proposed doing when I got home and invited him to come down and go into business with me. He immediately answered that nothing would suit him better and that he was tired of the apple business anyway and that he would try to sell his farm and join me. To my surprise within a few days after I returned home, he notified me that he had sold his ranch and would soon be ready to come. I wrote to him and told him to come as soon as he was ready and I would go ahead with negotiations in the meantime.

Within a few days he was down and we approached Mr. Luke together with confidence that we had sufficient money to buy him out. But as he had already started in to receive fall goods, and his most profitable season was immediately ahead of him, he had changed his mind about selling at his inventory cost as he had offered me, and demanded that we pay him in addition \$7000 for good will. This was a very discouraging ultimatum right at the time we had our minds made up that we were going to sail along smoothly. Instead of about \$9000 the amount had increased to about \$19,000 on account of the additional inventory and the amount he asked for his good will. At his suggestion we made one attempt to borrow the money to negotiate this deal, but Mr. Schmeer of the United States National Bank, then a comparatively small bank located on Third Street, refused to have anything to do with the proposition because he frankly considered the risk was too great for two young-fellows starting in a new business. He said that because Mr. Luke had made a success of the business was no reason why we could do it, and that his bank could not loan us the money. Carl and I were rather lukewarm on the proposition any way on account of the \$7000 for good will and made no further efforts to obtain the money for this kind of a deal, but, decided to go into business for ourselves and not purchase the Luke Knitting Company.

Having worked for Mr. Luke for a number of years—two years steadily, and then Saturday nights throughout the busy seasons for five years following—I was well acquainted with the names of the concerns from whom he purchased most of his merchandise, and also knew the kind of machinery he used in his knitting mill. We had my friend Mark Carter, who had been admitted to the bar but who had never practiced law, draw up Articles of Incorporation under the name of the Portland Knitting Company. His brother, L. E. Carter, was present and helped us compile the Articles. Just previous to this we had ordered a supply of hosiery and gloves and had rented a store at 231



Alder Street from the Hibernia Bank. Immediately upon sending in, these orders, and information as to the nature of our proposed business, the mercantile agencies, Dun's and Brad-street's, sent representatives to interview us and ascertain the amount of our finances and our experience and ability. Articles were drawn up and our application to incorporate was filed in January, 1910. When the papers were finished we had signed them and they were ready to mail to Salem, Mr. L. E. Carter shook hands with Carl and myself and remarked that some day our Company might be a very large Company and he would look back with pride to having assisted us in drawing up our Articles for this corporation. Mr. Mark Carter was at the time employed at the Portland Trust Company in the real estate department, and Mr. L. E. Carter was also in the real estate business. They were both members of the Fourth Presbyterian Church and were active and prominent in that organization. It was at this church I met the Carters. At the time the corporation papers were being made out the question arose as to who was to be president, vice-president, secretary, and treasurer. When the question was asked, I proposed Mr. Jantzen as president, but he declined, saying I should have the honor. He being more persistent, I was made president of the new corporation, and Mr. Jantzen was made secretary - treasurer, and Mr. C. R. Zehntbauer was made vice-president. Our authorized capital was \$10,000 which Mr. Jantzen and I subscribed for, with the exception of one share which was given to my brother, C. R. Zehntbauer, to qualify him as a director and officer.



Chapter 9: Initial Store at 231 Alder Street in Portland

Originally Published November 1929

My brother, C. R. Zehntbauer, continued with his job as salesman in the piece goods department at Fleischner-Mayer & Company as he had a good position, but Mr. Jantzen and I had already cut loose from everything and were ready to find our respective places for which we were best fitted in the new organization. Having had experience in city retailing, wholesaling and traveling salesmanship, in addition to having had a course in commercial correspondence and accounting, I tried to boss the whole business to start with. Having failed to make a deal with Mr. Luke, we decided to go into business for ourselves and we proceeded to duplicate his proposition as nearly as possible. We had a retail store downstairs and a few knitting machines upstairs. At 231 Alder Street we opened our store in January 1910. We manufactured heavy sweaters, heavy woolen hosiery and most anything else to order, and we carried a large stock of gloves that we sold at retail and wholesale. We had a man knitting for us by the name of Kahrle. He ran the large sweater machine and we had one girl knitting hosiery. I forgot to mention that when Mr. Luke found that we were going into business in competition with him, he proposed selling us his knitting factory and agreed to discontinue knitting. We accepted his proposition and, along with the knitting machines, we secured the two operators whom I have just mentioned.

Practically all of our sweaters were made to order and a great deal of our business was manufacturing knitted jackets for the Chinese. Measurements had to be taken and then the tension and the stitches figured on the order sheets for the knitters. At first I had to show Mr. Jantzen how to do this measuring and figuring, as it was decided that he was to be the inside man and I was to go on the road and sell our gloves at wholesale and such knitwear as we could manufacture. I supervised the setting up of the knitting machines and often came in at night, after my regular work, to knit hosiery to order or to figure out how to make it when the girl was not able to handle it. My sister, Minerva Zehntbauer, was through school and ready to go to work about this time and I taught her how to knit. After she was well trained, she took care of the instruction of new operators. Since Mr. Jantzen was of a mechanical turn of mind and also possessed of artistic



talent, he soon became very much better at designing than I, and he also soon learned everything there was to know about all of the knitting machines. I was then able to give more and more of my time toward the selling and financing ends of the business. Mr. Jantzen stayed in the store, waited on the retail trade and supervised the knitting at the same time. The two of us worked almost every evening; he would either work in the knitting department or trim windows and paint price tickets, while I attempted to keep the books and carry on the correspondence, using the old Oliver typewriter which I had learned to operate by the touch method. The new Madison bridge was being constructed in 1910, and we chose the store at 231 Alder Street thinking that when the bridge was completed and the cars came around that way again, business would be very good in that location. We hung on a good many months waiting for the bridge to open and, after it was finally opened, business was very little, if any, better than before. Our location was not a good one for our type of business and, even though Mr. Jantzen and I drew only \$75.00 per month each as salary, we were not able to make expenses, and we went behind about \$5000 in the first two years.

We had our first printing done at a shop directly across the street and upstairs. The name of the Company was The Arcady Press. Mr. Joseph R. Gerber was a partner in this enterprise and took it over by buying his partner out shortly after we started in business. I remember Mr. Gerber as being a very hard-working, bright boy who always appeared anxious to please and give good service. He also seemed to be full of good ideas and suggestions. We are still doing business with this company.

At this point I believe a brief history of Mr. C. C. Jantzen's life up until the time he went into business with me would be of interest. Mr. Jantzen came to this country from Denmark with his father, mother, brother and three sisters, arriving in Portland when he was seven years old. His father was a carpenter and cabinetmaker. He had difficulty in finding work when he arrived in Portland, and for several years the family had quite a struggle to make a living. Carl Jantzen has told me of the experience of going to school without being able to speak a word of English, and of having the youngsters ridicule his clothing on account of it being of the European type. He has also told me of the terrible experience he went through when his father was laid up with a broken leg and his mother had to do nursing to help make a living for the family. Later on, things went a little better when his brother had a job and he obtained work at the Meier & Frank Company.



While Mr. Jantzen was working at Meier & Frank's as head of the Wrapping Department, he got hold of a copy of *Physical Culture*. He was very much interested and subscribed for it. The constant reading of this magazine by him and his brother made them decide that they would be much better off in the country and that inside work was injuring their health. They then pooled their interests with their father, bought twenty acres of rich Hood River fruit land, and moved there to live. Mr. Carl Jantzen drew the plans for their house on this ranch and he worked over them very carefully, endeavoring to save as much as possible and yet build a good house. In going over the plans he often discovered ways of making savings, and one day his father remarked to him that if he kept on going over the plans they would soon be able to build a house without any material at all. While Mr. Jantzen attended school in Portland he was very good in art work and his teacher advised him to take special training in art, which he endeavored to do. When he went to the Y. M. C. A. to take special lessons in drawing, the teacher told him after the first night he was there, that he was wasting his time as there was nothing he could teach him, and that he should go to someone who was further advanced. So you see, Mr. Jantzen knew something about drawing before he began to design patterns and styles for swimming suits and sweaters. He also had learned how to save and make short cuts in construction before he undertook to build swimming suits that were destined to be the most popular swimming suits in the world.



Chapter 10: Buying out Luke Knitting & Moving to 150 Third St.

Originally Published December 1929

Mr. Jantzen's farm consisted of half of this twenty-acre piece, or ten acres. His brother, Henry, had the other half. When the Jantzen family went to Hood River to farm, none of them knew a thing about farming, but they learned very rapidly and Carl Jantzen's fruit orchard was one of the neatest and most orderly and productive orchards in the Hood River Valley. The Jantzen ranch was just across the road from the Pregge ranch. This may account for the fact that Mr. Jantzen married one of the Pregge girls, and Mr. Herman Pregge married one of the Jantzen girls. It was during the courtship of these folks that I met Mr. Jantzen at a party at Mr. Pregge's. It was the good humor and wit and health of Mr. Carl Jantzen which he had gained through having gone on the ranch that attracted me to him when I met him. He has been as neat and orderly about his business affairs as he was with his fruit ranch.

The Jantzen family had been forced to struggle along for a bare existence on their farm at first, but had succeeded so well that finally the ranch was fully paid for and the family had advanced to comfortable circumstances.

You can imagine Mr. Jantzen's feelings at selling out his share in this successful ranch and going to the city to engage in a strange business which was apparently turning out to be a failure. As I said before, we had lost about half our capital in the first few years. It was a discouraging time for both of us.

However, I believe I was able to keep up my courage better because I had been taught that it usually took several years to get a business on a paying basis, and I was not greatly surprised that we were not able to make headway at first, so we kept on struggling and, after nearly two years and a half, we were about breaking even. At this time Mr. Luke proposed that we buy him out. He made us a proposition to buy him at inventory cost and we accepted. His stock at that time inventoried between four and five thousand dollars and Mr. Jantzen got a loan from Mrs. Pregge of \$3500, secured by notes in equal amounts from Mr. Jantzen, Roy and me—the balance we borrowed from



the bank as we had to pay cash to Mr. Luke.

In the two and a half years in which we had been in business we had secured the agency for three lines of gloves, which were the best lines that Mr. Luke carried. We were getting a ten per cent commission for selling these gloves to the trade and his purchases were included. So we were getting ten per cent commission on all the purchases he made of these three glove manufacturing concerns. We were beginning to develop quite a retail business in gloves. We had begun to sell canvas gloves and other leather gloves at wholesale in addition to these two main lines on commission, and Mr. Luke had begun to feel our competition and in addition to this he was getting old and felt that he had enough to retire on.

We did not have to pay him \$7,000 for good will when we finally bought him out but we had lost about \$5, 000 and any profit that we might have made had we bought sooner. Therefore, we always thought we would have been much better off had we bought him out in the first place, paying him \$7,000 for goodwill because we would have had a growing profitable business from the start. As I look back on it now I am beginning to believe that it was fortunate that we had the experience we did in the old Alder Street store. We were able to appreciate business when we got it and we knew by experience what it meant to build up a business from nothing.

This loan of \$3,500 from Mr. Jantzen's mother-in-law, Mrs. Pregge, enabled us to get our business on a paying basis. We operated the store at 231 Alder Street for six months after we purchased the store from Mr. Luke at 150 Third Street, as our lease ran for that length of time. When we took over the Third Street store, we hired Mr. W. C. Thurlow to go on the road for us carrying the lines of gloves we had on commission, as well as our own manufactured products which consisted of a few sweaters and woolen socks. Mr. C. R. Zehntbauer came with us at that time. We moved our knitting machinery back to the old shop upstairs at 150 Third Street and C. R. Zehntbauer took charge of the Alder Street store and I spent more time in the retail store at Third Street while I tried to direct Mr. Thurlow in his selling of our merchandise on the road. As soon as we got well settled in the new location we bought a small runabout Krit, four cylinder, secondhand automobile for \$350.00 and I went after the glove jobbing business and hosiery business with new vigor. I found the automobile of great assistance and our sales grew very



rapidly. We quickly built up quite a jobbing business. At one time we had the largest wholesale canvas glove business in the state. I used to go out on the road all day and, after taking care of our bookkeeping and correspondence at night, would fill my orders which I had sold during the day.

The packing and shipping got to be quite a burden so we hired Mr. Otto Matthes, a brother of Herbert Matthes, who is now factory superintendent of our Australian factory. Mr. Otto Matthes not only took care of our shipping and the filling of our wholesale orders and waiting on wholesale customers but waited on retail trade as well. He was a very efficient and able young man. He left us to start business for himself as he felt he was not advancing fast enough with us. He has been successful and is still operating a suburban dry goods store in Portland.

Our business was beginning to prosper and we had increased our retail sales very rapidly. My sister, Minerva, was kept busy as a retail saleslady, becoming a very excellent one. At the time my brother, Roy, came with us; he had been with Fleischner-Mayer & Company for about five years. He had a good position with them and was well liked but was anxious to get into business for himself.

It was about six months after we moved into the Third Street store, that a member of the Rowing Club came into the store and asked us to make a pair of rowing trunks of a rib stitch such as was in the cuffs of a sweater. At the time I was a member of the Rowing Club and knew this young man, but have now forgotten his name.

I waited on him and took his order for these rowing trunks, to be made of a stitch like that of a cuff of a sweater so that they would stay up without a drawstring. After he tried them, he liked them so well that he came back for another pair and other members of the club heard about them, saw them and came in and ordered trunks like them. Nearly every member of the club who rowed had a pair. Later on, this same member came to me and asked if we could not make him a bathing suit of the same material. I told him that we could but I discouraged him as I told him it would be heavy and uncomfortable and that he would not be able to swim in a suit made of such heavy material. He went away but, after thinking it over more, came back and asked us to make him a suit, and said he would be responsible for it and would keep it whether it was satisfactory or not. So a suit was made for him and he went to the ocean to bathe in the cold water.



When he came back, he came into the store and told us that it was heavy and one could not swim well in it, but that he was well satisfied because it was so much warmer than any suit that he had ever had before and that it made ocean bathing a pleasure. I do not remember that we made any more suits just like this one, but this experience gave us the idea that a bathing suit made of this stitch, only in lighter weight, would be an excellent garment. We discussed this between ourselves and decided that we would order a needle bed for our sweater machine that would be fine enough to knit a rib-stitch bathing suit in a weight that would be comfortable. Roy, Carl, Joe Gerber and I were constantly in the water those days, either in the Y. M. C. A. swimming pool or in the river and we began to experiment for our own use on swimming suits made of this fine elastic fabric. We soon developed a suit which we found was the most excellent garment for swimming that we had ever seen.

We were in a position to be good judges, too, because we carried a large stock of swimming suits in our retail store, and we purchased the best numbers offered by the leading factories in the United States and we had quite a large retail swimming suit business.

In 1914, we were quite heavily in debt but were doing a good business and making some profit. We had an opportunity to buy the Nolan Knitting Company, owned by an old man who was sick and wished to retire. He was located where the Columbia Knitting Mills now have their factory on First Street. We were, as I say, heavily in debt and of course did not have the money to buy out the Nolan Knitting Company.

About this time I met Mr. Dodson riding home on the Rose City Park street car one evening. I told him of our proposition and after a few meetings and a little investigation on his part, he agreed to take \$5,000 worth of stock in our company and with this, together with \$1,000 worth of stock which the California Glove Company took, and the money which we were able to borrow from the bank, we bought out the Nolan Knitting Company in 1914. Mr. Dodson did not have the cash but had money coming to him in Alaska. He therefore borrowed money to buy stock in the Portland Knitting Company, which was our name at that time, and shortly afterwards left for Alaska to take care of the business which he owned and was trying to dispose of in Circle, Alaska. It was necessary for him to spend two summers there before he was able to dispose of this



business and collect his money. In the meantime, we started operating the Nolan Knitting Company's plant, which we had just purchased. We bought the plant just when the Jumbo sweater was on the wane and we were not able to do as much business as we had anticipated because other styles of sweaters were taking the place of the Jumbo, and we knew that we would have to develop something new if we were to keep our plant busy.

About this time what is known as the Rough Neck sweater was coming into vogue. This sweater had a large roll collar open in front. We started in to make such a sweater and, at the same time, we advertised that we would remodel any old roll neck or goose neck sweater into a Rough Neck or that we would remodel a button sea neck sweater into a rough neck sweater. This advertising campaign brought us quite a lot of business and kept our machines busy.

After a few months' operation in the old building at First and Columbia Streets, we decided that the light was very poor for manufacturing and that having poor accommodations in the building made it unsatisfactory for our purpose. We then purchased a building from Mr. Lewis Bader out on 44th and Stark Streets.



Chapter 11: Expanding Company

Originally Published March 1930

In that year we did a total business of \$66,665.19 and the factory then located on Stark Street did \$28,945.60 of this total. The factory showed a net loss of \$2751.54, and the store a profit of \$1799.12. These figures seem ridiculously small when compared with the present business. In the year 1929 we received single orders that were greater than the whole year's sales for the factory in 1915. We sell more merchandise in the City of Buenos Aires alone now in a year than our total sales amounted to then.

In looking up these old figures I notice the inventory records were recorded in Mr. Jantzen's own handwriting, and in 1914 when we inventoried the old Nolan Knitting Company's plant on First and Columbia, Mr Dodson's handwriting appeared on several of the sheets.

Despite our best efforts in manufacturing, we showed a loss each year for three years. A few months after we had purchased the Nolan Knitting Company in 1914, the World War broke out in Europe. This event at first had a depressing effect upon business, but gradually as the nations began to come to the United States for supplies, prices began to rise and business was accelerated and by the year 1915 it looked as though opportunities were good for making money. We had an increase in orders and at good prices, but not having much capital we were not able to take advantage of this condition by laying in a supply of yarn at reasonable prices. By the time we had to buy yarn to fill our orders the price was so advanced that it more than absorbed our profit, and had it not been for the profitable retail and wholesale business which we had established at our retail store at 150 Third Street, the world's beauties would probably still be wearing flat stitch bathing suits, and they would still be bathing instead of swimming because Jantzen would not have had the opportunity of using the slogan "The Suit That Changed Bathing to Swimming."

With Mr. Dodson tied up in Alaska, unable to liquidate his holdings and put more capital into the business, as we had hoped, and with three successive years of losses in the factory, we presented rather an unsound picture to the bankers from whom we tried to borrow money and to the prospective purchasers of stock in our company.



At the close of the year 1915, I remember having sent Mr. Dodson a statement of our business which showed a loss of \$952.42 and wrote him a letter explaining the reason for it and predicting that we should be earning at least \$10,000 a year net within two or three years. He wrote back a rather critical letter for which I cannot now blame him as I realize that he felt the chances of ever getting anything out of his \$5000 investment were beginning to look rather slim to him. His letter rather riled me at that time, however, and I sent him one in return which I considered just as hot as his. The answer I received from him showed an inclination on his part to make peace and his apology was followed by the statement: "I don't believe it does any harm for rather even tempered people like yourself and me to get het' up a little occasionally. " And thereafter our correspondence was peaceable.

As Mr. Jantzen's mother-in-law had run out of money and Mr. Dodson had not yet been able to liquidate, we had to borrow money or sell stock. To borrow was quicker and we concentrated on borrowing from the bank.

While we had just gone through three successive unprofitable years at the factory, we had made a little money each year at the retail store which was enough to more than offset our losses in the factory, with the exception of the year 1915, and the net loss that year was less than a thousand dollars. We were learning how to manufacture and our sales were increasing, and we were not discouraged because we felt that all we needed was a little more money and we could soon make our business show substantial profits.

But the problem was to convince prospective stockbuyers and our banker that we had a good chance of making a success of our business. In the year 1916, I subscribed for the modern business course of the Alexander Hamilton Institute and along with many other things I learned from the study of this course, I became convinced that our case had never been properly presented to our bank, so with the help of our auditor, Mr. Clear, we prepared a statement which was quite complete. With it I prepared a forecast of the business for the year, which particularly showed what we wished to borrow from the bank month by month and just how we would liquidate it at the end of the season. Along with these documents I took all the advance orders on hand to the bank and succeeded in having our line of credit enlarged to take care of our program for the year.

This gave us new heart and we increased our sales in all departments during the year



1916. During this year we made several very important decisions and one of these was the decision to adopt a program of advertising. Up to this time we had periodically run advertisements occasionally in the newspapers, but we had never had a sum of money set aside as an appropriation for the year's advertising nor had we prepared any copy for advertisements to be run throughout a season, but in the spring of 1916, after a few discussions with our printer, Mr. Joseph R. Gerber, who was then also our principal advertising counsel, he brought around to our office some drawings of bathing suits, sweaters and other knitwear which we were making, together with copy suggestions to go with these cuts, and after quite a strenuous session persuaded us to set aside something over \$400 to run this series of advertisements in the newspapers.

These advertisements were the first to carry the name Jantzen. After weeks of discussion and searching for a name which we could use as a trade-mark, we were unable to agree upon any of the many names which were submitted to us. We were using the brand P. K. at the time, the initials of the Portland Knitting Company, but as we had decided to advertise, it was agreed by all that it was not a good trademark and could not be advertised to advantage. We also agreed that we liked personal names for trademarks. Both the names Zehntbauer and Jantzen were suggested to us by our friends, but neither of us was willing to use our own name because it did not sound right to us. I have always felt that the name Zehntbauer was not suitable for a trademark on account of the length and difficulty of pronouncing it, and Mr. Jantzen didn't like the sound of his own name for a trademark and strenuously objected to having it used. Combinations were also suggested; one I remember was "Jan-Zen" or to be used without the hyphen, "Janzen. " Another was "Portknit".

Up to the very last minute no one could decide to use either of the names suggested, so one day shortly previous to the time Mr. Gerber brought over his proposed advertising program, I was in his office to order stationery which needed to be printed at once, as we had waited as long as possible to make a decision on the trademark before printing new stationery. After a short conference I gave him the order to go ahead and print the stationery using the Jantzen trade-mark on all of it. The name of the company of course was not affected, being Portland Knitting Company making Jantzen trade-marked merchandise.



When this stationery arrived in our office and Mr. Jantzen saw it, he was surprised and apparently chagrined, but took it good naturedly and soon got used to it and all of us have liked it ever since because it has been worth an immense amount of money to the business. A good trade-mark that will lend itself to all the ramifications of advertising is an extremely valuable asset to a company and the name Jantzen has met every requirement perfectly.

While the idea of specialization had not yet dawned upon us, we had laid the foundation for it when we developed the elastic stitch swimming, suit and made the next step by beginning to advertise it.



Chapter 12: Expansion in 1915-17

Originally Published May 1930

And in that year we made a net profit on our total business of just under \$12,000. This showing encouraged us greatly but we were still under-financed and we could not reduce our debt at the bank as much as we had anticipated because our profits were tied up in the expanded business. It was more than ever evident that we would have to have more capital if we hoped to expand at all. Not being able to fulfill our contract at the bank we did not have much hope of being able to persuade them to finance us through another year. Therefore, selling stock in our company was the only thing left for us to do, so with renewed energy and a better feeling on account of our profitable year we started out to sell stock in our company.

The first stock subscription of 1917 was that of Mr. Fred Schoppe's for \$1000 worth of common stock; the next was Mr. Carl Logan's subscription for \$2000. Then a subscription for \$3000 worth of common stock from my uncle, Lew Rentfrow of Omaha, Nebraska. Also there was a subscription of \$2000 by Mr. E. Matthes, the father of Otto Matthes, who was then working for us, and Herbert Matthes, who is the present superintendent of our Australian plant. Between February 15 and April 8, of 1917 we had sold \$8000 worth of our common stock for cash to our friends and relatives. This money, together with what we were able to borrow from the bank, was enough to run us through the season according to our estimate. Therefore, we did not sell any more stock during that year.

During the year 1916 we discontinued the name Nolan Knitting Company, the corporation which we had bought out in 1914, and consolidated the whole thing into the Portland Knitting Company raising the capital stock from \$25, 000 to \$100, 000. In the fall of 1916 we opened another retail store at 146 Broadway under the direct management of Mr. J. R. Dodson. In October of that year, Mr. Henry Jantzen sold his farm in Hood River and moved to Portland to enter the factory as a mechanic. The factory then employed about 25 people and we had four traveling salesmen.

Miss May Lambert was then forelady. She is Mrs. Pauline Penline's sister and is now Mrs. Richard Wisner. Miss Lambert was an excellent forelady but had too sweet a



disposition and was too good-looking to last as a forelady, so we lost her as a forelady right when we needed her most. However, indirectly I am sure she has done us a great deal of good by insuring us a contented superintendent in the person of Mr. Richard Wisner, her husband.

In the spring we were brought in contact with an old gentleman by the name of Sol Heinemann through Mr. A. L. Tucker of the United States National Bank. This old gentleman, we were told, had a son who had just married a very lovely girl and would like to place his son in some business with a future. Mr. Tucker, either prompted by strengthening the banks security or by the belief that we did have the ability to succeed in business if properly financed, recommended our company to Mr. Heinemann.

A meeting with the old man and his son was arranged and on April 1, 1917, Mr. Mitchell Heinemann started trying to learn how to tie a weaver's knot preparatory to being put to work spooling yarn in our Stark Street factory. I do not remember whether he rode a bicycle to work or not, but I do remember that he brought his lunch in a metal lunch box. For a young man with a university training this was starting at the bottom sure enough. While we took Mr. Logan and Mr. Heinemann because they were able to help us in financing, we turned down a great many other people who offered to buy stock in our company if we would give them a job. We were determined never to take in any one whom we did not think would fit into our organization, regardless of how badly we needed money. Mr. Sol Heinemann being a very cautious business man was not willing to buy stock outright from us, but loaned us money from time to time until the amount had reached \$10, 000. We were never able to persuade him to convert this into stock in the company and we used it as borrowed money until we finally paid it all back to him. However, his son Mitchell has always put every available dollar he could accumulate into Jantzen stock.

Along with several others of our men, Mr. Carl Logan left us to go to war. He never came back to work for us but hung onto his stock until he was able to sell it at a large profit. Mr. Heinemann had a badly bruised knee, which prevented him from going to war. In 1916, we had Mr. Baumann and Mr. W. C. Thurlow as salesmen. Mr. Thurlow is now one of the officers and owners of the Thurlow Glove Company of this city. In 1916, we thought we were producing some very good garments, and as we were having such



success in selling to the stores in the city, and Mr. Baumann in selling some in the country, we felt that we could expand our business if we had more salesmen, so we made Mr. W. C. Thurlow our sales manager. We hired Mr. Benton Sawyer to be our city salesman to take Mr. Thurlow's place. In the meantime, Mr. Heinemann had been promoted to the knitting department, not because he was so proficient in his work I understand, but because he was such an efficient story teller that he kept his fellow workmen in the winding room laughing too much. However, he was skilful at his work in the spooling department and also in the knitting department, but this story telling did become a nuisance, and had it not been for his financial connection through his father, his story telling and wit might not have reached the knitting department.

At that time Mr. Jantzen was stationed at the factory on Stark Street and I was stationed in our office over the retail store at 150 Third Street so I heard only occasionally of Mr. Heinemann. One day Mr. Jantzen remarked to me that this Mitchell Heinemann should be on the stage rather than running a knitting machine, and that while every one liked him, he did not believe that he should keep him out at the factory. At that time we were needing a retail sales clerk so I told Mr. Jantzen to send him down to the retail store, which he did.

The monkey business was all over then because in the first place there was no time for jokes and witty remarks, at least of any lengthy character, and in the next place he was extremely interested in his work and made an honest effort to succeed. In a very short time he was one of the best retail salesmen we have ever had.

We were soon convinced that we had made a wise move when we gave him an opportunity to sell. When he showed real selling ability, opportunity opened up right away for him. Mr. Benton Sawyer, the city salesman, left the company, so we gave Mr. Heinemann the city job. When I had the job of calling on the stores in the city I had devised a system of records and methods, which I turned over to him, instructing him as best I could in these methods. He adopted them and worked hard and soon improved upon them. Canvas gloves were one of the things, which we sold at wholesale. Mr. Heine-mann used to go out with an extremely low price on canvas gloves, provided he could sell a certain quantity. He would tell each customer that and book his order for as much as possible, and the order was taken with the proviso that he sold the amount sent



out to sell and if the amount was not sold the order was not filled. Usually the customer was able to sell the quantity necessary to secure the price offered and a great canvas glove business was built up. In fact at one time we had the largest canvas glove business in the state. About the time he was getting well under way with his city job it developed that Mr. Thurlow lost heart in his sales management job and took a job with the California Glove Company selling gloves on the road. Shortly afterwards Mr. Thurlow prevailed upon me to trade some real estate which I had for the common stock which he had in our company. This deal was consummated and severed Mr. Thurlow's connection altogether with the Portland Knitting Company. Mr. Heinemann, having made a marked success in selling, was the logical man as sales manager and he got the job. He took his job seriously and immediately began to prepare himself to be a real sales manager. By this time we had begun to sell more and more swimming suits and had developed quite a neat looking suit.



Chapter 13: More on Expansion & Oregon Worsted

Originally Published July 1930

Up to this time it had not occurred to us to specialize on one garment. We were still manufacturing hosiery, sweaters, scarfs, swimming suits and caps of a great many styles, colors, sizes and grades in our factory, and we were operating two retail stores and, in addition, we were jobbing articles of knit-wear made by other manufacturers, and gloves of nearly all kinds. Our retail store at Third Street had been our old standby, grinding out profits each year without fail, which fact influenced us to open the store at 146 Broadway, between Alder and Morrison. This store was also profitable from the start under the management of Mr. J. R. Dodson. About this time we had the chain-store idea in our heads and once seriously considered opening a store in Seattle. Another location in Astoria, Oregon, was investigated. The chain-store idea was abandoned mainly for the reason that we did not have sufficient funds to put into another retail store, and at the same time properly finance our factory, which seemed to be a bottomless pit into which to pour money.

On account of the rapid expansion of our wholesale business, we were compelled to move it out of the basement and attic of the Third Street store, so we rented a store room at 271 Couch Street for our wholesale and jobbing business. Shortly afterward we decided our factory building on Stark Street was becoming so congested that it was imperative we provide more room at once. We tried to buy adjoining property to enlarge our factory on Stark Street, but were unable to get any at a reasonable price, so in August 1918, we took a lease on a three-story building at 31 N. Fifth Street, and moved our factory and wholesale department into it.

I believe no story of the Jantzen Knitting Mills would be complete without an account of its association with the organization of the Oregon Worsted Company. In the latter part of the year 1916, in the Third Street Store, I became engaged in a conversation with a very interesting old English gentleman by the name of Mr. Pearson. He told me of his life long experience in worsted spinning and weaving in England and his experiences in this country later. At the time he was operating a wool bat manufacturing plant out in Sellwood. During the course of the conversation he spoke to me about a mill that had



been started near his place in Sellwood to manufacture mohair linings and dress goods. He told me the mill contained machinery that would nearly completely equip a worsted spinning mill suitable for making the yarn we were using.

I was then studying, in the modern business course of the Alexander Hamilton Institute, the necessity of manufacturers locating their plants either in proximity to their best markets, or in proximity to the supply of raw material and, as I was aware of the inconvenience and expense entailed in having to purchase yarns in the eastern part of the United States for our manufacturing, I at once became intensely interested in what the old gentleman had to say about the machinery of the old mohair mill.

Through him I learned that Mr. A. L. Mills, President of the First National Bank, had possession of the property and I immediately obtained permission to allow Mr. Pearson to show me the property. I knew practically nothing about spinning machinery, but I took the names and numbers of all the machines he said would be useful, and also, listed the machines which he said were missing and which we would have to buy to complete the mill for yarn spinning. I wrote to the manufacturers of these machines, getting prices on those on hand, inquiring as to their usefulness and, also, inquiring the prices on the new machine which would be necessary to buy to complete the mill.



Chapter 14: More on Expansion & Multnomah Mohair

Originally Published November 1930

After I had procured the necessary information and had decided a yarn spinning mill in Portland would be practicable, I went to see Mr. A. L. Mills at his office in the bank which was then located in the new Corbett Building on Fifth & Morrison Streets. Mr. Mills told me about his experience in the mohair mill and about the money he and his friends had lost in it. He said they would be glad to get the thing off their hands and would take almost anything for it, and proposed that I make him an offer. I told him that our company did not have the money to buy this plant but that, if he would give me time to organize the company, we would buy it if the price were attractive. Before I left he proposed a price of \$50,000.00.

After discussing the matter with our attorney, Mr. G. G. Smith, we decided to organize a small company to purchase the property of the old Multnomah Mohair Mills and hold it until the company could be organized to take over the plant and use it for a yarn spinning mill. Mr. Smith said he would be interested in putting money into a proposition of that kind himself, so starting out with Mr. Smith as my first prospective stockholder in the new company, I went to see Commissioner Bigelow, with whom I had become quite well acquainted while he was a buyer and a partner in the business with W. H. Markell & Company on East Morrison & Grand Avenue. I interested him in the proposition and, eventually, he and his associates joined us in putting in \$5000 as a down payment on the property of the old Multnomah Mohair Mills.

Raising \$150,000 to equip and operate this mill was an impossible task for me unless I could get assistance. Through Mr. W. B. D. Dodson, Secretary of the Chamber of Commerce, I met Mr. H. L. Corbett and Mr. E. B. McNaughton and, later, Mr. Arthur Devers of Closset & Devers. These gentlemen all were in sympathy with the project from the standpoint of keeping that machinery in Portland and starting a new yarn mill, and it was not difficult to get them to help me. Mr. H. L. Corbett, through his connection with the wool men, got most of the substantial subscriptions. Among the subscribers were ex-Senator Robert M. Stanfield, Mr. C. C. Colt, now Vice-President of the First National Bank, Mr. J. R. Boles, Mr. Sam Jackson, Mr. Julius Meier and others. Mr. McNaughton



was also instrumental in getting many subscriptions, and he made a number of talks before different clubs in the city, which aided in getting subscriptions. Mr. Arthur Devers and Mr. Fletcher Linn accompanied me at different times in calling on people throughout the city for subscriptions. Having such a distinguished group of men working made the raising of this money possible.

It was with great pride that we took delivery of yarn from the new mill during the summer of 1918.

An outstanding feature of our campaign to raise this money was the fact that we were going to have Mr. Bishop, of the Pendleton Woolen Mills of Pendleton, Oregon, operate our spinning mill. He was to take a substantial amount of stock and take over the management of the mill. Having a man with the reputation and experience of Mr. Roy Bishop was fortunate and, also, was an absolute necessity from the standpoint of raising the money and also from the standpoint of successful operation of the plant.

Our success in the knitting business made possible not only the starting of this spinning mill but, in 1919, one of our knitters by the name of Max Green left us and started into the knitting business for himself. He later interested Mr. Joseph Friedenthal, who after a time, bought out Mr. Green. That mill is now called the Columbia Knitting Mills. Later on, two of our boys with our assistance bought a few of our machines, and some new machines, and started another knitting mill. Mr. Harold Steele is still operating this mill under the name of the Northwest Knitting Mills. Following this, another one of our employees, Mr. Dehan, started the Dehan Knitting Mills.

When we discontinued the manufacture of heavy sweaters, we turned over what business we had to two of our employees, Mr. William Daley and Mr. John Wisner, who started what is now called the Alderwood Knitting Mills. At this time all of these mills are in operation. Later on, as our business grew, other companies up and down the Pacific Coast began to pay more attention to swimming suits, and the *effect* of our success was not only encouragement to the young knitting companies in Portland, but to many mills throughout the Pacific Coast district.

At the time Mr. Gerber laid out our first advertising campaign in 1917, he was, in addition to running his own printing business, writing advertising copy for the Deute-Tyler Company, some of which copy was for the Saturday Evening Post, and it was with quite



some pride that Mr. Gerber in his early 20's told me of his writing advertising copy which was to be run in the Saturday Evening Post.



Chapter 15: Name Change to Jantzen & Advertising

Originally Published December 1930

As Mr. Gerber was not at this time in the advertising business for himself and, as he knew our advertising appropriation would not likely attract the company for whom he was writing copy during his spare time, he recommended that we give our account to another young man who was then in the advertising business in Portland. We followed Mr. Gerber's advice but we were never quite satisfied. One day we were discussing our advertising with Mr. Gerber while eating lunch in Swetland's Restaurant. I presume he felt responsible for having recommended the change we made and he then suggested that we try to get the Deute-Tyler Advertising Agency to handle our account. We left the table together and went to see Mr. Percy Tyler in his very nicely furnished office in the Dekum Building. Mr. Tyler informed us that the account was too small to be profitable, but his firm would take it provided we would guarantee them a minimum of \$25.00 per month in commissions. A deal was made accordingly and, shortly after this, Mr. Percy Tyler and Mr. Heinemann were headed for Seattle to call on the trade and show them an advertising campaign which the Portland Knitting Company proposed to run in Seattle during the summer of 1918, and to open up some accounts for Jantzen Bathing Suits and sweaters. A few accounts were opened and a few advertisements ran in the Seattle papers during the summer of 1918. We advertised Jantzen Knitwear and our slogan was "You Always Notice a Genuine Jantzen." This slogan was Mr. Tyler's suggestion, and it came to him while we were discussing slogans in his office.

After this first advertising we found the name "Portland Knitting Company" burdensome in our advertising. Customers began to write in to Jantzen Knitting Mills even before we had the name changed, because the advertising had impressed our trademark name Jantzen upon their minds and they did not notice Portland Knitting Company. Therefore, it was decided to drop the name, Portland Knitting Company, and change to Jantzen Knitting Mills, which we did the latter part of 1918. About this time Oregon Loganberry juice was being advertised nationally. The Deute-Tyler Agency had Phez loganberry juice, and the Botsford Company, another advertising agency, was advertising Loju. These two loganberry juice concerns consolidated and persuaded their advertising



agents to consolidate also. Mr. Deute had already left the Tyler Agency and had gone to work for the Vogan Candy Company as sales manager. But Tyler's Agency consolidated with Botsford's Agency, and our advertising company's name was Botsford-Tyler Company. The new agency planned our 1919 campaign. We planned to advertise swimming suits alone and let our other garments follow as best they could without advertising. As our funds were limited, we used only newspapers in Portland, Seattle, Tacoma, Oakland, San Francisco and Los Angeles.

In 1919 and 1920, we advertised Jantzen bathing suits. It was not until 1921 that Mr. Dodson first conceived the idea of using the name "Swimming Suit" instead of bathing suit. Up to this time we had never heard the name "Swimming Suit" used, and we had been selling bathing suits for years and had come in contact with all kinds of advertising of these garments, which consisted then entirely of newspaper advertising by retailers, or trade paper advertising by manufacturers. So we are certain the name "swimming suit" was never used in advertising. Mr. Dodson was manager of the Broadway retail store at the time, and I remember distinctly the twinkle in his eye as he suggested the use of the name in our advertising. As we had particularly brought out in our copy that our suit was ideal for swimming, I could see the possibilities in the name at once and knew Carl, Roy and Mitchell would be equally enthusiastic about it when they heard it. So from 1921 we discontinued the use of the name bathing suits and used swimming suits in all our copy. Since then many manufacturers throughout the world have advertised swimming suits in place of bathing suits.

Early in 1919, Mr. Heinemann packed his sample case with our new bathing suit line and started for California to see if we could not open up some accounts in that state. We had sold some of our goods in Seattle the year before and our business had increased in Portland, and we believed in Mr. Heinemann's ability to sell at least a few suits in California and, as we had planned an advertising campaign in California, it was necessary for us to secure at least a few customers. As usual, Mr. Heinemann came home with the bacon. Not very much, but what there was came from some of the largest stores. In most places Mr. Heinemann got what he called the horse laugh from the buyers. They argued that it was ridiculous for them to buy bathing suits from Portland when California was full of the country's best bathing suit manufacturers. And certainly from the casual observer's standpoint, their statement appeared to be true. Mr.



Heinemann was a skillful salesman and he knew positively that he had something unusual and something that would sell if he could persuade the buyers to stock a few. He knew the virtue of this suit with its elasticity and warmth would soon spread among the swimmers and that orders would come more easily next time. In 1917, we sold about 50 dozen bathing suits and in 1918, 230 dozen and in 1919, 342 dozen. Our factory advertising expense was about \$4000 for the year 1919, and our bathing suit sales alone were not enough to justify this, expense by any means. But the total sales of manufactured knitwear were great enough to justify it.

While our total bathing suit sales were not great even with our increased advertising campaign and extra effort in selling, we had begun to get a vision of what could be done with this bathing suit. As the reports from all directions were favorable, we felt confident that in the following year we would have a great increase in Sales. During the years of 1918 and 1919, we were hampered by constantly rising prices of material and labor, and our profits were only about \$1500 in 1918, and in 1919, less than \$4000 but, as the war was over and prices had not dropped but had continued to rise and sales seemed to be rather easy, we continued to expand by buying more machinery and adding to our line until we had become so crowded in our new location on Fifth Street that we again thought it necessary to have larger quarters. We also had discovered that it was expensive to have our factory located on three floors with inadequate light and inadequate elevator service, besides the difficulty of supervision where departments were so scattered. We decided to build a plant or have one built according to our own plans. Therefore, in the fall of 1919, we started to build a new factory building on Mr. Joseph Simon's property at 20th and Sandy Boulevard. The building was built for us by Mr. Simon and we leased it for ten years. We moved into this new daylight factory in February 1920.



Chapter 16: New Factory, National Advertising & New Machinery

Originally Published March 1931

As we look back upon this venture of building a modern factory-building, going to the expense of moving into it, and assuming a rental of \$3, 840 per year, it was obviously the right thing to do but at the time it was far from being a simple problem. It is true that our sales had increased to \$255,000 in 1919, or 30.7 per cent increase over the year before, and our profits were 5.2 per cent of our sales, or \$13, 250.00 net. However, we still owed the bank a great deal of money, and we had our profits all tied up in the business and would have to borrow to the limit to keep going. Under these circumstances it took courage, if not foolhardiness, to assume greater obligations. Mr. Dodson objected to the venture but acquiesced when we showed him the figures that convinced us we were losing a great deal more in inefficiency in our old building than the rent would be in the new one.

The new factory building covered a half block less the triangular section and a narrow strip running along in front of the building on Sandy Boulevard. We did not extend the building over this ground as we wished to reserve it for shrubs and lawns in order to make our factory as beautiful as possible. We expected our new building to be of great value to us as an advertisement, because even at that time Sandy Boulevard was a prominent thoroughfare and 20th Street was also being used considerably. The building contained about three times as much space as we actually needed at the time, so all the machinery and counters were spread quite far apart to make the building look as full as possible. We felt that we had now a building large enough to take care of us for several years. We had moved so often that we had learned how expensive and inefficient it was to attempt to expand by building on a little at a time, or having to move into new quarters altogether.

At one time during the year 1920, our payroll included one hundred and seventy-five people. It was in that year also that I was relieved of my job as credit man when we hired Mr. Alfred Cormack to take over that work. He rapidly developed it into quite a scientific institution. His many years of experience as Purchasing Agent in the First National Bank



had given him a foundation of business knowledge which enabled him to develop rapidly into a good credit man. It was in this year also that we opened a sales office in New York City. Mr. C. R. Zehntbauer moved to New York to take charge of the office, " and Mr. Ernie Pautz, assisted by Mr. Otto Matthes, was left in charge of the Third Street Store.

It was in 1921 also when our first national advertising ran in *Vogue* and *Life* magazines. These were four-color advertisements and the artists were Coles Phillips and Anita Parkhurst. We paid Mr. Coles Phillips \$1500 for his drawing, and I believe we paid Miss Parkhurst \$650 for her drawing. This high priced art work and high priced four color advertisements in class magazines represented our daring attempt to break into the national markets with national advertising. Mr. Percy Tyler of the Botsford-Constantine Company was mainly responsible for this campaign. He argued that we should go into the field in a manner that would attract attention and that would establish our product as first class; we have never regretted it.

I am getting ahead of my story, because there was a great deal of hard work and investigating before we decided to start an office in New York City, or launch a national advertising campaign. Mr. Heinemann made a trip east to investigate the market there and to attempt to sell some merchandise. It was late in the season and during the rather uncertain financial period of the fall of 1919, and he was unsuccessful in selling very much merchandise. He came back, however, with a story of the wonderful market of the East and with the conviction that we could break into that market if we had a sales manager on the job. It was in 1920 also that we appointed the J. E. *Watte* Company as our agent for all of the middle western and southern States. Youth was in the saddle that year and we certainly made it a year of expansion in every direction — manufacturing, selling and advertising.

Ever since the indention of the use of the elastic stitch for swimming suits, we had been endeavoring to get a machine that would economically and efficiently knife swimming suit fabric. The hand operated machine was slow, inefficient and expensive, but it was the only machine made in this country that would do the job as we wanted it. In the year 1918, we imported two Swiss machines which did the work automatically, but they were cumbersome, heavy and with slow production. They proved to be little better, if at all than our hand-operated machines. We hoped and believed that we would be able to buy



circular machines some day that would do the job more efficiently. Every manufacturer of these machines from whom we inquired told us that it was impossible to knit the elastic stitch as rightly as we wanted it and do the striping automatically. We were not satisfied with this statement from the manufacturers, however, and we purchased a hosiery machine which did striping and made a stitch similar to the one we wanted. We experimented with this machine until we thought we had discovered a way in which a machine could be made to do our work. Mr. Jantzen then started East to see if he could persuade some manufacturer to make the machines as we wanted them. After being turned down several times he was at last able to persuade Mr. Howie, of the Wildman Manufacturing Company, that our scheme would work, and he volunteered to make a machine while Mr. Jantzen waited in Philadelphia until it was finished.

We got the machine in our factory early in 1920, and we tried all kinds of experiments on it as rapidly as possible, and after making several improvements, we ordered six more machines. These were delivered to us the fall of 1920. Most of our knitters believed the new machine was a foolish experiment and that it could never be made to do what we expected of it, and that if it did, we would not be able to produce as cheaply on it as we could on our old machines. In fact, one of our best knitters was so bitterly opposed to the machine that he left us and went to work for the Columbia Knitting Mills. During the experimental stage three or four men were standing around the machines nearly all day. To some of the knitters, the machine that took so many men to run it was a huge joke. Nevertheless, a few with vision kept on working with this "crazy" machine until success came, and this machine has been the means of our reducing the cost of knitting from \$7.20 per dozen to about 12c per dozen and with infinitely better work. While the new machine took four men to operate it, one man now operates four machines.

As a result of all our efforts in 1920, we had a 49 per cent increase in sales. Our sales reached a total of \$380,000. We spent \$13,095 for advertising and our net loss for the year was \$27,184. This loss was a staggering blow, but our analysis showed the reason for the loss and we were not discouraged because we felt the loss was unavoidable and would not occur again. It was due to the fluctuation in the price of yarn. We lost both on the rising market and on the declining market. We had gone out in the fall of 1919, contracting orders at certain prices, basing our figures on yarn at a price which we thought would not advance very greatly, but we were obliged to pay a very much higher



price for yarn to fill these orders. In the spring we booked orders for merchandise to be delivered in the fall and our prices were very high because yarn prices at that time were high. A good deal of our stock was purchased, in work and in merchandise manufactured out of yarn at the high price. During the summer there was a sharp decline, perhaps the greatest decline in the price of yarn in history, and we were obliged to reduce our prices if we were to have any of our orders accepted. Therefore, we lost when the price went up and also lost when the price went down, and our loss came in the one year. Our losses on the fluctuation of the prices of yarn were over \$80, 000 and our operating profit was over \$50,000. This would have been our net profit for the year had we not had this unusual loss due to conditions beyond our control.

The average price of our ladies' swimming suits during that year was \$91.00 per dozen.



Chapter 17: Business Boomed; YARNS Publication Started in 1920

Originally Published October 1931

Following is an article, entitled "Future Prospects, " which was published in *Jantzen Yarns* in October, 1920:

"I believe that the slump in business and work around the Jantzen Mills requires an explanation for perhaps all of you do not understand the reason for this slacking up.

"The reason for the slump in sweater business is that the merchants are refusing to buy at such high prices but are going to start the season on just what they have left over from last year and fill-in sweater orders will probably not begin to come in until cold weather sets in some time in November or December.

"While we have probably 50 per cent more bathing suit orders now than we had at this time last year, we are not beginning on the bathing suit orders because the price of yarn is still on the decline and we want to purchase our yarn stock at as low a figure as possible.

"We are compelled to do this because in order to get business we must guarantee the price to the dealers and we must figure our price on bathing suits from the price of yarn at the time we ship our suits. For this reason it will be near the first of December before we get well under way on bathing suit orders.

"We have been assured by the Federal Trade Commission that we can prevent any one from manufacturing the Jantzen elastic stitch suit and if this is true it will not be very long until the capacity of the Jantzen Mills is doubled and tripled and there will be plenty of work for every one.

"At any rate, the old mill will be humming with activity within a month or six weeks."

You will see by this article that we were still calling them "bathing suits, " and you will see that we were struggling with the problem of purchasing yarn at as low a figure as possible.



Our very beautiful ads in *Life* and *Vogue* in addition to our newspaper advertising were beginning to put the name Jantzen on the map and in the fall of 1920 we booked, as you will notice by this article, about a 50 per cent increase in business. That fall we started out with a price on swimming suits based upon the price of yarn at that time and, as was our custom, guaranteeing the customer that if there was a decline in the price that we would ship their suits at the new price.

There was quite a decline in the price of yarn which we were able to take advantage of to some extent, but there was a further decline in prices after we had purchased the bulk of our yarn for the season. Regardless of costs, we reduced prices sometime after January to conform with the yarn prices at that time. Many of our orders had already been shipped and some of our customers had already paid their bills. When we made the price change we immediately gave credit to all those who had not paid their bills and sent checks for the difference to all those who had paid. The amount refunded in cash was around ten or fifteen thousand dollars. This was a very unusual thing to do, but we felt that it was the right thing and we received many complimentary remarks from our customers when they received checks refunding the difference in the price they paid and the new price. If I remember correctly, the amount we refunded plus the amount credited to our customers on our books, amounted to about \$30, 000. Of course this was a very unusual condition but there was nothing else to do even though it made us show a loss for that year's business.

It was during the year 1920 that Mr. Harold Steele and Mr. Jack Evans left the employ of the Jantzen Knitting Mills and went into the knitting business for themselves. Mr. Jack Evans has since passed on, but Mr. Harold Steele is still in business at the old location on East 28th Street. He is operating under the name of the Steelknit Mills, Inc.

Back in the early spring months of 1920, the following article was written in the *Jantzen Booster*, the name for our paper now known as the *Jantzen Yarns*:

"We are reaching out into new selling fields as fast as our production will permit. At this time we are selling our product from Canada to Mexico and as far East as Denver.

"We are the only knitting mill on the coast which is running on three shifts and the way in which orders are coming in, this promises to continue indefinitely. The



Jantzen will soon be the bathing suit at Coney Island and Palm Beach, just as it is now at Long Beach."

This little paper called the *Jantzen Booster* was published while we were in the building at Fifth and Couch Streets. In July 1920, a contest was held amongst the employees to select a better name for the *Jantzen Booster*. Mr. C. G. Jantzen submitted the name Jantzen Yarns, which was adopted. Mr. A. J. Cormack submitted the name Jantzen Jazz. Mr. Lawrence Wisner submitted the name Jantzen Jazette. Mr. Heinemann submitted the name Jantzen Knito-gram. These names were considered, but it did not take long to reach a decision in favor of Jantzen Yarns. The first issue came out in July, 1920.

In 1920, we had 175 employees including the factory and the two retail stores and our capital stock was \$150,000. The total sales for the factory for the year were \$255,498. The total swimming suit sales for the year were 2,236 dozen, so you see most of our sales in that year consisted of sweaters, hosiery, scarfs, and other items of knitwear.



Chapter 18: Roy Zehntbauer to New York; National Sales Strong!

Originally Published December 1931

In 1920, the company still operated two retail stores, one at 150 Third Street and the store at 148 Broadway. A write-up in the *Jantzen Booster*, the paper published under that name before *Jantzen Yarns* was adopted as a name for our house organ, reveals the interest which the management then had in these retail stores. It reads as follows:

"The two Portland Knitting Company Stores on Third Street and on Broadway are certainly helping to keep the name Jantzen before the public. "

"At this season the Broadway Store is specializing on hand-knitted goods and yarn. Mr. Dodson has selected a very competent sales force and they are giving the Third Street Store a close run for volume of business.

"We take this opportunity of complimenting Third Street Store on the tasteful manner in which the stock is displayed. "

Following is another paragraph which will give you an idea of how the business has changed since then:

"We have just received an order from a large department store in Cleveland for \$421.60 worth of Jantzen hose. This shows how the name of Jantzen Knitwear is spreading. Let us keep up our good workmanship and we will go on getting many more such orders from the East."

The hosiery we made was a heavy worsted type, the same as made by the Luke Knitting Company, our predecessor, nearly 50 years. They were very similar to hand-knitted hose. In this same paper, printed in December, 1920, there appeared a compliment to Mr. Richard Wisner who had never been absent from his work. That's the kind of attention it takes to build an efficient organization and to keep it functioning to the best advantage.

In 1921, the Sales Convention was held at the Multnomah Hotel on the third, fourth and fifth of January. All of our salesmen were there with the exception of Mr. C. R.



Zehntbauer and his assistants, Mr. Zehntbauer was then in charge of the New York office.

The Convention was held in January because few manufacturers offered swimming suits for sale until after the first of the year. We were the first manufacturer to present swimming suit samples as early as the first of September. Our New York office was first located on the fourth floor of the Pennsylvania Hotel. In 1920, Mr. Heinemann and Mr. C. R. Zehntbauer were together in New York, and, while very little business could be booked, they both felt enthusiastic about prospects. Mr. Heinemann came home saying that we would certainly receive a great many orders in February and March. Mr. C. R. Zehntbauer said he felt that we would soon be getting enough business in New York City alone to keep our plant going at full capacity.

In March, 1921, we sent Mr. J. M. Green on a trip through the East so that we might find out just what an experienced successful Jantzen salesman might do in that territory. Mr. Green then had the California territory. His total sales for the trip were not large, but he did book an order for \$1400 for the Palais Royal of Washington, D. C. This account had specialized in the Annette Kellerman line before. In that same month Mr. C. R. Zehntbauer made a trip to New York and on to Boston, where he booked a number of orders on the way. He reported that he believed the bulk of the buying would be done around May as no one was inclined to buy early.

It was in 1921, that Mr. Herbert Bra'Me took our line to the Hawaiian Islands and did a very excellent business. He sold quite a large order to the Liberty House in Honolulu and they advertised Jantzen Swimming Suits with a full page in one of the newspapers there. In 1920, the J. E. Watte Company of Chicago, who were agents for Jantzen suits for all the Middle West and South, purchased a stock of \$20,000 worth of swimming suits to be distributed by them from Chicago. In May, 1920, orders began to come in by telegraph from the New York office. The Watte Company was doing a good business and Mr. Green's sales in California were continually increasing. It was in May, 1921 that Mr. Green employed Mr. T. D. Ronald as a salesman to assist him in the California territory.

In September of 1921, our new sample line contained 65 numbers with about 250 units including styles, colors and sizes, or a reduction of about 4000 units within a period of two years. This was a drastic step but our sales continued to increase and our credit



rating in the new Dun's and Bradstreets' book was the highest given to any knitting mill west of the Rocky Mountains. It was in the fall of 1921 that we received a grant on our patent of the bow-trunks and non-rip crotch. During the year 1921, we spent most of our profits on advertising and sales promotion work. We felt that it was necessary in order to preempt the field for Jantzen stitch suits which we had originated. At that time we felt confident that the following year would see us on the road to cashing in on the foundation we had laid, and we were not mistaken. We started our men out with their samples in September, 1921, and orders came in in fine shape from every direction.

Mr. C. R. Zehntbauer got some nice business from Boston in September. Mr. Green sent in \$10, 000 worth of business the first ten days. And in our own home territory, Mr. Baumann was getting the best business that he had ever had in swimming suits. Mr. Harry Zehntbauer, who was then city salesman, brought orders in earlier than ever before.



Chapter 19: Jantzen Diving Girl Stickers & National Sales Force

Originally Published April 1932

At the dose of the 1921 season we discontinued the store at Seaside which we had been operating for a couple of years. The store broke a little better than even but it was not very profitable.

In November, 1921, the company authorized and offered for sale \$50,000.00 worth of Preferred Stock to help finance the increase in business.

In 1922 we experimented with the bonus plan for salesmen, giving 1 per cent extra to those who had made quota in January. Mr. Green, Mr. Baumann and Mr. Boyd exceeded their quotas. This system was not continued long because many weaknesses were found in it.

It was in January that we sent a line of samples to Mr. A. L. Woolf in Manila, P. I. In that month Mr. Black, a salesman for Blumauer Frank, took our line into China and Japan. We soon received our first orders from these gentlemen.

On Mr. C. R. 's visit to the mill it was decided to rent a new office and to carry a stock in New York City, which we did in that year. In April, 1922, Mr. Robert Carson of Baltimore, accepted a position with our company as sales representative for Maryland and the District of Columbia. At that time, Mr. Heinemann felt quite enthusiastic about him. Mr. Carson has since proved that Mr. Heinemann's judgment was good.

A copy of *Jantzen Yarns* of April, 1922, shows that Miss Emma Seis, now Mrs. Paul De Koning, whose husband is sales manager for the Australian Company, came to work for us in that month.

On May 27, 1922, an issue of the *Saturday Evening Post* carried the first Jantzen advertisement in that magazine. In that year we used billboards quite extensively all up and down the Pacific Coast. It was in the year 1922 that we started national Jantzen week. Now we call it "Jantzen Learn to Swim Week." In the summer of 1922 we discontinued the Watte agency in Chicago and appointed representatives direct from the



mill to take over the territory. This gave our sales a great impetus and made business throughout this territory more profitable.

In July, 1922, Mr. Dodson and Mr. Jantzen with their wives made a trip to Yellowstone Park in Mr. Jantzen's big Studebaker Six, which was decorated gaily with Jantzen red diving girl stickers. A big Jantzen sign decorated the rear window. This event was one of the things that started the vogue for putting stickers on car windows.

In the fall of 1922, Mr. Ernie Pautz gave up the management of the Third Street Store and started working in the New York office. Mrs. Minerva Street succeeded him in that store. In that same fall Mr. M. J. Garner of Ozark, Alabama was employed as a direct Jantzen salesman. Formerly, he had worked for the J. E. Watte Company. Mr. Burgess of Burgess & Johnson, Honolulu was also hired at that time and Mr. Irving F. Smith of Dallas, Texas. Mr. W. R. Campbell was sent from Portland to Detroit where he is still located. William Loggie & Sons Company, Toronto, Canada was appointed agent for that section. George L. Maduro of Panama City and Max Ortiz of Porto Rico were appointed. George Campbell of Kansas City, B. H. Chappell of Omaha and H. A. Jacobson, Iowa, Horace Box, Nashville, Tenn., G. D. Mc-Gruder, Indianapolis, C. C. Campbell, Louisville, Kentucky, and several other men, who are not now with us, were appointed sales representatives that fall.

It was in the fall of 1923, when Mr. A. L. Wolf discontinued handling the Jantzen line in the Philippine Islands, C. Alkan & Company then took over the line and still represents us in that territory. Mr. Samuel F. Gaches is President and owner of the Alkan Company. In the summer of 1923, Mr. Gaches visited our plant and, to my knowledge, has not seen it since then, but I hope that on one of his trips to America he will arrange to come by and see our modern plant.

The company's total net sales for 1923 were \$993,152. The total amount spent for advertising was \$55,411 or 6.7 per cent of sales. The net profits were \$47,544. After all dividends were paid and at the close of business August. 31, 1923, the company had a surplus of \$25,688. In July, 1923, we increased our capital stock from \$250,000 to \$500,000 and the following October we again increased the capital stock to \$1,000,000 and asked the Corporation Commissioner for permission to sell a quarter million dollars of 8 per cent Preferred Stock. We were successful in selling this issue in time to take



care of our needs. Our sales in 1923 had nearly doubled 1922 sales and we had good prospects for again doubling in 1924, and it was necessary to raise more capital.

In the year 1923 our advertising slogan was "The National Swimming Suit" which proved to be very popular with our customers in all sections. We discontinued using this slogan, however, as the National Cloak & Suit Company objected to its use. We believe they had no legal right to prevent our using the slogan, but our experience with infringers had taught us to be considerate of originators' moral as well as legal rights.

In 1923, the red diving girls were becoming extremely popular for automobile windshields. When one would drive through any of the cities of the Pacific Coast it seemed as if half the cars had diving girl stickers on them and they were beginning to be used throughout the United States. It is hard now for us to realize how popular those diving girls really were during that time. One can get an idea of it by reading what Mr. Dodson wrote for the *Yarns* in October, 1923:

"When I went to Washington, D. C. with the Shrine, I took quite a number of these diving girls with me having one side of them gummed. I put a diving girl on every window of the train which gave us the name of the "Diving Girl Special, " by which name it was known for the entire trip across the country. At every station where we were met by Shriners with cars I passed out diving girls to each machine. The climax was reached, however, in Pittsburgh when I started giving out diving girls to the taxi drivers who almost created a riot trying to get them. The streets in Pittsburgh are narrow, especially by the Pennsylvania Hotel, and in a few minutes they were blocked with taxis all trying to get a diving girl for their windshields. "

This distribution by Mr. Dodson is undoubtedly one of the things which helped to popularize the girl so rapidly.

In September, 1923 the *Western Advertising* magazine published the following:

"When the man in the street knows your product, it is undoubtedly the result of good advertising, and you are contented; but when the thousands of motorists who ply the streets and highways clamor for the privilege of displaying your advertising from their flivvers and limousines, you have succeeded beyond the wildest dreams of even the most sanguine advertisers. The fact that this actually has happened



recently to an advertiser in the West, but goes to illustrate that the possibilities in the advertising field are limitless, and that a harvest awaits the man or woman who can develop an idea of sufficient force.

"The idea in this case which had the force and the appeal necessary to make such a result possible was the Jantzen Diving Girl. The story of developing a bathing suit made in Portland, Oregon, into a national garment known wherever people swim is the story of a truly western advertising achievement by the Jantzen Knitting Mills."

In conclusion they say, "All of which proves that the right idea will do anything—even make people ask to advertise your product."

In the fall of 1923 "Men's Wear" of New York had an article about the diving girl. They said:

"The Jantzen Knitting Mills have bought out an advertising novelty that is proving popular with auto drivers. The feature is the cut-out figure of a diving girl, garbed in a red Jantzen swimming suit and knitted cap. So graceful is her pose and so beautiful her suit that many windshields carry as many as three or four of the figures. Across the breast of the swimming suit is the name of the firm."

It was in September 1923, when Mr. H. L. German left the Water Office of the city of Portland and took the position of Office Manager for the Jantzen Knitting Mills. It was in the fall of 1923 that we started building the addition to the Joseph Simon property at 20th and Sandy Boulevard, which covered a quarter block and included the Conditioning Room, an innovation for knitting mills. It was ready for occupancy about January 1.

It is interesting to look over the old 1923 advertising. McClelland Barclay drew billboard posters of a Jack-knife Diver. The suit striped on the breast, skirt, and trunks. That year our line consisted of swimming suits, sweaters, socks and caps. In the summer of 1923 the Hygeia Swimming Club dressed in Jantzen swimming suits won first prize at Atlantic City.



Chapter 20: Sales Strong; Joe Gerber Promotion

Originally Published July 1932

During the year 1923, advertising featured the patented features such as the bow-trunk and non-rip crotch combination and the shoulder strap which showed no piece of lining, but contained a lining on the inside of the strap where the buttonhole was made and where the button was sewed on. The rubber button was given prominence also in the advertising. In that year we brought out a No. 21 which we called the Jantzen Gymmie. We called it the Gymmie because we believed it would develop into a popular garment for indoor athletic work. The fact that we are still manufacturing the garment with very little change has proved its popularity. We closed the year 1923 with a 59.7 per cent increase in sales over the year before but despite this great increase in sales, we made considerably less profit because of the rapid rise in the price of raw materials.

During the year 1921, we absorbed a rise in price at the close of the year and another steep rise during the year 1922. At the start of the season yarn was \$1.65 a lb. It rose rapidly during the year until it reached a peak of \$1.86 a lb. We wanted to maintain our initial swimming suit price but, because of this great rise in the price of yarn, we felt it imperative if we were going to show any profit, to raise our prices. We therefore raised our prices on May 1, on the standard ladies' suit and proportionately on all of the other numbers. With the normal profit on his sales, the retailer had to get \$7.50 for this suit, but this was cheap compared to the top price of \$12.50 in 1921. Only one other year since that time have we changed our prices during the middle of the year or after the price was set on the new samples and that was in the year 1925. Throughout the year 1924, we maintained our initial price for the season despite the fact that yarn reached a peak of \$2.08 per pound. At the beginning of the year 1925, we reduced our prices but raised them back on January 1, because the price of yarn stayed high all through our buying and manufacturing season. Since then we have consistently reduced prices and have maintained them throughout the season when they were once set.

We started the year 1924 with great hope and in fine spirits even though our profits were not so great in 1923. September and October sales were the greatest in our history and we finished the year with a gain of 49.6 per cent in sales over the year before. We more



than doubled our net profit. During the year 1924, we featured the Jantzen elastic fabric and used the red diving girl on the billboards and had a great distribution of diving girl stickers for windshields. We had many favorable comments on our returning to the big red diving girl for the billboards. The McCelland Barclay Jack-Knife Dive was beautiful on the boards, but people liked the red diving girl trade-mark and merchants felt that it did more good and gave us more publicity than anything else. We continued to advertise our patented features and as our business was rapidly increasing our competitors became restive and began to use our patented features in their suits. In June 1924, we instituted suit against the Olympia Knitting Mills, the Franklin Knitting Mills in Philadelphia and S. Augustein Company of New York for infringing upon our patents. In the course of time and after considerable expense we forced all of them to discontinue the use of the bow-trunk and non-rip crotch in combination.

It was during the year 1924 that the Universal Knitting Mills of Vancouver, B. C. approached us with a proposition to manufacture our swimming suits in Canada, and on December 16, we passed a resolution to enter into contract with them. The contract provided for the manufacture and sale of suits in Canada on a royalty basis. 1924 was the last year in which we manufactured shaker sweaters.

In April, 1924, the Joseph R. Gerber Company, Advertising, accomplished a remarkable local advertising stunt for us by having the Chamber of Commerce devote their weekly Chamber of Commerce Bulletin almost exclusively to Jantzen advertising. The front page was printed in red with the exception of a square in the center which had a large red diving girl across it. Then, throughout the magazine, there were advertisements, each carrying a red diving girl, of those concerns who supplied us with material, such as the Oregon Worsted Company, printers, lithographers, and others. The Bulletin also contained a center spread in color showing our June 24 double spread advertisement in the *Saturday Evening Post*. All this was accompanied by good editorial comment and a copy of our prospectus offering our 8 per cent preferred stock for sale; I have never seen better local cooperation. " Some of this kind of stuff would still be very helpful.

In the fall of 1924, Mr. D. P. Bowen, Mr. W. E. Wright, and Mr. O. A. Hochreiter joined the Jantzen organization. We had just finished a very successful year and with the addition of these excellent men we looked forward to a great business in 1925. In every



respect the business aspect was most promising. We started right out to get a good business in the fall of 1924, (our fiscal year 1925) and even with our additional capital obtained by the sale of a quarter million dollars worth of preferred stock, it was necessary to borrow a large sum of money to tide us over the peak of our requirements. In preparation for this we offered our notes for sale in the commercial paper market, through the brokerage firm of Lahey Fargo Company. To successfully market commercial paper it was necessary to have a banking connection in New York, so that the paper might be checked there. The New York banks were not seeking our account at that time and it was not easy to find a good bank who would be willing to accept our account and extend to us as large a credit as we required. The commercial paper brokers, Lahey Fargo & Company, recommended that we approach the Equitable Trust Company of New York with whom they had previously negotiated in our behalf, which finally culminated in our opening an account with this bank with a credit of \$150, 000.



Chapter 21: Far East Sales Effort & Canadian Sales

Originally Published October 1932

As we had been quite successful in Europe, South America, and also in the Central American countries, we began to look with longing eyes upon the Oriental market. It was with a view to stimulating these markets and surveying them so that we might know just how to approach them, that the writer sailed on the *S. S. President McKinley* from Seattle on January 27, 1925, with the Seattle Trade Commission to visit Japan, China, Manila, and the Hawaiian Islands. Because of customs peculiar to the people of China and Japan, together with high duties, we have never been able to do a very large business as compared with many other foreign markets. However, it has been profitable and it is growing.

In 1925, Mr. Dick Wisner conceived the idea that a man's suit with the little cross pleat under the arm for holding the suit in place, where the cut down the side for the armhole was extremely low, could be cut in one piece instead of sewing on this little pleat as we, as well as other manufacturers had been doing in recent years. Rather late in the season this idea was developed and samples made and sent out. The suit evidently not very well liked in New York as I notice the story of Mr. Heinemann's trip to Europe printed in the 1925 winter number of *Yams* contains the following remarks about this number:

"The first familiar face that I saw from the rail of the steamer when it docked was that of Buggs Busch, our New York Branch Manager, and the first words he shouted to me from the dock were, 'Say, I've got some good news for you. We ditched the trick Speed Suit!' "

Despite the poor start this suit got, it came back with a vengeance the following season and rapidly became our largest seller of men's swimming suits. Today, it is probably the most widely used style of swimming suit for men in America. Probably no single pattern of men's swimming suits has ever sold in such volume as this particular suit. Perhaps when it first came out it deserved condemnation and the disparaging remarks that were made about it. The boys dubbed it the porthole suit. Our experience with this pattern proves that it does not pay to become discouraged if a new idea does not take at once. Of course this suit is now radically different from the first one Mr. Wisner turned out. But



it has the same idea, and it is the idea that counts.

In April, 1925, the Broadway store was remodeled and enlarged and a very fine front of terra cotta was built. This improvement cost about \$20,000, but it was never profitable because the investment was too great and sales did not increase enough to justify it. In this same month Mr. Chester Daly and Mr. John Wisner organized the Wooley West Knitting Mills. They took over the shaker sweater machines, our circular cap machines and our stocking machines, for which we took stock in their company. We had discontinued the manufacture of articles requiring these machines. This company is still in existence operating under the name of the Alderwood Knitting Mills.

In September, 1925, we raised the capital stock of the Jantzen Knitting Mills from \$1,000,000 to \$3,000,000, called all our old 8 per cent stock and paid in cash for all that we could not get in re-subscription to the new issue of 7 per cent preferred stock. A high percentage of our stockholders re-subscribed for the new stock and we sold considerable of the new issue throughout the year. The following month, October, we opened an account with the National City Bank of New York. This bank was at the time the largest in the United States and it is still very near the top, being exceeded only slightly in size by one other bank. Early in the fall of 1925, building operations were started on the last empty quarter of the Simon Block and the building was finished about the first of the year. This gave us a full city block.

It was on October 13, when Mr. C. R. Zehntbauer started on his trip with Mr. Walter Teetzel to cover the Canadian territory. It was thought that the merchants as well as the salesmen could get a great deal of information from a man from our mill and, as Mr. C. R. Zehntbauer's experience in Europe and New York had fitted him ideally for this job, he was chosen to undertake it. The expense was borne by the Canadian factory.

Our advertising appropriation for the year 1925, allowed us a great deal more latitude and in that year we used, a full page in the *American Weekly* newspaper magazine section with an estimated circulation of 4,500,000. That medium brought us more mail replies for diving girl stickers than any other medium we have ever used but there was dissatisfaction among the dealers and considerable complaints because we used that medium. The replies were thought to be of little value for the reason that the quality was not considered good, as many of them were from youngsters. However, the



advertisement was very beautiful and we did an excellent business that year. We used the red diving girl on the billboard and two slogans. The one at the top read, "The Nation's Swimming Suit, " a substitute for "The National Swimming Suit, " which we discontinued in deference to the National Cloak and Suit Company. The one at the bottom read, "The Suit that Changed Bathing to Swimming. " In the year 1925, we also had quite a large advertising campaign on Jantzen knitted sweater coats. The slogan for the coat was "The Coat to Wear Anywhere. " We used as a theme for this advertising prints of photomicrographs made by Professor Menne of the University of Oregon of Jantzen yarn and of ordinary wool yarn, not worsted. These photomicrographs were magnified 200 diameters. We stated that the permanent elasticity of Jantzen yarn was due to the exceptional quality of Yarn yarn and to the famous Jantzen stitch. Despite all our advertising of the Jantzen Golf Coat, ' 'The Coat to Wear Anywhere, " as we called it, the business did not increase sufficiently to justify the effort we had put behind it and for that reason and other more important reasons, we discontinued its manufacture. I will tell you more about this later. In that year the Botsford agency handled the swimming suit advertising and the Joseph R. Gerber Company handled the sweater coat advertising.

The year wound up a great success. Sales gained 46.5 per cent reaching a total of \$1,935,193. The net earnings increased about 241 per cent, reaching a total of \$241,964. \$104,721 was spent for advertising. One of the things that helped our profits was the price fluctuation in yarns. In January, 1925, the price of yarn was \$2.08. In May it had dropped to \$1.67 and it would up in December at \$1.82. We had maintained our price throughout the year and had been able to buy yarns advantageously and, too, our increased production had enabled us to cut costs.



Chapter 22: Strong National Advertising & European Sales Pushed

ORIGINALLY PUBLISHED DECEMBER 1932

Our success in 1925 encouraged us to increase still further our advertising appropriation by \$61,221, bringing the total for the year to \$165,942. Our Broadside for the season announced the opening of a Sales Office by Mr. Charles Lemaire in London, which marked the beginning of our sales organization in Europe. By the way, Mr. Lemaire is still our biggest producer in Europe.

In the year 1926, we introduced the sell-by-weight method, our slogan being, "Your Weight is Your Size in a Jantzen." In that year we switched from the large red diving girl on the billboards and magazines to McClelland Barclay's illustration of a girl standing in the surf holding a large rubber ball high above her head in a position ready to throw it. This advertisement was run double spread in color in the *Post* and on the billboards. In *The Saturday Evening Post* advertisement we also showed the Jantzen fabric relaxed and stretched. In that year we sent out a folder telling the merchants how to increase their swimming suit sales by staging bathing girl revues and we furnished moving picture slides. We also continued the use of the swatch folder; that is, a folder telling about Jantzen suits, Jantzen fabric and enclosing a small piece of the fabric which we glued to the paper. We then boasted of 6000 merchant customers. Advertising was done in *The Saturday Evening Post*, *Vogue*, *American Boy*, *Boys' Life* and *Child Life*. The Canadian plant advertised in *McLean's* magazine in Canada. We also held a window trimming contest offering \$1,000 in prizes for the best windows, photographs of which were to be sent to us and turned over to the judges.

Our line went out priced at \$48, which was the same price asked on the line of the previous year but was a reduction in price from the \$51, or the increase in prices made in January, 1925. During the year we were quite active in foreign fields. The Export Department, under the guidance of Mr. Royal F. Brown, who now represents the Company in the Long Island territory, established agencies in Brazil, Dominican Republic, Mexico, Java, Porto Rico, Sweden, Holland, France and England. The European agencies were directly contacted by executives of the Company while the



others were handled entirely through the mails.

I notice in an old issue of *Yarns*, some interesting comments which Mr. Heinemann made after his return from England with Mr. Constantine. In this article he stated that we had just received our first real order from London from the Selfridge Department Store and that we were contemplating an advertising campaign in England provided the orders were sufficient to justify it. He stated he believed there was a bright future for our sales in England as there was no duty and the suits would be sold at the same price there as in America. He also noted that the English use cotton suits almost exclusively and he believed the wool suit would be a great seller once it was properly introduced. In the article he mentioned his experience in attempting to fly from London to Paris but because of rough weather the flight was canceled. He then relates his experience on the Channel boat, which was as usual, a rough voyage. He said the channel boat wasn't much larger than an ordinary tug and that it started to do the "Charleston" as soon as it left the pier.

It is now interesting to note what Mr. Heinemann prophesied for France: "We found the potential market in France not nearly so favorable as in England in spite of the fact that there were many French resorts with the climate of California. The lack of sales potential is due to the financial condition of France at the present time—the rate of exchange, the duty, and other factors. Notwithstanding this, however, our suit was shown and was well received. We believe that we will do a satisfactory business in this country in time; but it will take some little time to get it going." Mr. Heinemann sized up the situation quite accurately as the development of these territories has coincided with this prediction. While in Paris, Mr. Heinemann appointed Nicoll & Stoever agents for Jantzen Swimming Suits. While the Paris connection was not a complete success, Mr. Lemaire's agency finally developed into our best sales agency in Europe.

In February, 1926, we purchased Block 5 and 14, the blocks now occupied by the Office and Shipping Rooms, and the vacant block directly west of this building. In the fall of this year a building was constructed covering a quarter of block 5, now occupied by the Shipping, Billing and part of the Stockroom.

During 1926, Mr. Heinemann and the writer made a trip throughout the East and South, including Cuba and Florida. Mr. Garner met us in Miami, Florida and drove us in his



Dodge automobile as far north as Jacksonville. This was the year after the big real estate slump in Florida. It seemed to Mr. Heinemann and me at that time that surely all the building and developing that had been done in Florida would react to her benefit and that building activity would be resumed and Florida developed into the most marvelous winter resort in the world. But Mr. Dick Garner shook his head and said he believed it would be a long time. And surely enough, six years later, Mr. Heinemann and I can agree with him that it will be much longer than we had expected. It was on this trip that Mr. Garner gave the writer the idea of the famous Jantzen order blank which had all the information except quantities printed on it.



Chapter 23: Learn-to-Swim Week in 1927

Originally Published April 1933

In the spring issue of Yarns 1926, an interesting article told of our application of the Bedaux System in our plant in the spring of 1924 and of Mr. Harry Dalton taking charge of it a few months later. During 1924, Mr. Harry Dalton was placed in charge of operating of the Bedaux System. At that time it was remarked that a dark-haired, quiet mannered, studious appearing youth by the name of Harry Dalton was to be in charge of the Bedaux System throughout the Jantzen plant. It was said of him that he began work as a spooler in February, 1921, and that the reason he had been advanced to foreman in the Spooling Department, then transferred to the Knitting Department, later made foreman in that department and then promoted to assistant superintendent with direction over the planning of the work for the Knitting Department, was due to his painstaking attention to detail and his helpful spirit of cooperation which he has manifested in every task to which he has been assigned. Then it was said of him that he always exhibited a sense of fairness and goodwill which has made him well liked by every one in the organization.

In the spring of 1926, we received orders for 17½ dozen swimming suits in the first mail carrying orders from France. Orders from many foreign countries were coming in at this time. Amongst them was a cable order for 50 dozen suits from Arthur S. Hawtrey & Company of Buenos Aires.

It was in the fall of 1926 that Mr. Cormack made an automobile tour of the United States to get some firsthand information about the different sections of the country in which he had been granting credit to merchants for a good many years. Mr. Cormack reported that he believed the trip worthwhile as when confronted with a problem in different sections of the country he could then have a better idea of the situation.

During this year Mr. Ed Klindorth was appointed Sales Representative for Jantzen in the State of Indiana. His success in that territory coupled with his record in the Factory, led to his appointment as Manager of the Australian Plant. During the year the authorized capital was raised from one to three million dollars. We increased our sales in 1926 to 21.2 per cent over 1925, bringing our net sales to \$2,205,135, but our earnings declined to \$145,929. This showing was partly due to the favorable trend in yarn prices which



showed an abnormally high profit in 1925, and an adverse fluctuation in yarn prices in 1926. The inventory loss alone due to the drop in the price of yarn was \$43,000.

Even though we had a reduction in net profit for the year, we were in high spirits and well satisfied because we had established sales representation in many foreign countries and had done quite a substantial export business. Reports came in from everywhere indicating increased popularity for Jantzen Swimming Suits. We prepared in every way for a good increase in business in 1927. In our advertising we used the large red diving girl on posters and pushed the sale of stickers for automobiles and widow trimming. "We provided folders for customers with their names imprinted and we laid special stress upon our exclusive features such as the unbreakable rubber button, suits shaped to fit the body, our patented bow trunks and non-rip crotch. The folder contained line drawings with arrows pointing to the special features; it also contained a swatch of material. We made a special feature of the micrograph cut showing a comparison between ordinary yarn and Jantzen worsted yarn. In the Post we used a double spread in two colors along with black and white space. The color advertisement showed a girl leaving the springboard in a Swan Dive and the head line was "Jantzen's Are Styled For swimming as Well as Beach Parade."

At that time we thought there was quite a trend toward dressmaker suits made for beach parade and to counteract this we stressed the fact that Jantzens were beautiful for beach parade and were also excellent for swimming. Where much of our advertising before had stressed yarn, stitch, fit and other technical features, this year we made a point of stressing style and the effects of wearing a Jantzen. One slogan was "Keep Cool, Keep Fit—Swim in a Jantzen. " We also tried to bring in the style distinction by such copy in our advertisements as "France Gayly Swims in a Jantzen", "England Swims in America's Own Jantzen", etc. We continued with the window-trimming contest, offering \$1,200 in prizes. We also increased our efforts to get free publicity and one very effective method was the inauguration of the Jantzen Learn-to-Swim Week campaign. The Jantzen Learn-to-Swim Week campaign was an improvement over the old idea started in 1923, which was called Jantzen Swimming Week. One of the big events of this week was the Denver Learn-to-Swim Week campaign. The Denver Post said about 4,000 people took from two to six lessons each and it was estimated that over 3,000 people learned to swim a distance of twenty-five feet or more. Over 500 of them swam



fifty feet and dived from a pier. About 600 of them swam 100 yards and took three different types of dives. This campaign resulted in our merchants doing a good business, selling out of swimming suits and reordering. We even had requests from merchants to send them suits by airmail, according to a letter from Mr. Driscoll. Advertising the Learn-to-Swim Week in the Saturday Evening Post created a great deal of interest amongst our merchants and bathhouses and several hundred of them wrote in for instructions for tying up with the campaign.



Chapter 24: European Sales Pushed & Australian Market Evaluated

Originally Published July 1933

IN 1927 we discontinued the use of our slogan, "The Nation's Swimming Suit" and use instead as our main slogan "The Suit that Changed Bathing to Swimming. " One of the outstanding efforts of 1927 was the plaque, certifying clean water, furnished to swimming pools which joined the Jantzen Swimming Association of America. The plaques were furnished free of charge to the pools or beaches but, in order to obtain one, an application had to be filled out which guaranteed the pool was pure. We required a certificate from a Board of Health official of the city or state, with records showing the bacteria count and other detail that would prove purity of the water. These plaques were in great demand by the pools and our membership grew rapidly. We seem to have been full of new ideas that year. The salesmen had cards which they mailed to their customers on which there was in addition to the red diving girl, a bold teaser headline, "Should a Blonde Wear a Black Swimming Suit? I will tell you all about it when I see you. "This is also the year in which we set up model swimming suit orders intended to help the buyer select right sizes and right colors in proportions that would sell in his neighborhood and, particularly, to give a correct assortment for the money the merchant intended to invest in Jantzen Swimming Suits. We were trying to get away from the orders which called for 1/12 of a dozen each of a great variety of sizes, styles and colors. It was in 1927 also that our salesmen went out with the large order blanks on which everything was printed so the salesmen had only to mark in quantities, the customers name, address and instructions.

In 1927 Mr. Jantzen and Mr. Dodson made a European trip and appointed the following agents:

Berardi & Larcher of Rome, Italy, Mr. Willy Gut of Lucerne, Switzerland, Mr. Rudolf Bieber of Berlin and Mr. N. S. Schou of Copenhagen.

I have always thought our efforts encouraged a great deal of interest in swimming in general, and swimming surely got more publicity and attention during 1927 than in any



year before. In November the Misses Aileen Riggen and Helene Wainwright of New York City, national and Olympic swimming and diving champions, were guests of the Jantzen Knitting Mills on an inspection tour through the factory. Accompanying them were Miss Thelma Payne, former national and Olympic Diving Champion, Miss Grace De Boest, swimming instructor at the Multnomah Club, Miss Virginia Pembroke, Swimming Instructor at the Portland Y. M. C. A., Mr. Louis (Happy) Kuehn, and Mr. Louis Balbach, former Olympic Diving Champion. The next day Miss Gertrude Ederle, or Trudie as she was called, visited our plant and was taken on the Highway by members of our organization. Miss Ederle was the first woman to swim the English Channel and she got a great deal of publicity throughout the world. Another performance in this many-ring circus that we had going in 1927 was Lottie Mayer, represented to be the original Jantzen Diving Girl. She traveled around the country exhibiting on the Pantages Circuit with a group of diving girls who dived into a glass tank on the stage. Miss Mayer was popular, as people were eager to meet the original Miss Jantzen who was supposed to be the living model for all the red diving girls on the automobiles.

Mr. J. M. Friedman of New York joined our organization during this fiscal year or the fall of 1926. During practically the whole year of 1927 Mr. C. R. Zehntbauer was traveling all over Europe contacting the new salesmen and teaching them how to sell Jantzen Suits. From the time we first undertook to sell merchandise through jobbers in the early stages of our business, we have been convinced that it is necessary to spend a great deal of time and effort in teaching our salesmen everything possible about our merchandise and to make real specialists of them. For this reason we went to the expense of having Mr. C. R. Zehntbauer personally instruct all European salesmen. These men whom he trained are nearly all in our organization today and they certainly know their merchandise well. The writer and other executives of the company have often contacted these men and have been surprised at their knowledge of our merchandise selling methods and general business policies. Recently, when the writer was in Europe, Mr. Tyler, our General Sales Manager of Europe, remarked to him how unusually well informed our European salesmen are. On June 15, 1927, the writer sailed on the S. S. "Tahiti" for Australia and New Zealand to investigate the prospects of doing business in those countries. According to the best records obtainable in Australia, about 4,500 dozen swimming suits were being imported into that country per year and about ten times that



many were being manufactured there. The duty and other charges on imported suits amounted to over 100%. As the swimming season there is long and most of the people live near the seashore and are athletically inclined, swimming is a popular sport. He came back with such favorable reports that on December 8, 1927, Mr. J. R. Dodson and Mr. Irwin S. Adams sailed on the "Ventura" from San Francisco for Australia to organize the company which is now known as Jantzen (Australia) Limited. This factory was in production the following July, or just a year after the writer arrived in Sydney on his trip of investigation. The writer's tour of investigation to Australia was an easy and pleasant task but Mr. Dodson and Mr. Adams had to do some real hard work and do it very rapidly in order to organize and finance the company in Australia, build factory buildings, have machinery shipped to it, and be ready to operate by the following July, a period of less than six months. Three weeks of that time was consumed in traveling to Australia. It required skill and ability to go to a strange country and raise from the citizens of Sydney the sum of £30,187 in so short a time and then to get a building put up in a much shorter time than is the custom in Australia. This feat was made possible through contacts made with the Burns Philp Company, one of the largest and most influential companies of Australia. The Company and its members subscribed a substantial part of the capital raised in Australia. Contact with these people was originally made through Mr. H. C. Armstrong, a very pleasant and able Australian whom the writer met on the Steamer Tahiti on his trip to Australia. Mr. and Mrs. Armstrong were returning home from their honeymoon trip spent in Europe. It was through Mr. Armstrong that the writer met Mr. W. A. Freeman who is a substantial shareholder and a member of the Board of Directors of Jantzen (Australia) Ltd. A great deal of credit is due Mr. Armstrong for putting us in touch with the right people from the start.



Chapter 25: Plant Addition on Sandy Blvd. & International Factory Plans

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1927 seems to have been a year crowded with events. While Mr. C. R. Zehntbauer was in Berlin, Mr. Chamberlain piloted the "Columbia" on a non-stop flight from New York to Germany. Mr. Le-vine, promoter of the flight and Mr. Chamberlain were given a banquet at which Mr. C. R. Zehntbauer was among those attending. As a publicity stunt, the flyers were presented with Jantzen Swimming Suits.

Another event which gave us considerable high-grade publicity was the fourth prize won by Mr. Irwin Adams for an article which he wrote for System entitled "What Simplification has done for our Business", and at the Atlantic City Pageant in the Knitted Outerwear Division of the Bathers' Parade, Jantzen Knitting Mills took second prize for National Advertisers Best Appearance, and first award for swimming suits representing the finest workmanship and quality throughout in every respect. This included material, knitting, patterns, design, color harmony, practicability and durability.

During this year Mr. Royal Brown left his job as Manager of the Export Department to go in training on the Indiana territory for a position in France where he was to be in charge of sales in that country.

In the fall of 1927 we added a quarter of a block to our building which now adjoins the Administration Building. Despite the trend downward of general business condition as shown by the Babson Chart in 1927, our business showed a steady trend upward. We wound up the year in a good financial condition showing a ratio of current assets to current liabilities of 9.17 to 1, which was the best attained for a number of years. Our net sales for the year were. \$2,614,483. A reduction in price from \$48 to \$43.20 was made on our standard numbers—styles 28 and 32. This odd price resulted through an effort to set a price that would not only give the retailer a uniform profit but would be convenient for figuring. Inconvenient figures cause considerable work in the Accounting Department. If an adjustment in price was made up or down it was in multiples of 60c per dozen, or 5 c per suit. This price reduction was not because of any reduction in the price of raw



materials or labor, but because of our efficient methods of manufacturing coupled with the increased volume which we enjoyed. There was practically no demand for a price reduction on the part of the consumer or merchant; in fact, more complaints were made because of the price reduction. Merchants claimed the suits were selling well enough and they did not wish a lower price. Besides, competition was not reducing prices.

Our argument to the merchants was that we wished to consistently give the consumer the advantage of any savings we could make in manufacturing through scientific methods or volume. Our policy fitted in well and was highly successful. Looking back, we still think it was a wise move as we gained a great deal of good will and made more profit than in the year before. It was a good will builder for the strenuous years to come. The net profit for the year was \$204,209. With all the activity of 1927, and an increase in our advertising appropriation of over \$2900, our advertising expense increased only . 4 of 1% of sales over the year before. During the year we sold \$138, 000 worth of preferred and common stock. This money, together with a portion of the profits which was carried to surplus, increased our net worth to about \$1,250,000 and encouraged us to make still greater efforts to expand our business during the coming fiscal year of 1928.

Our extreme activity during the year 1927 brought the executives together often in discussion of these different projects and undertakings. Perhaps the ruling thought was that we should introduce our merchandise into as many of the markets of the world as possible and as rapidly as possible before our competitors, who were beginning to get threateningly active, (not only in this country but in some foreign countries) should precede us in some of the good markets of the world. We considered Australia to be the most favorable place to experiment with a branch factory because of the climate, and the high protective duty for the manufacturer in Australia. As this factory has been able to show a profit for each of the five years in which it has been in operation, we feel that our judgment has been correct in the selection of Australia for an experimental branch factory. We felt that if we were able to build up an export business in Europe, the time would come when it would be necessary, in order to give service and to meet competition, to establish a plant in Europe. However, we felt we might be able to export to Europe from the American factory for a number of years before we would be compelled to manufacture over there. In all this foreign effort, we tried to avoid detracting



executive effort away from our domestic business, as we felt there was still plenty of room for expansion in this country. During the year a number of improvements were made which cut the cost of manufacturing and improved the quality of our merchandise.



Chapter 26: "Color Harmony" Concept in 1928; Australian Plant Started

Originally Published December 1933

OUR big sales promotion scheme introduced in the fall of 1927 at the Jantzen Sales Meetings in Portland, Chicago and Brigantine Beach was the Jantzen Color Harmony idea. This scheme was suggested by Mr. Heinemann and it appealed to all of us, including the sales representatives. A little Color Harmony Guide Book was prepared and sold to our merchants. This book showed the colors that would harmonize with each complexion. Our trunks and uppers were made to correspond with these harmonizing colors as shown in the Guide Book Chart and elsewhere in our advertising. An arrangement was made with the Miller Rubber Company to manufacture rubber caps, and shoes to harmonize in color with Jantzen Suits. They advertised and sold their accessories to match Jantzen colors. Our posters bore the following slogan at the top, "Match your Complexion in a Jantzen," and at the bottom, "Blonde or Brunette, your Color Harmony in a Jantzen. " Our proposed advertising campaign for the 1928 season was planned to omit the use of the old familiar slogan, "The Suit that Changed Bathing to Swimming. " This slogan had been used for a number of years but it was felt the new idea in regard to color harmony was better suited to the campaign. Apparently no slogan will last indefinitely. Perhaps just because we get tired of repeating it, but at any rate I know that ever so often we are persuaded to give up an old slogan. Personally I can not decide who is most guilty in killing a slogan; sometimes I blame it on the Agency and other times onto our own Advertising Department. The only thing that has ever been revived after once being discontinued is the Red Diving Girl on the billboards. It seems she cannot be permanently discontinued. Of course this diving girl trademark has always been used and always will be, but I refer to having sometimes allowed other figures to dominate and make the diving girl trademark a small part of the poster.

In a dealer folder we featured Channel Swimmers who wore Jantzen Swimming Suits, Miss America who won in a Jantzen in 1927, and the gold medal for quality, style and workmanship which we won at Atlantic City in 1927. In trying to do everything possible to prevent bootlegging of our suits, we thought of the use of a decalco-mania sticker which



we furnished our merchants to use on their windows. These decalcomania stickers have a red diving girl and printed in conspicuous lettering was the "Authorized Jantzen Agent." Perhaps the device did not accomplish much towards the prevention of the bootlegging of Jantzen Suits, but it was a neat sticker and was worth something as an advertisement on windows. Encouraged by increasing sales and profits, we used every possible means to advertise and promote sales and it seems that in 1928 we used folders and stickers more freely than ever. Way back in the year 1923 we first developed the Jantzen Gymmie. It had been selling fairly well right along but we felt that it had possibilities so we gave it an extra push in 1928 by featuring this garment exclusively in a little folder. Our advertising broadside included a schedule in the magazine "Liberty" in 1928 for the first time. They gave us large space in their house organ, "Liberty Boy Salesman," and it was quite an addition to our magazine campaign.

On December 23, 1927, Mr. C. R. Zehntbauer arrived in Portland after spending a year traveling over twenty-two countries. An interesting excerpt from an account of his trip follows: "The marketing of our product in Europe brought memories of our first experience in the Eastern market of our country. The merchants could not understand our daring to suggest to them that they buy swimming suits from 'away off America' when they had plenty of their own home makes which they deemed good enough for them and which sold readily at a nice profit. We were too far from the market to give them proper delivery service, they argued, and a thousand other objections. The problem of selling them appeared very formidable. I told Mr. Lemaire, our English representative, that I had three months to spend with him in England, Ireland, Scotland, and Wales and I was sure that in that time we could persuade some of the 45,000,000 population that our product was worth a trial." I am sure M. Lemaire now believes Mr. C. R. Zehntbauer was right in believing we would eventually sell Jantzen Swimming Suits in his country because in the season of 1933 Mr. Lemaire sold more Jantzen Swimming Suits than any other salesman in the world. Mr. Lemaire has been a good Jantzen salesman right from the start, however, as records show that before Mr. C. R. Zehntbauer left England Mr. Lemaire had booked \$17, 000 worth of Jantzen swimming suits and he wound up the season with a 1500% increase over the previous year. Amongst the other men, whom Mr. Zehntbauer contacted while in Europe and who have made excellent showings, were Mr. Erich Reich and Mr. Jellinek. Shortly after Mr.



Zehntbauer landed on the Continent of Europe he met Mr. and Mrs. Victor Reich as he was traveling to Zurich, Switzerland. Mr. and Mrs. Reich had traveled in America a great deal and spoke excellent English and Mr. and Mrs. C. R. Zehntbauer enjoyed their company very much. Through Mr. Victor Reich, Mr. Zehntbauer became acquainted with, and hired Mr. Erich Reich, a brother of Victor. Mr. Zehntbauer appointed him Sales Manager of Australia, Roumania, Jugoslavia, Czechoslovakia, Hungary, and Switzerland. Mr. Reich and Mr. Jellinek are still on the job in those countries and they have done a most excellent job against unusual odds. They had to contend with high import tariff, money embargoes and import quotas. Despite all of these things they still sell a goodly amount of Jantzens in their territories and these gentlemen are certain to be heard from in a big way when some of these restrictions are removed.

"While on this same trip in 1927, Mr. Zehntbauer appointed Mr. Weert as a Jantzen representative for Holland. Mr. Weert is still with us and is continuing to do an excellent job of selling Jant-zens. Mr. Bekir Nuzhet of Stamboul, Turkey was appointed by Mr. Zehntbauer and is still with the Company.

ABOUT the first big thing that happened in the calendar year of 1928 was the sailing of a group of experts for Australia to manage Jantzen (Australia) Ltd. Mr. Ed Klindworth, General Manager, Miss Estelle White, Secretary to the Manager, Mr. Herbert Matthes, Superintendent, Miss Amanda Miller, Forelady, Miss Marie Miller, Assistant Forelady, Mr. William Mercer Oldham of Adelaide, South Australia and Mr. Clifford Francis from South Australia. All of this group with the exceptions of Mr. Oldham and Mr. Francis were old, experienced employees of the Jantzen Company in Portland. These young Australians happened along looking for a job just at the time when we were looking forward to training some one to send to Australia and as these men would be going back home, therefore, we jumped at the opportunity of taking these two, bright, young men in to train for those jobs. These men have made good records for themselves with the Jantzen Company in Australia. This group whom we chose to send to Australia to manage our first new branch factory was very carefully selected.

Mr. Ed Klindworth, the General Manager of the new Australian Corporation, became first associated with Jantzens on April 18, 1924. He worked first in the winding room and was then transferred to the checking department. From the checking department Mr.



Klindworth was transferred to the shipping department as assistant to Mr. J. E. Cormack. Later Mr. Klindworth was given a position on the road in Indiana. In all of these positions Mr. Klindworth proved his worth and his all round experience, we believe, fitted him for this new job. Miss White had been Mr. Heinemann's Secretary for a number of years and we felt that her knowledge of ' sales policies and methods was of great value to the new Company in directing this part of the work. Mr. Herbert Matthes came with Jantzen in 1918. He had also had a varied experience with the Company. He joined the Company while we were located on Fifth & Burnside. He spent about two years on a shaker knitting machine and later was transferred to the Wildman Knitting Machines. At times he was in charge of various knitting departments. He also spent nearly a year on the planning desk. Before he left for Australia he made a special effort to improve his mechanical knowledge of knitting machines and sewing machines. Miss Amanda Miller came from the covering department. She had Singer Sewing and Hemming Machine experience as well as some experience in the Shipping Department. Miss Marie Miller had experience in the Winding Department, in the Finish Ends Department and also in Final Inspection. These sisters, we felt, were well equipped in every way to guide the work in these departments in the new Australian factory. The first piece of advertising matter to reach us from the new Australian Company was a copy of the first Broadside printed in Australia in 1928 of Jantzen (Australia) Ltd. which is in our files. It bears the headline "Jantzen Swimming Suits now Made in Australia by Australians for Australians", and the slogan "The Suit that Changed Bathing to Swimming" was used.

Before another Jantzen Yarns is issued the Tenth Anniversary of the application of the Bedaux system in the Jantzen plant will have occurred. In February 1924, the first application was made in the Spooling Department of our factory and this was the first Bedaux application west of Chicago. Now in the year 1933, there are hundreds of applications throughout the West and the business of the Bedaux Company has spread to all the principal countries of the world. Jantzen (Australia) Limited, had the first Bedaux application in Australia. We believe the Bedaux system is the most scientific method of keeping a record of the work of individuals and of giving them the proper credit for their accomplishments. Its application has enabled the employee to earn more money and it has been a great factor in aiding the Company to increase its sales and thereby give steadier employment. It has undoubtedly resulted in a greater net profit to



the Company because of increased production and greater sales.

During the year 1928, the Western Union Telegraph Company installed a type-printer and we featured in our folder to the dealer, quick service made possible by this Western Union Device which delivers telegrams directly into our office.

For several years prior to February, 1926, we had been trying to think of a plan whereby we might aid the public in securing better places and cleaner places to swim and in that month we established the Jantzen Swimming Association of America. We had felt for some time that swimming was greatly retarded because of the many unclean pools and beaches. We knew modern equipment and modern architecture in building pools could provide pools where water could be kept perfectly sanitary at all times and free from any contaminating germs. We knew there were many such pools in the country and we wanted a way to designate these and certify them so that people would know when they were swimming in a clean pool. We offered a Jantzen Plaque, with a red diving girl and with the words "Clean Water" conspicuously placed on the Plaque, to all pools who would become members of the Jantzen Swimming Association. We laid down strict rules to be complied with and refused to accept any pool or beach as a member until they had made their plant modern and sanitary. The idea seemed to take well with pool and beach managers and within two years we had 150 members. We felt that we had enough members to make it worthwhile now to advertise to the public in the Saturday Evening Post about the member pools and beaches of the Jantzen Swimming Association of America. Therefore, Mr. Heinemann made a trip East and solicited funds from swimming pool equipment and material manufacturers for advertising this Association. He was successful in securing quite a fund for this advertising and with this money and with the money donated by the Jantzen Knitting Mills we ran five quarter pages in the Saturday Evening Post in the summer of 1928. These advertisements stimulated a great deal of interest amongst all the pool and beach owners and the proposition looked so promising that we felt we should employ a man to look after this Association and make it his business to promote it. We hoped to charge a small membership fee after we had demonstrated to pool and beach owners the value of the work. The money collected in fees was to be used to pay part of advertising and other expenses. We hired a man, trained him as best we could in the brief time we had, and put him in complete charge of the activities of the Association. The new Manager made



a trip East to become better acquainted with other Associations interested in pools and beaches where he was persuaded that we should drop the name Jantzen from the Association and call it the "Swimming Association of America." Feeling rather altruistic about this Association and believing that we would get our share of benefit from it if it were a great success, we dropped the name Jantzen, which as we see it now was a great mistake. Without this name it lacked punch and the Association soon disintegrated into an ordinary association that does not carry out the work originally in mind, and certified pools, the very thing which we believed to be the heart of the undertaking, are unknown. We believe that some day some such idea will be successful—that all swimming places of America will be clean and beautiful—that swimming suit and equipment manufacturers will benefit, and the swimmers, both young and old, will derive healthful and beautifying benefits.



Chapter 27: New Administration Building & Canada Plant-Stockholder List

Originally Publish April 1934

1928 was the first year in our history without a retail store, the last store being disposed of during the year 1927. The increase in total sales was greater than we had experienced for the two years previous. The total sales were \$3,140,595 and the increase was 23.4% over the year before. The net profit after deducting for estimated income tax for the year was \$495,626.48, which was 15.8% of sales. Our net worth was increased \$411,328 by the year's operations and all but about \$80,000 was absorbed in the business in the way of inventories, accounts receivable, etc. During that year \$258,238 was spent for advertising, which was 8.2% of our sales, the greatest percentage of sales spent on advertising since the early years of our business.

It seems humanly impossible to keep down expenses and especially advertising expense after a business has had a number of prosperous years. The results of advertising are so intangible that no one can tell exactly what is going to pay and what will not. As profits accumulate it is a great temptation to add to advertising campaigns such media as you have passed up before because of lack of funds, and the point of diminished returns is reached before one realizes it. I don't mean to say that 8.2% of sales is too great an amount for us to spend for advertising because I do not know that, nor does any one else. If we had spent less we may have made less net profits. If we had spent even more our net profits may have been greater. We are convinced that advertising is the cheapest method of selling. It enables us to get a volume of business which, in turn makes it possible for us to produce swimming suits at a very low price and we know that without advertising a sufficient volume could not be obtained and prices for Jantzen Swimming Suits would necessarily have to be much higher than at present. Therefore, advertising is good business because it is the most economical method of getting distribution. We try to exercise skill in determining the amount to spend for advertising, and the proper amount to spend is any amount that will so increase the volume that prices "will not have to be increased on account of advertising expense. While yarn prices advanced from \$1.60 in 1927 to \$1.83 per pound in 1928, Jantzen



Swimming Suit prices remained exactly the same through 1928 while most manufacturers had to raise prices due to the increased raw material costs. Advertising was certainly an essential factor in making our low prices possible.

In the fall of 1928 we began the construction of our Administration Building. Richard Sundeleaf, who had been engaged months before as architect, had his plans ready for what was to be one of the most modern factory administration buildings in the country. This building was completed and occupied in January, 1929. I should have mentioned before that the new Canadian plant was built by the Jantzen Knitting Mills of Canada, Ltd., in Vancouver, B. C, nearly a year before our Administration Building was finished. The Canadian Company celebrated on February 22, 1928, the completion of their excellent new factory. This two-story, concrete steel structure is located on 10th Avenue and the great Pacific Highway in Vancouver. The building contains 40,000 square feet of floor space and enables the Vancouver plant to carry on most of the operations on one floor, which has been found to be more economical than operating a factory on several floors, as was previously the case at the Vancouver factory.

Following is a complete list of common stockholders of Jantzen Knitting Mills of record August 31, 1928: Irwin S. Adams, Edna Beam-cr, Dave Botsford, A. J. and L. Cormack, J. E. Cormack, J. R. and P. S. Dodson, J. R. Dodson, R. M. Dodson, P. S. Dodson, H. L. German, H. L. or Delia German, Flora Green, M. Heinemann, W. W. Hill and Son, C. C. Jantzen, Henry Jantzen, Oneita Jantzen, Emma Jantzen, E. F. Pautz, W. H. Ramp, F. A.. Schoppe, R. F. Wisner, J. A. Zehntbauer, C. R. Zehntbauer, J. H. Zehntbauer, M. Zehntbauer, Gertrude Zehntbauer. This was the last time an audit could contain a list of all the common stockholders because in the fall of 1928 we changed the capital setup from 15,000 common shares of a par value of \$100 per share to 100,000 shares of no par value. The stockholders sold to George H. Burr, Conrad & Broom, stock brokers, 45% of their common stock which stock was put on the market by that brokerage concern and listed on the San Francisco Stock Exchange. Later the stock was listed on the Los Angeles, Seattle, Portland and the New York curb exchanges and distribution of the stock increased very rapidly.



Chapter 28: Stock sold publicly in 1928 & Export business up

Originally Published October 1934

THE general public bought Jantzen common stock from our brokers at \$36.50 a share and on the morning of October 19, 1928, orders for more than twice the number of shares available were received by them. This stock opened on the San Francisco Curb Exchange at \$43 on October 25, which was considered by the brokers to be very encouraging.

For a number of years we had been solicited by brokers to place our stock on the market, selling part of our interest to the general public. "While we had consistently turned down these overtures, we could not resist the trend of the times and thereafter the Jantzen Knitting Mills was no longer a closed corporation and its stock has gone up and down with the general stock market.

It was during the fall of 1928 the Company began to give service emblems to members of the Jantzen organization, pins being presented for five, ten and fifteen years' service. In 1934, five years later and at this writing, there are 215 people who have Jantzen Service Pins indicating service of five years or longer. One hundred and fifty-eight of these have Five Year Pins, forty-nine Ten Year Pins and eight fifteen Year Pins. In addition there are a few of us who have been here over 20 years.

Jantzen export business in 1928 continued its onward march unabated toward worldwide distribution. Jantzen export business again more than doubled during the 1928 season over the year before, a remarkable increase of 137%. At the opening of the 1928 season Mr. C. R. Zehntbauer was in Europe and through his contacts with the sales representatives was instrumental in securing rapid development of Jantzen business. The volume of export business totaled \$477,957 and of this, 70% was done in Europe. The European sales in 1928 were four times as large as in 1927. We did the greatest volume in Germany. Great Britain followed next and Sweden next. Other markets in the order of their ranking were Argentina, Union of South Africa, Italy, France, Austria, Hawaiian Islands, Denmark, Czechoslovakia, Norway and Panama. Jantzen



"Yarns" of July, 1928, reports the opening of the Mexican territory and the appointment of Compania Mercantil Universal of Mexico City as Jantzen agents for the Republic of Mexico. We had been filling mail orders from concerns in Mexico before this time, but had never had an agent in that country. Up to the time this is written, June 7, 1934, no representative from Jantzen Knitting Mills has visited Mexico City. Jantzen swimming suits were sold in Algiers in 1928 for the first time also. Mr. Emile Pertus, the first purchaser of Jantzen merchandise in Algiers, reported the suits were selling well the first season. In 1928 when we started to advertise quite extensively in Europe we immediately received encouraging reports from the European territory in regard to the effectiveness of the Jantzen advertising that was running in leading newspapers and magazines. Merchants there took prompt advantage of Jantzen advertising and co-operated very well by window trimming and running local advertisements. That season we received clippings of dealer advertising from South African, Argentine, Cuban and Chinese newspapers, and from all of the major continental countries of Europe, and of course many from England. Reports show that Camps Company, S. A. of Havana ran very effective advertising and did an excellent business on our suits that season. We were then making, principally from waste, knitted caps, the Jantzen Beanie, which had become popular throughout the territories in which we were doing business, and particularly in Sweden in 1928 where we did a very excellent business. Alecko, A. B., sales representative for Sweden, launched a sales campaign for the Beaners on their own account and did a land-office business on them. The Beanie was popular for several years but its popularity finally died down and we have not manufactured any of these caps for several years.

English Channel swimming was popular in 1928 and Mr. Lemaire, our English representative, was not slow to take advantage of it in helping to sell Jantzens. He hired Miss Harding, a popular Channel swimmer in 1928. Miss Harding not only demonstrated the Jantzen suits, but she also lectured to clerks in stores on the qualities of Jantzen suits. He is always thinking of new ways to promote Jantzen business, and his ideas are practical.

Another of our foreign representatives who is always alert and never misses an opportunity to promote Jantzen sales is Erich Reich and we find him fitting Miss Austria for 1928, Miss Grete Theimer of Vienna, in a beautiful Jantzen suit. Miss Theimer was



popularly known as the Viennese Fashion Queen. Our history shows that men who constantly try new stunts for sales promotion win out in the end because by trying they find things that will work. They become more and more practical and they are always outstandingly successful salesmen.

Data gathered for the year 1928 by Mr. Irwin Adams show that 950, 000 Jantzen suits were manufactured and sold in the Portland plant during the season of 1928. His charts also show that 70% of the wool bathing suits exported from the United States in 1927, the last figures obtainable from the government, were Jantzen suits. His charts also show, from an inquiry sent out to 5,000 representative Americans, that 37.9% owned Jantzen suits against 36% owned by the next ten brands put together. This same inquiry showed that 58.1% of those answering would buy a Jantzen suit if they were to buy another suit and only 21.6% would buy any of the next ten brands put together. These data were gathered for the purposes of ascertaining our position in the market and also to help in sales promotion. I believe none of us doubt the effectiveness of such data for sales promotion.



Chapter 29: Exercise for Health & Beauty & Other Promotions

Originally Published December 1934

Our fundamental business policies do not change much, but everything else about the business is constantly changing. Sometimes during our history some of us have thought a few of our styles had become quite staple and that some of our manufacturing and selling methods were well established and would continue as they were for a number of years; but only for a short time could we hold such ideas because each succeeding season and year brought new ideas, new problems, new competition, new political interests to business and, fortunately, new opportunities, and the year 1929 was to be no exception, unless it was toward the latter part when national financial conditions caused us more apprehension than usual about our ability to continue to expand our business. However, our sales had increased so satisfactorily in the year 1929 in this country as well as in foreign countries, and our profits were likewise substantially above those estimated, that we hesitated to inaugurate any radical changes in our sales policies or in our line. We contented ourselves by merely augmenting our efforts by increasing the use of magazine space and billboards, trying to improve mats and cuts which we furnish dealers for advertising and improving our line without radical changes. At the beginning of the 1929 fiscal year, yarn and material prices were approximately the same as during the year 1928, but labor, which had continued to increase slightly, influenced us to maintain our swimming suit prices the same as they had been since 1927. Later on in the year, yarn prices dropped but we followed our policy of continuing a price throughout the year regardless of whether yarn went up or down. "We have found this is more satisfactory to the merchant and to every one else concerned. Most of our competitors had increased prices in 1928 and again in 1929 following the trend of higher wages, but, because of our greatly increased volume, we were able to avoid making any price increases. We believe, also, that our efficiency in manufacturing had a great deal to do with our ability to keep prices low. We believe concentration upon one garment for so many years has enabled us to become more efficient in manufacturing. Our experience in manufacturing many lines in our factory with a gradual reduction to two lines and then



finally one line, gave us invaluable experience and impressed forcibly upon us the economies to be effected in manufacturing one line. Our records show conclusively that in our case great savings were made when we simplified our line by reducing it to swimming suits alone. We can now look back and feel satisfied that at least our judgment in regard to pricing was correct, as far as the benefits to be derived from our business during the year 1929 were concerned, as we had nearly a million dollar increase in sales and our profits increased proportionately.

We believe it good business and we have long made an effort to have some outstanding valuable features of our line to play up in advertising and sales promotion efforts during the year. For the year 1929 we featured in our advertising, matched sets of two in a box, to match the complexion of the purchaser. We did not discontinue our advertising color harmony but carried it along with the new idea. Our copy theme embodied the promotion of purchasing two suits. It stressed the comfort in having a dry suit to put on when one wished to go in the water twice during the day and to be dressed in a variety of suits, arguing that one could be dressed fashionably for such a small sum. Our 24-sheet poster headline carried the slogan "Choose Your Color Harmony in a Jantzen. " We felt that in the past we had offered too few custom mats for the merchants' use and we, therefore, featured this year many small cuts and mats which, for a small sum, could be inserted in the papers by the dealers. That year we offered \$1,600 in prizes for the best Jantzen windows. Our headline slogan on many of these mats and cuts was "Exercise for Health and Beauty. " Eva Kent was featured in setting-up exercises in a Jantzen. We also featured merchants' sales analysis sheets to show which was the most profitable swimming suit line. On these sheets we had examples showing how to figure whether a line was profitable and which was the most profitable. We also furnished salesmen with blanks which they supplied to those merchants who requested them.

That year in the children's line we featured Sun Suits and Trunks and advertised these designs as being made according to specifications by a noted child specialist. That year we increased our advertising appropriation by \$64,356, but our sales were so increased over the year before that our advertising expense was only 7.9% of sales against 8.2% of sales the year before.

Early in the 1928 season plans for advertising and sales promotion were laid for 1929



and they were the most elaborate that had been attempted. More mailing pieces were used, more catalogs and broadsides than ever before and we continued our window display contest, offering \$1,600.00 in prizes. The window display contest has stood the test longer than any promotion stunt we have ever tried. Our Red Diving Girl, in which we take a great deal of pride, I place in a different class because it is the trademark which we use in all forms of our advertising.

We continued for another year also to feature color harmony in our advertising and in a special broadside and a little color harmony folder which we sold to the merchant for distribution by mail or over the counter. You will remember these color harmony guides showed the colors of suits that would harmonize with the blonde, with the brunette or a titian haired person.

Another very effective feature of the 1929 campaign was the special color pages, including front and back of College Humor. Three thousand of these were furnished us by College Humor. We paid the postage and sent them to three thousand of our selected accounts. The copy was excellent and appealed to the merchant to tie-up with the College Humor-Jantzen advertising campaign. Many of us believe this to have been as effective cooperation as a magazine can render. Among the dealer helps listed was the decalcomania authorized agency sticker to put on show windows.

Another new and strongly featured stunt was the fancy box of two matched suits. These boxes were marked for blonde, or for brunette or for titian and the two suits were made to harmonize with the particular type marked on the box. This matched set idea was played up strongly in our advertising and in our portfolios, and dealer help folder. Most of us look back upon this as an advertising stunt that did not click. People don't buy two swimming suits at one time often enough to make it noticeable and no amount of advertising will persuade them to do so. Hindsight is always better than foresight, and it seems some of these things must be viewed with hindsight to be understood.

We gave our dealer help booklet the name of "The Jantzen Book of Modern Aids to Merchandising", in fancy lettering across the front of the book, which gave it quite an academic appearance, and after our experience we still consider the name a good one.

We sent out a fine big four-sheet folder offering cuts to our dealers. To editors throughout the country we sent a series of articles on "Exercise for Health and Beauty".



The editors were asked to publish them, using the name of the Jantzen Health Club as the sponsor and readers were invited to join the club. In cases where the name was not run in the paper we contented ourselves with having a Jantzen swimming suit with the diving girl shown in the cut.

We again featured sun trunks and sun suits for infants and we provided folders, window and counter display cards especially for them. We printed quite an elaborate sales analysis blank called "The Jantzen Sales Analysis Service". This blank, when properly filled out, would show the net profit after considering the losses from cut-price sales during the season, and the carryover, etc. Many customers have continued to use this service. We used the Red Diving Girl poster again for 1929, and the slogan "The suit that changed bathing to swimming". Just before the fill-in season we mailed telegraphic code sheets, including a code for the Webfoot line. It seems we left no stone unturned in the advertising and dealer help line during the year 1929.



Chapter 30: 1929 A Strong Year

Originally Published July 1935

MR. DAVID M. BOTSFORD, our advertising counselor, was greatly responsible for the direction of our foreign advertising campaign in 1929. In the fall of 1928 he went to Europe, arriving in London on October 5 where he contacted our local advertising agent Sampson Clark and Company, Ltd., of London and our salesmen in that territory. Mr. Botsford also visited the Scandinavian countries and Central European countries, contacting our salesmen, instructing them how to get the most out of an advertising campaign and how to get cooperation from dealers, getting local advertising to tie up with our national advertising. Mr. Botsford's trip, following on the heels of the trip of Mr. Jantzen and Mr. Dodson and the work Mr. C. R. Zehntbauer had done in Europe, concluded very extensive preparation for our selling campaign all over Europe for the 1929 season and unquestionably this ground work was responsible for the excellent increase in business we had in that territory in 1929.

Our rapidly expanding foreign business which amounted to over \$700, 000 in swimming suits exported from Portland in 1929, not including sales of the Canadian factory and the Australian factory, which are never included in our export sales figures, encouraged us to promote this business in every way possible and by experience we have found that to promote foreign business it is necessary for our executives to have personal contact with our sales representatives and in 1929 the greatest effort in the history of our business was made toward contacting our foreign representatives throughout the world.

Mr. German went to Australia and attended the sales meeting of Jantzen (Australia) Limited in Sydney, January 28, 29 and 30 of the year 1929. "While he was there, of course he checked over the accounting methods of the Australian Company and took plenty of time to carefully go through all the departments of that business with a view to offering any suggestions he could to improve it and I am sure the trip was profitable to the Australian company because Mr. Klindworth, the manager there, and others, have expressed appreciation for the work Mr. German did for them and have expressed the feeling that they gained a great deal that could not have been accomplished through correspondence.



On April 14, Mr. C. C. Jantzen and I left for a trip to visit the Jantzen Spinning Mills of Camden, New Jersey, and to especially investigate new machinery in Germany of which we had heard some rumors and which we thought might possibly materially reduce the cost of manufacturing Jantzen swimming suits. On that trip of course Mr. Jantzen and I visited our sales representatives in all the countries which we visited, which included England, Germany, France, Italy, Holland, Belgium, Switzerland, Austria, Norway, Denmark and Sweden. On our way over Mr. C. R. Zehntbauer boarded our boat at Cherbourg and accompanied us to Berlin where he, Mr. Jantzen and I went on to Chemnitz, Germany, to see about the new machinery and after we all returned to Berlin we separated, Mr. Jantzen going north, C. R. finishing up some of the work which he had been at far the past two years in Europe and then sailing for home and I headed for Austria and south into Italy and France. Between us we visited practically all of our sales representatives in Europe. It was after this, trip we came home convinced that if we were to maintain our business in Europe it would be necessary to locate a plant there so that we might give service and produce the styles most salable in Europe. At that time we could not foresee the quotas and embargos and extremely high duties that were to come soon but we had in mind protecting our business against the results of the lack of proper and prompt service as compared with our competitors who were beginning to develop.

For various reasons we felt England would be the best place for the new Jantzen plant. A few of the important reasons were the convenience of the English language to us, besides its being practically the universal business language; the reputation the English have for manufacturing good woolens and the reputation they have as being honorable in business dealings, which makes exporting from England easier; a large consuming population in England with additional large consuming populations in British countries such as South Africa where English factories enjoy preferential tariffs. We felt these advantages outweighed the disadvantages of higher -wages and of free trade in England. We felt certain the duty free handicap could not last and that the English manufacturer would soon be protected by a tariff comparable to the tariffs imposed by other countries.

In 1929 we held our first European sales meeting in Paris. Immediately after the Chicago meeting Mr. Mitchell Heinemann, Mr. Irwin Adams, Mr. Phillip Bergh, Mr. Paul DeKoning and Mr. C. P. Constan-tine, a member of our advertising firm, sailed for Europe on the



Leviathan, landing in Cherbourg on August 23. Seventeen salesmen attended the meeting in Paris. In addition, Mr. Royal F. Brown, manager of the Paris office and Mr. Max Delang of Zurich, Switzerland, our advertising agent for the continent, were at the meeting. It was felt by those conducting the meeting that a great deal of good was accomplished and our sales representatives have expressed themselves as favoring these meetings but they were not continued for a number of reasons. After Mr. Tyler took charge as general sales manager for Europe he found it less expensive to conduct smaller meetings in the different countries and, too, he believes more is to be gained by visiting a representative on his own ground and being able to spend more time individually with him and concentrate upon his problems, which vary more than the problems of the different salesmen in the United States. This meeting concluded our contacts with our European representatives for the year and I am sure by the time this meeting was finished and our men were back on their jobs they were quite well acquainted with our American personnel and executives as all together nine Americans had contacted them during the year.

While our European territory got a great deal of attention during the year 1929 we did not neglect our business in the Pacific. On September 18, Mr. C. C. Jantzen boarded the steamship Malolo for a cruise around the Pacific, which gave him an excellent opportunity to visit our representatives in Japan, China, the Philippines, Indo-China, Singapore in the Strait settlement, Java and Australia. On October 16, 1929, I sailed for Australia on the steamship Aorangi, arriving in Sydney, Australia, about a month ahead of Mr. Jantzen. One of the main reasons for my going to Australia was to see if we could not make arrangements with the Burns Philp Company, who were exclusive agents for Jantzen in Australia, New Zealand and some islands over which Australia ruled, to relinquish the agency, turning it over to Jantzen (Australia) Limited. We felt it necessary to deal directly if possible with our customers as we believe it to be the most economical and satisfactory method in which to operate that plant.

While under the terms of our contract with the Burns Philp Company we had a right to withdraw the agency from them, they had done such an excellent job and had cooperated so well with us that we were determined we would not demand that they give up the Jantzen agency but we would request that they do so and show them our reasons for requesting it, leaving the decision to them as to what they would do. Of course we did



use all the arguments we could think of to persuade them to turn over the agency to Jantzen (Australia) Limited, and they used all the arguments they could against it because they wished to retain the agency since it had been profitable to them, but after all of our discussions and after both sides understood the problems to be faced by both organizations the Burns Philp Company executives agreed to give up part of the territory the following year and release more the succeeding year and the third year to return all the territory which the management of Jantzen (Australia) Limited might see fit to request. This program was followed according to our verbal agreement and all of us who had anything to do with this transaction have the very highest regard for the executives of the Burns Philp Company, who dealt with us in a most generous and fair manner. Jantzen (Australia) Limited had prospered beyond our expectations under the management of Mr. Klindworth and we were confident that he could handle the sales directly under his own management better than through the Burns Philp organization and could make a saving to the company.

Mr. Jantzen arrived on the Malolo and after about three days we sailed together for San Francisco, via Honolulu, arriving home in Portland just before Christmas. Our executives had done more traveling in 1929 than any previous year, at a cost of quite a large sum of money, but when we consider that at the date of this writing, in May, 1935, after about five years of worldwide depression, sales of Jantzen swimming suits in countries outside the United States are greater than at the peak of our sales before the depression, the time and money spent in laying the foundation for this business has undoubtedly proved worth while.



Chapter 31: New Building Dedicated & Camden Spinning Operation Added

Originally Published October 1935

Many important things happened to the Jantzen organization in the year 1929 besides these eventful trips in foreign countries. We occupied the present magnificent administration building on January 28, 1929, and on that date the employees of the Jantzen Knitting Mills presented a plaque to the company consisting of a bronze plate inscribed as follows: "The dedication of this administration building commemorates a milestone in Jantzen progress. This tablet is placed here in appreciation by Jantzen employees, January 28, 1929." On March 22 we had open house throughout our plant from 6:30 until 10:30 P. M. From the entrance of the factory guides conducted the seemingly endless stream of people through the mill, the administration building and the shipping department, while Jantzen girls in Jantzen suits directed the traffic from posts throughout the building. More than six years have passed and we still hear favorable comments about this reception. People who visited it certainly were impressed. To many visitors the most fascinating thing about Jantzen's opening was the map on the wall of the sales department, telling the story of worldwide distribution.

Hardly had the administration building been finished when Mr. Sunderleaf, our architect, was called in to design another building, our new two-story warehouse building to cover a half block, 100 x 200 feet. This building was built for warehouse purposes but with a view to manufacturing in it whenever we needed it. It is a modern two story factory building with sawtooth roof and is solid concrete throughout, including roof, floors and walls and the side walls contain as much window space as possible. This building was started the first of September and was ready for occupancy about the first of December.

At the annual stockholders' meeting held on Tuesday, January 3, 1929, Mr. Mitchell Heinemann was elected director of the Jantzen Knitting Mills. He had been with the company twelve years and had been General Sales Manager for several years.

It was in 1929 when the label department moved into the shipping room or assembling room. It was the year we started placing the names of our customers on our labels,



which necessitated sewing the labels on after the order was selected. This new combination label was designed to prevent what we call bootlegging of Jantzen suits. Often we have refused to sell a merchant because he uses a few Jantzen suits for window trimming and to advertise and cut prices to attract customers into his store for the purpose of selling them any kind of merchandise and anything but a Jantzen suit if possible. He usually has a poor selection, sometimes the previous year's merchandise, but nevertheless Jantzens at a cut price, which was very injurious to our business and to our good customers' business. Through this label we have been quite successful in preventing this type of unfair trade as this label makes it practically impossible for a price-cutting merchant to procure Jantzens without our discovering the source of his supply and stopping it.

I must not overlook recording an important change that took place in our factory during the year, that of removing all of the little individual lights for each operator and replacing them with large reflector two and three hundred watt lights placed six feet apart at about four feet above the tables throughout the factory, giving the factory the appearance of daylight and reducing the eye strain for everybody and therefore, of course, increasing the efficiency of everyone.

On March 20, 1929, one of the most important events in the company's history occurred when we purchased the yarn spinning machinery and equipment of the B. F. Boyer Company of Camden, New Jersey, and started the Jantzen Spinning Mills in that city. It has always been difficult to get yarn of uniform quality and size for the production of Jantzen swimming suits. We require the size to be so exact and the quality to be so uniform that few spinners seem capable of supplying us and for several years prior to the time of buying the Boyer plant we had been investigating the proposition of owning our own spinning mill, either building a plant near our factory or moving all of our plant to a new location which would be large enough to accommodate a spinning mill in addition to a building for a factory, or buying an established mill. For a number of years we had bought yarn from the Boyer mill, who produced the very highest grade of yarn we had used, and we therefore finally decided to purchase this mill from the Boyers and have them continue running it on Jantzen yarn exclusively. Immediately the scheme seemed to be a success; as we got a good quality of yarn from the Boyers and we were able to produce it at a lower cost than the market, thereby showing a nice profit in the spinning



department. As volume declined we could not keep a spinning mill the size of our Camden plant going and part-time running would not pay. In February, 1932, we sold the machinery and equipment back to the Boyers and abandoned manufacturing our own yarn. The transaction showed a small loss on the books of the company at the time of winding up the operations but there were other gains because of our having less seconds and a higher grade of suits than we would have had buying from other manufacturers in that time, which probably more than balanced our loss. While we were manufacturing the concern of Worth Brothers in Los Angeles were developing a method of spinning which produced for us the best yarn we had yet used and their success was a contributing cause for our abandoning our own spinning mill and turning the business over to them. Since then an eastern spinner, using the Worth method, and the Worth Brothers plant supply practically all of the yarn we use.

This extremely busy year brought us sales out of the Portland plant alone of \$4,103,412.64 and a net profit of \$597,042.04 after the federal income tax was paid. That year we paid out of the Portland office alone \$150,000.00 to the common stockholders and \$704,504.90 for wages, salaries and commissions.



Chapter 32: 1930 Business Strong

Originally Published December 1935

IN the spring and summer of 1929, while Roger Babson and a few other prophets whom few of us listened to were screeching at us with all their might through their reporting sheets to liquidate as rapidly as possible because of the impending calamity that was approaching the stock market, we were busy planning the 1930 Jantzen swimming suit line and our advertising and selling campaigns. We had done a record breaking business in 1929 up to the time we began planning our 1930 line and we believed we could do a good business in 1930 regardless of what might happen to the financial world. Therefore, we expanded our advertising campaigns and used every effort to design a swimming suit line that would get the business, and to back up our belief that we would get a larger volume, we reduced our prices in the face of higher costs of labor and material and at a time when most of our competitors were raising prices. However, we believed the additional volume we would get would enable us to reduce our prices and still make a good profit. We used magazines and billboards and spent over \$400,000 for advertising, which was the largest appropriation in our history. The billboards carried a large Jantzen Red Diving Girl and the slogan was "Swim in a Perfect Fitting Jantzen." Our main magazine headline was "Jantzen Creates the Shouldaire Sun Suit". The outstanding art work was a drawing by our old artist, Mr. Clark, of a girl lying face down on a rug that looked like a magic carpet, reading a magazine and showing how the Shouldaire worked with the straps down and the string across the back. It was an attractive drawing and received much favorable comment.

We had some good headlines about color. One was the new water colors, and the other New Jantzen monochromes.

The suits were mainly simulated two-piece suits for men, women and children—usually dark colored trunks with a lighter shade upper. For men and boys striped uppers were featured.

Our sales meetings in Portland and Chicago were considered very successful and everybody went away enthusiastic and hopeful of doing a record-breaking business. Our men, of course, for a number of years had been breaking the previous year's records,



and in 1929 sales were so great and everybody was making so much money that it was easy to be in a confident and happy mood, and to continue to demonstrate that nothing succeeds like success. This confident attitude was not confined to the salesmen, but it pervaded our whole organization from the management down. It's a natural and I believe unavoidable consequence of years of success.

In the factory we were constantly improving methods and developing machinery, and we were lavish with man power and equipment wherever we thought there was a chance to improve our product or reduce our cost of manufacture.

We had built buildings, bought new machinery; hired and trained men for special jobs and we spared no expense to make improvements. We knew our large volume would enable us to produce high grade suits at a low figure, and we believed no one was in a position to equal our suits in quality for the money. None of our competitors had been successful in making any inroads into our markets and the Zephyr suit threat which had made some showing for a year or two seemed to be dying down, and even flannel trunks for men in the East did not seem so popular. Altogether competition never seemed quite so impotent. At that time I thought our delightful situation was almost entirely due to our own efforts. Now I am sure most of it was due to the fact that our competitors were too busy with other things to bother about improving their swimming suit lines.

After traveling extensively in Europe and the United States and just prior to my railing to Australia, I voiced the opinion that prosperity could not continue in the United States with people so occupied with their speculations that they could not concentrate upon their work or their business and this state of mind was very evident in all kinds of people whom I contacted throughout my travels in this country. Now I feel sure that had I given the time to a careful study of history, I would easily have recognized that we were on the brink of one of our periodical depressions. However, we excuse ourselves by saying that "foresight is never as good as hindsight. " No doubt the new generation will go through a similar period and while they are in the depression will carefully study the history of the one we hope we are just finishing.

I am sure none of us dreamed that we were on the brink of the most severe depression in the history of the world, nor that competition would within the next few years make us change completely our manufacturing and selling methods and to develop a vastly



improved and more beautiful swimming suit line which in our self-satisfied mood could never have been developed.

Our enthusiasm and our preparations for a big business certainly were not wasted. In September 1930 we received orders of \$364,172, in October \$611,916, and we kept right on breaking records month by month right up until April of 1930. The stock market crash in the Fall didn't seem to bother our business, as we kept on doing the largest business in our history. In April buyers seemed to be a little more cautious and were beginning to believe that perhaps we were not really in a new era but that perhaps the financial crash would affect business as it had in the past and maybe they had better not buy so heavily as prices might go down and sales might not be so good. Consequently, from April on the sales were not so good, but when the year was ended, our sales totals were the largest in the history of our business.



Chapter 33: Plant started in England; Size-o-Meters; Theatre Tie-in

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In our 1930 advertising we featured the famous women's sun suit with an extra low cut under the arms and a section of the knitted cloth running across under the arms. This suit was later dubbed "The Porthole Suit" by some of the members of our sales organization. The suit appeared to have a large, round hole on each side under the arm which accounted for the name given it by some of our men.

Our broadside featured our "Jantzen Style and Design Studio," such headlines as "Rides the Crest of Fashion," "Assures Style Authenticity," and "New, Alluring Colors," a Jantzen decorated street in Stockholm, Sweden, with nine large diving girl streamers strung across the street, which was done by our customer, Herm Feets, Incorporated, and the new Jantzen Size-O-Meters which were sold to merchants at less than our cost. One of our promotion stunts was the featuring of Alice White in a theatre-store cooperative plan, whereby the theatre advertised Jantzen suits in the stores and the stores advertised the actress and the theatre in their windows and advertisements. We sent out a little booklet to beaches and pools which instructed them how to conduct "Learn-to-Swim Week" campaigns and furnished Jantzen diplomas for use in these "Learn-to-Swim Week" campaigns, diplomas being furnished to any beginners learning to swim fifty feet during the campaign. That year College Humor cooperated with us by mailing copies of our ads in that magazine to customers in college towns. During the year our salesmen made a special effort to solicit business by long-distance telephone during the fill-in season and many of our salesmen increased their sales substantially by this method.

In addition to doing the most advertising in the history of our business in 1930 and carrying on many more promotional schemes than usual, several other very important things took place. In April Mr. Paul De Koning, with his family, departed for Sidney, Australia, to assist in the management of that plant. Mr. De Koning had had a thorough training in the Jantzen organization, having been with us since 1924, and it was thought wise to have an assistant to Mr. Klindworth in that prosperous and rapidly developing



business. Paul's experience and success in the Credit Department and as manager of the Export Department, brought him this opportunity. In March Mr. J. R. Dodson sailed for Europe to superintend the construction of a Jantzen factory in Brentford, England, and before the close of the year Jantzen swimming suits were being manufactured in England.

While we were doing an excellent export business to England and other European countries, we felt that we could foresee the loss of this business through lack of quick service and the ability to sell at competitive prices. After studying the different locations in Europe, we decided England was the best place to locate the new factory. Like the Jantzen plants in Vancouver, Canada, Sydney, Australia, and Portland, Oregon, the English plant is located on the most traveled highway to be found—the Great West Road, *up* The Thames about eight miles from the heart of London.

Some of us old timers who can remember the Botsford-Tyler Advertising Agency, who handled our advertising when the twentieth century was in its teens, can consider as important the event of Percy S. Tyler, known to friends as "Ty, " joining the Jantzen organization in the capacity of Sales and Advertising Manager for Europe. "Ty" originated the first Jantzen slogan which was, "You always notice a genuine Jantzen. " I can remember distinctly when he suggested this slogan. We were seated together at his beautiful mahogany desk which was clear of all papers with the exception of a scratch pad upon which he was writing the various suggestions that came to our minds. We' were both immediately impressed with his winning slogan and it was carried in our advertising for several years. I am sure that it did not occur to "Ty" then that he would some day become a member of the Jantzen organization and certainly I did not dream that our small struggling company would expand to the point that we would build a large factory in England to take care of our European business and be able to enlist the services of a man like "Ty."

In 1930 Mr. H. L. German and Mr. Irwin Adams, by virtue of the important managerial positions they held, and because they were trusted and esteemed by the other members of our organization, were elected to the Board of Directors of Jantzen Knitting Mills.

Notwithstanding the panic in 1929 and the growing business depression in the latter part of the 1930 selling season, the sales of our Portland plant that year were \$4,753,203



and we sold 1,587,388 suits, which was a record in dollar value and number of suits sold. During that year we declared dividends to the Common and Preferred Stockholders amounting to \$291,663.71, and paid out in wages, salaries and commissions in Portland, \$1,270,349.38. Certainly there was nothing in our records of 1930 that looked discouraging or that should have caused us to feel in any way depressed about the future. However, to Mr. Heinemann, who had traveled extensively throughout the United States and talked with many buyers and all of our salesmen, and to a few of the rest of us, who were closely studying the trend of business in general and the swimming suit business in particular, prospects for 1931 did not look so promising.



Chapter 34: 1931 British Plant Running-New Style Development Building

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THE Jantzen organization started going through the fire of the great depression in its fiscal year 1931, fully a year later than most organizations began to feel the effects of the depression. We entered the fire that we knew our organization had to go through with considerable confidence, because through the prosperous years we had resisted the demands of our stockholders to pay larger and larger dividends to an extent sufficient to build up a good reserve which would enable us to make whatever changes we thought necessary for the success of the business during lean years which we know come to nearly every business. How thankful we were for this copious reserve which made it possible for us to continue to pay something to our common stockholders throughout the year of 1931, and to pay the full dividend to the preferred stockholders and to continue with the same base rate of pay to all of our piece workers whose working time had to be cut during the year and whose incomes were therefore reduced, even though their hourly rates of pay were maintained. Wages were being cut right and left in our industry as in all other industries. However, we were able to go on without reductions, except in the case of top executives whose salaries were drastically reduced, with smaller reduction being made to all other salaried employees. When business lagged and the management began to cut salaries right and left, President Hoover requested that wages be kept at their high level as long as possible because cutting wages would only intensify the ill effects of the depression. We thoroughly believed in this theory and did our very best to avoid wage cuts. We followed the recommendations of the Administration in reducing the working hours of employees to six hours instead of eight, so that we might employ more people to do the same job.

It seems to me the financial history of our business offers us excellent proof of the wisdom of accumulating a reserve during prosperous times to enable a business to successfully go through depressions which invariably come to almost every business. How much better for everyone concerned is our business today than it would have been had we been compelled to pay out practically all of our earnings in dividends over the



prosperous period. The result of such a policy might easily have meant disaster for this Company, and in my opinion it will be to the everlasting discredit of the present Administration for enacting the present law which discourages accumulating a surplus by placing a very heavy tax on such accumulations.

The fall of 1930, the beginning of our fiscal year, 1931, our Style Department was quite well under way and was being given plenty of rope in deciding upon what our line should be for the coming year. The headlines in our advertisements tell the story of what we thought our selling problem was for the year and how we approached it. The "Jantzenaire" was a name given to the leading women's suit. This suit had plenty of straps across the back and was a one-piece and brassiere effect with trunks slightly flared, indicating we had already felt the effects of the dressmaker type of suit and of the woven cotton trunks that were being worn with bandanna handkerchieves and other brassieres. The leading men's suit was called "Jantzen Speedaire" and the old "Shouldaire" for women, with a cord that could be tied across the back to hold the suit up for sunning, completed the "Aire" family.

It seems easy now to look over our advertisements for that year and point out the lack of originality in our advertising copy as well as in our line. It seems to lack color and punch and when I read the copy it seems trite because it is so similar to our old copy, yet without much of the snap of our copy of previous years.

It seems to me our entire program for that year shows the effects of the many prosperous years which made us soft and over-confident, and as carefully as we might calculate and endeavor to analyze ourselves, nothing but going through the fire and actually suffering a loss of business and profits, of having to reduce salaries and face disaster could wake us up and make us do the things we had to do before the business could again be profitable.

Along with our many mistakes, the records indicate that we made a number of wise decisions, among which was our decision to face the fact that we were going to have a reduction in sales in 1931 and to estimate our costs and mark our suits based on a reduction of over \$750,000 in sales. It took courage in this case to hold our prices, as the tendency of all prices was downward, but we believed that a high-priced line like Jantzen's would suffer from the effects of the depression, regardless of how much we



advertised or how much we reduced the prices. As we had made a sharp reduction in prices in 1930 with the largest volume in our history, we knew that it was equivalent to a reduction to hold those prices with a much smaller volume in 1931, so that is what we did. Instead of sales falling off three-quarters of a million dollars, they fell off \$1,280,000, but because we held our prices we were able to show a profit of 5.14% on our sales at the end of the year.

When I review what I have just said about our business in 1931, it seems simple enough to have reduced our estimate of sales, held our prices and wound up the year with a profit. When I think of the actual facts, the heartaches and the struggles, when we realized we had finally to come to laying folks off, cutting salaries, wages and other expenses, as other concerns were doing if we were to avoid heavy losses or disaster, I know our task was not a simple one.

In December, 1931, our English plant at Brentford got started in production and by March they had 240 employees and were turning out an average of one hundred dozen suits per day. "We felt fortunate in having our plant there where it was possible to retain much of the foreign business which we would have lost if we had not been able to ship from England. It gave us great comfort, as we entered the depression over here, to see the English plant on a profitable basis the first year of operation. The plant in England has been successful from the start, mainly because business in the British Isles and in British territory so greatly increased since we established a plant in Brentford. Despite the facilities of the English plant, the business in most of the countries to which England exports has gradually reduced during the depression. Throughout the depression the English home market has been the best in all Europe for almost all kinds of merchandise and especially has it been the best market for our English plant, which has proved the wisdom of establishing a plant there.

It is interesting to note that it was in 1931 that Dada-Dada & Company became our agents for San Salvador. A number of our executives have visited them since that time and, besides appreciating the business they get for us, we enjoy so very much visiting them. It was this same year that Mr. Os-vold, Mr. O. G. Alba, Mr. Clatin Fish, Mr. H. S. Warren and Mr. Dan Holladay joined our sales organization.

One of the most serious results of the sluggish market in 1931 was large carry-overs and



all kinds of reasons were given for these carryovers. One was that our line was more highly styled and that when a certain style did not take in the market, no amount of advertising or pushing would move it off the shelves; furthermore, the merchant was less willing than ever to carry over high-styled merchandise because it would be so much less saleable the following year and therefore he was inclined to cut prices. No doubt high style had its influence, but when we review this problem in the light of our experience during the last three years when the line has been more highly styled than ever and carry-over has given practically no difficulty, because Jantzen's have sold readily, buyers have been more careful and price cutting has been much less prevalent, those reasons don't seem so good.

It is amusing, yet embarrassing, to look over the minutes of our meetings when we were discussing ways and means to help the merchant with his carry-over. All kinds of exchange policies were exposed. It is interesting to note that in the fall of 1931 an exchange policy almost identical to that used in Spain last year was proposed. However, instead of a thirty or a forty per cent discount on merchandise carried over, it was proposed to give the merchant ten per cent, provided he would not advertise Jantzen's at cut prices. Some of these plans we discussed right up to the point of putting them into action, but after further deliberation and more discussions they were dropped, new ones introduced and the pot was kept boiling on exchange policies and merchandising schemes, cooperative advertising, etc., throughout the period of the depression. I don't believe there is a single one of us who could stand up and declare he was proud of all the suggestions he made to remedy the carry-over situation or to increase our volume.

Our Style Development Department was snugly located in their quarters in our new building in 1931, and with their new equipment and the best talent obtainable, working hard to develop an attractive line for the 1932 season. This line was well received in Portland and in Chicago at our sales meetings, but the heavy carry-over reported by the men from nearly all sections was a very disturbing factor. There was a demand for an exchange system that would relieve these merchants of this heavy carryover caused, according to the opinions of our customers and some of our salesmen, by our price maintenance policy and our refusal to have a sales date when Jantzen's might be sold at cut prices. The pressure was so strong from the men in Chicago for an exchange policy that Mr. Heinemann called me by long-distance telephone to discuss the advisability of



announcing to the men then that we would have an exchange policy such as they were demanding. This was decided against on the telephone, but later when we met in Portland an exchange policy was adopted, and, as somebody has just recently said, "We proceeded to make monkeys of ourselves. " We promised to exchange and did exchange any of the current year's merchandise returned to us freight prepaid before July 10 in 1932, and we continued the policy in 1933, after which we were compelled to discontinue it because of the growing abuses of the privilege and the ruling of N. R. A.



Chapter 35: Tough Times; Wage & Salary Reductions

Originally Published December 1936

AS I look through the advertising for 1932 it still does not seem outstanding enough, but an improvement, nevertheless, over 1931. The copy was better, we featured style more and the main change in our advertising was the inclusion of newspapers and trade papers. We carried on quite a nice campaign in Women's Wear Daily, Chicago Daily Tribune, Cleveland Plain Dealer, The New York Sun and the Philadelphia Bulletin.

The most outstanding new number in the 1932 line was the Topper. The headline advertising on this suit was "Zip from Suit to Trunks in Six Seconds. " In the ladies' line the new "Formal" was outstanding in our advertising and we continued with the flared trunks in the two piece suit. The "Sun Basque" for ladies was featured also and this was a suit with striped upper and flared trunks. The "Tri-Color" was another ladies' suit.

In the face of the necessity of lowering our sales estimate \$973,000 under sales for the previous year, or more than 2 1/2 million under our peak, and reducing our prices substantially, we felt compelled to make this other extremely radical and expensive concession, establishment of the exchange policy for 1932. These actions were the reverse of our policy for 1931, in that we did not hold to our prices in the face of a lower potential volume and that we did yield to pressure for a concession, and one of the main themes of our selling talk was the exchange privilege. Before this, Jantzen salesmen had almost no place in their sales presentation for special privileges or concessions of any kind. There is no use denying we were jittery and we were squirming as our orders came in, in smaller and smaller quantities and excuses and complaints piled in with the small orders.

When we received our auditor's statement from Wm. Whitfield & Company, as of August 31, 1932, it came sans the usual complimentary remarks about our business. The best auditors could say was, "in our opinion, the annexed statement, amplified and explained by the foregoing remarks, presents the consolidated financial position of the companies at August 31, 1932, and the result of the operations for the year ended August 31, 1932. " We didn't expect any compliments from our auditors that year. We felt that we had done a rotten job. Of course we had many excuses, perhaps the best and most



satisfying ones being that few other concerns were making money either and the fact that our loss was only \$118,192.41, that it was the first loss the company had suffered since the year 1921, when we had a small loss. We consoled ourselves somewhat with these facts at the time, but as this is written in December, 1936, we still feel justified in our pride in having been able to maintain our peak wage scale of 1929 without any reduction through the years of 1930 and 1931 and in the fact that we made only a 10% reduction in February of 1932, after our production year was more than half finished. Salary reductions in the higher brackets of course were made at the beginning of the decline in business and practically all salaries were reduced from time to time before any reduction was made in piece rates.

Hindsight is usually credited with being much keener than foresight, but it is quite a strain even on that old hindsight to look over what we did in 1932, and point out what we should have done in order to have had a profit instead of a loss for that year. For one thing, we now think the exchange privilege netted us a loss. It didn't give us the increased business we thought it might and it was a severe expense. For another thing, some of us think it not only entailed a heavy expense, but gave us a weak reed upon which to lean in time of trouble. Instead of going out and selling our merchandise we talked too much about this exchange privilege, which was a concession, when we should have been talking about the quality, workmanship, style, fit, etc. of our merchandise, just as we did in the years past. Perhaps also we should have maintained our prices when we knew almost certainly we were facing a reduction in sales because when volume is reduced costs increase. Some of us think our volume would have been little affected had we received slightly higher prices and that a • loss would have been avoided. Others think a higher price would have given us a lower volume and that we would not have done as well, but as I have said before, it has been our policy for years to maintain prices or increase them when volume decreased and lower prices when there is a good prospect of increasing our volume. I believe this policy is exactly the reverse of general practice, because usually when business is hard to get, price cutting is resorted to. It seems the easy way. It is the time when quality and service should be stressed because it is the time when the quality and service policy has least competition. It is always a temptation to raise prices when business seems easy to get and prices of raw materials and labor are rising, but this is just the time it is possible to reduce prices



on account of the greater volume. We deviated from the policy of maintaining prices when volume shrinkage was inevitable in 1932.

Although I think our advertising lacked its usual punch and originality, we spent more money than we did in 1928 and received more inquiries from our advertising than ever before.

Thanks to our policy of building up and maintaining a large surplus we can at least feel proud of the fact that despite our mistakes and losses the company was still in a good financial condition, having our \$666,000.00 in cash on hand and over half a million dollars surplus. This made it possible for us to continue to pay Preferred stock dividends, to buy new equipment, to modernize our plant, to continue with our advertising, to make whatever adjustments were necessary to meet rapidly changing conditions and win back our markets and to make our business profitable and safe again.

While our business was in the depths of the depression in 1932 and everything worth while seemed nearly impossible of accomplishment, and expensive changes were inevitable if we were again to lead the field in the swimming suit business, we were forced to fight for our lives and we began to build a foundation for the future. One hopeful and encouraging incident of the year was the showing made by the Jantzen trade mark in a list of 25 leading pictorial trade marks of the country, when the Newell, Emmett Company made a survey of such trade marks by submitting these pictorial marks to 2,200 people in all walks of life. The Jantzen diving girl ranked seventh in popularity. This was at least one asset that had not suffered during the depression and it was something upon which to build for the future—our trade mark and our name.

The licensing of E. Orfila, of Barcelona, Spain, to manufacture Jantzen swimming suits for that country is the only outward evidence of progress I can find in all the records I have examined for the year 1932.



Chapter 36: "Molded Fit" Promo; British Plant Contributing

Originally Published July 1937

Mr. Ron McCreight, head of our Advertising Department, once said that the rib-stitch development inspired the slogan: "The Suit that Changed Bathing to Swimming," and that Jantzen Lastex inspired the slogans: "Molded-Fit Swimming Suits" and "Molded-Fit Figure Control. " Amongst the many slogans we have used, "The Suit that Changed Bathing to Swimming" was used longest in our advertising copy.

A slogan must be good to be useful for many years. The molded-fit slogans, adopted for our 1933 advertising, have continued to fit into our advertising picture to the satisfaction of all since their adoption, up to the time of this writing in 1937, and it seems to me they will be useful for years to come because figure control is a basic desire and Jantzen excels in this quality. But style is fickle and such good slogans as, "You Always Notice a Genuine Jantzen, " "The Suit that Changed Bathing to Swimming, " "The National Swimming Suit" and "The Nation's Swimming Suit, " have all been dropped from our advertising copy and of course, some day Mr. Heinemann, or one of his witty assistants, will spring a new slogan on us and we shall all go for it.

In 1933 our advertising copy reflected our feeling that the public was going stronger than ever for scanty swimming attire and folks in the trade discussed the possibility of nude bathing becoming popular in America, so on one of our posters was the headline, "The Answer to Nude Bathing, " and in our copy we offered a Jantzen that fitted so perfectly that it gave the comfort of bathing in the nude. The headlines of our advertisements contained an element of tease, with good attention-getting value, and helped to give us the good results secured from our advertising during that year, although the appropriation was very much curtailed from our peak advertising years. Our advertising for 1933 was, in my opinion, original and in every way more attractive than any we had used in several years. The headline, "The Answer to Nude Bathing" was followed with such copy as, "New molded-fit Jantzens that give the thrilling sensation of swimming with no suit on at all— yet assuring fashionable and modest appearance, " and the advertisement showed dark nude-appearing shadow figures on each of the main



advertisements. Another attractive headline was, "Eight ounces of Jantzen Molded-Fit."

The April, 1933, "Yarns" contained an article relating to the visits of Mr. A. J. Cormack and Mr. Paul DeKoning to the Portland plant, after an absence of three years, another sign of returning prosperity. During the depression we tried to cut expenses in every conceivable way in order to avoid showing too great losses in our statements. So we conserved our funds to carry us through the depression but since business is again in a fairly prosperous condition we can look calmly back upon the curtailments of activities made in the interests of economy, and some of us feel that in some instances we were penny wise and pound foolish. "We feel that the lack of contact between our different factories during the depression cost us more than the expense would have been to continue the regular visits of the executives back and forth between the plants and we have resolved to make a greater effort, in the future, to maintain constant touch between these plants by having executives in the foreign plants visit the Portland plant, and executives from the Portland plant visit the branches more regularly.

In Portland we have the larger organization, the background of experience, and greater and better facilities for all departments of the business and we believe close contact of the executives of the different plants with the Portland plant is necessary if they are to get the full benefit of what we at the home office have to offer, and through this contact the knowledge and experience of the home office is enriched.

While we may have gone a little too far in some instances in reducing expenses, our records show that we didn't go too far in general and that we did a creditable job in that respect, especially during the year 1933, because despite all our preparations, our excellent advertising and our most excellent swimming suit line, which was priced the lowest in our history, our business was discouragingly less than in the year 1932 in money value and the lowest in dozens since 1925. All through the year, from the beginning of the swimming season to the end, there was no single month in which we did as much business as we had the year before. We finished the year with an order total of \$1,881,103.60, the lowest annual sales total for any year during the depression, but due to very careful management our consolidated statement showed a net profit of \$105,434.85. The sales and profit figures included the Jantzen Knitting Mills, Limited, of Brentford and this is one of the years when the nice profit made at the English plant



made it possible for us to show a profit worth mentioning in our consolidated statement — for without the profit of the English plant and the royalties and dividends of foreign plants we would have shown a loss for 1933. Net profit showing again on our statement seemed to give us all a feeling that we had weathered the depression and that we would see an increase in sales and profits for 1934. Our large cash reserve and excellent financial condition made it possible for us to develop our business in any direction the management desired and, even though our sales had been discouragingly small, we made elaborate and careful preparations for a greater business in 1934.

It has to be a very poor year indeed when the Jantzen organization does not build something or start something in some part of the world and even in 1933 we sent Mr. G. Robert Dodson to South America to discuss the matter of establishing a factory in Buenos Aires. Mr. Arthur S. Hawtrey had become so very persistent in his arguments with us that it would be an excellent business proposition for us to start a plant in the Argentine that we could not resist him longer. Bob returned in August, sold to the ears on the proposition of starting a plant in South America, so even in such a poor year one of the most prosperous Jantzen plants in the world had its beginning.

The drawings of Mr. "Zehntbauer and Mr. Jantzen are the work of that versatile and charming girl who is equally at home on a prize-winning float, in the modeling room, filing correspondence, tap dancing, or drawing faces and figures—Mary Ventrella. Mary has been studying art since last fall, and it is hoped we may have the pleasure of seeing more of her work, in future issue of Yarns.



Chapter 37: 1934 & NRA; Business Rough

Originally Published October 1937

Now, for 1934. It is easy to tell what we all had in mind by reading what Mr. Mayor Monroe wrote for Yarns in October, 1933, after the sales meeting in Chicago. He starts out: "The opening guns of the big Jantzen drive for a million dollar increase for 1934 were fired at Portland and Chicago on September 14 and September 25, respectively, with the beginning' of the annual Jantzen sales conventions under the direction of Mr. Mitchell Heinemann, supported by Mr. J. A. Zehntbauer, Mr. H. L. German, Mr. Irwin S. Adams, Mr. Phil Bergh and Mr. Ron McCreight. " Of special interest was the new Jantzen Sunsheen fabric of Bemberg yarn, with Lastex interknit throughout. We had great hopes for this new fabric and our sales representatives were apparently well sold on the idea also. What a grand idea was Sunsheen fabric. Perfect in every respect, perhaps, except for one tiny imperfection, which kept us from making that million dollar increase and taught us to be more painstaking in testing our materials before putting all we had behind the selling of them. Most people liked Sunsheen for its many good qualities but too many of them complained about its apparent fading, caused by the fraying of the tiny fibres when subjected to friction, and the fact that dye did not penetrate the yarn so that all fibres were uniformly dyed. Nothing but severe testing could have detected this defect before the suit was marketed.

Ron McCreight's story at our sales meeting points out the fact that we do not mean to let up on our advertising for 1934. He says: "Nine magazines will carry 35,000,000 Jantzen messages to the consumers and from Canada to the Gulf of Mexico and from the Atlantic to the Pacific, into 70 cities through the country, diving girl posters will be telling the Jantzen story." Surely one of the reasons for our success is that we never cease trying to improve our advertising and we don't lose courage and cut it so low that it would be ineffective but, instead, we go on using it with undying faith that it will bring results if properly used. It seems to me that our Jantzen history would be incomplete without some mention of N. R. A. and its effect on our business. Early in the year 1933 the task of working with the Government under this National Recovery Act was given to Mr. Irwin S. Adams. Throughout the balance of that year and for the next two years a great deal of



his time was spent traveling between Portland, Washington, D. C., New York, San Francisco and Los Angeles in an endeavor to help formulate the plans and workings of that organization in order that we might not be put at too great a disadvantage by its rules and regulations. We feel that Mr. Adams had a very great influence in the formation of the policies of the organization and that we were handicapped much less by it than we would have been had it not been for his valuable services. N. R. A. probably affected Jantzen the least of anyone in the knitting industry because at its inception we were already living up to the ideals proposed by this organization and had to make few changes to comply with it. However, had not the Act been declared unconstitutional by the Supreme Court in 1935 we would have been severely handicapped by its regulations, especially by its machine hour limitations. If we had wished to expand our business it would have been necessary to have constructed more buildings and purchased more machinery because it would have been unlawful, under the Act, to have worked our sewing machines more than one shift in 24 hours. There were other severe regulations which would have materially affected our business but perhaps none that were so unreasonable as the machine hour regulation.

Every year someone has a great idea for Jantzen advertising. I wish it were possible for me always to keep close enough contact to know who originates each idea. A very excellent one was developed for the 1934 copy theme and slogan: "A Jantzen fits as though painted on you. " The cut shows a beautiful feminine figure clothed in a form fitting Jantzen swimming suit and shows also the face, hands and brushes of the artist, who appears to be looking over the work he has just finished. The heading for our Jantzen Toppers: "Streamlined Jantzen Trunks that Zip from Suit to Trunks, " and others, "Suit Yourself Perfectly in a Jantzen, " "Hip Lines Become Stream Lines in a Jantzen" and the slogan "Mold-ed-Fit Swimming Suits" were carried in all copy. The Basque Kerchief design sent to us from Europe was an outstanding success in the women's line for that season.

For 1934 we raised our prices from \$28.44 a dozen for our standard ladies' styles to \$32.40 a dozen, as compared with \$36 a dozen price charged in 1932. We increased our sales in the amount of \$263,304 and made a 5.9% profit after all deductions, including taxes, compared with a 3% net profit on sales for the previous year.



Because the English plant earned nearly all of our profits in 1934 we were not too elated over our accomplishments for that year, but we were greatly encouraged and believed we knew what to do to bring our sales and profit up. We knew one of the important things to do was to create new and better fabrics and styles and we planned to concentrate on these problems as we had never done before. While our Sunsheen flop left no room for conceit in us, we had confidence in our ability to create something that would be successful and we had learned to have plenty of respect for competitors who, during this depression, had developed a great variety of styles and fabrics which were rapidly gaining favor with the public. Looking these facts squarely in the face and giving them their proper values was no doubt an important contribution toward our success in the following years.



Chapter 38: Buenos Aires Operating in 1934— International Licensees

Originally Published June 1955

Editor's Note: Mr. Zehntbauer has kindly consented to continue the writing of the history of Jantzen and beginning with this issue of Yarns, the chapters will appear in sequence as they are completed. Thirty-eight chapters of the detailed history of the Jantzen organization, including the actual founding of the company and the early life of the founders, have already appeared in the Jantzen Yarns, beginning in the July 1928 issue and subsequent issues through October 1937. He continues as follows:

The October 1937 issue of Jantzen Yarns carried the last chapter of the Jantzen history, from the company's beginning in 1909 to and including part of the year 1934.

The date of this writing is May 6, 1955.

During 1934 we established a Jantzen plant in Buenos Aires, in which we were to have a 51% interest to be paid for out of earnings. We also succumbed to the urgings of our executives in England to start a branch in France.

When England went off the gold standard in September of 1931, certain South American and other markets were transferred to the English company. For the most part, these markets were brought back to Portland because, as a result of monetary developments, the pound Sterling in 1934 commanded a premium in terms of dollars. The export business handled directly from Portland increased substantially in 1934. Being able to switch markets from one Jantzen plant to an-other was a distinct advantage during the international adjustment period.

It was during January of this busy year the Jantzen retirement plan was inaugurated.

In June of 1934 we paid the arrearage preferred stock dividend of \$2.50 a share, in addition to the regular dividend. And in October the Directors declared a dividend of 10c a share on common, payable November 1. This was the first common disbursement since 1932.

We had a bid from Mr. Snider, of Australia, to buy our interest in the Australian plant.



Apparently we could have made a good profit on our investment—probably doubling our money. We turned the proposition down because we did not think it was fair to the folks in Australia who bought shares in our company there and because we thought the Australian company was a good one in which to have an investment, as we believed that business would grow into a profitable one.

During the year we had many hot discussions on our Board as to the advisability of extending our licensing agreements. Some of us foresaw continued efforts on the part of governments to develop home industries and to restrict imports, but some believed the trend had already turned toward freer trade and less restriction. Fortunately, those of us who believed trade restrictions would be increased prevailed. We proceeded to develop more licensees.

There was also much discussion as to the advisability of licensees vs. owning our own plants in foreign countries. It is also fortunate I think that those of us who believed in licensees were in the majority.

Because of the rapid and violent changes in restrictions and regulations in the foreign trade of the different countries of Europe, it was decided I should go to Europe and make a study of the situation, in order to see what could be done, if anything, to maintain or recapture some of the business that seemed to be about ready to slip away from us. So on June 20, 1934 Mrs. Zehntbauer and I sailed for England on the steamship "Manhattan," to visit Jantzen manufacturing plants in England, France, Spain and Germany and investigate the markets in other countries, including Italy.

We found that despite the fact the important territories of Argentina and France had been lost to the Brentford plant, on account of new factories being established in those countries, the English plant had enough increases in their other territories to more than offset these losses and were going to show a gain in sales for the year.

We traveled through Europe in Mr. Cormack's new Air-flow Chrysler and, because of its unique design, we had gatherings of spectators which we estimated up to 100 at times in the different cities. The first plant we visited was Chet Froude's little Jantzen Knitting Mill in Paris, which he was just getting under way. We drove on through France to the border of Spain, where Senor Orfila and Senor Roget met us and escorted us on down through Spain to Barcelona. We started the day with a modest breakfast but the Spaniards



provided us with two gorgeous banquets per day, each of which was about equal to a regular Christmas dinner. Senors Orfila and Roget had done a magnificent job of establishing a Jantzen plant in Spain. They were enthusiastic advertisers and promoters and made good merchandise. Their factory is located in Igualada, a city about 60 miles west of Barcelona, and is managed by Sr. Sabat, Sr. Orfila's brother-in-law. They have a nice factory and are quality minded.

Because of the fine hospitality of all these folks and because all of our experiences in Spain have been so pleasant, we have a very high regard for Spain and the Spanish.

Our party consisted of Mr. and Mrs. Alfred Cormack, Margaret Cormack, Betty Zehntbauer, Mrs. Zehntbauer and me. Mr. and Mrs. Orfila and Mr. and Mrs. Roget joined us at Barcelona. We visited the capitol, Madrid, the manufacturing city of Bilboa and the great resort city of San Sebastian, on the Atlantic Coast. We were impressed with the happiness of the Spanish people along the roads, in the fields and in the cities. They seemed able to maintain this happiness despite the poverty which most of them are used to.

There was one single disturbing indication that all was not as well as appeared on the surface. At about one o'clock in the morning we were awakened by the singing of the words "Nacional, " repeated over and over, by what sounded like a large auditorium full of people. It was so unusual that Mrs. Zehntbauer and I sat up in bed to listen. It continued until we got tired listening and went back to sleep. The tune did not change nor did the words—it was a constant repetition, on and on. We knew it was a communist group because that is their rabble-rousing tune and words.

Two years later when we were in Spain we heard considerable talk about a pending revolution. Three days after we had crossed over the border of Spain into France the shooting started and the revolution which was of course to last for several years was begun while the Russians and the Nazis tested their different instruments of war in the Spanish revolution.

We left our Spanish friends at San Sebastian and drove over to Biarritz, France, then across France to Italy and up to Venice, where we met Dr. Karl Vollmoeller, our German licensee, and discussed with him the advisability of undertaking to license someone in Italy to make Jantzen suits. Italy had been a good market for us, but recent regulations



had just about strangled our business there. We drove from Venice over the Swiss Alps, through Switzerland and into Stuttgart, Germany. We were favorably impressed with the fine operation Vollmoellers were carrying on in their splendid plant.

Dr. Heinz Mathee was General Manager of their plant and Dr. Carl Woernle, their engineer. Dr. Woernle was very receptive to Jantzen methods and believed in quality merchandise. From the beginning Germany had been a good market for Jantzens and since the Vollmoellers have been making Jantzens in Germany the business has increased rapidly.

Dr. Mathee was quite upset because the German government had placed an embargo on the importation of wool fabric, or yarn, of which Jantzen swim suits were made. At that time our suits were made of nothing but pure worsted yarn and this seemed quite an impossible hurdle. Between the different plants,

fortunately, we were able to overcome this difficulty, also because the English plant would import \$20, 000 of dyestuff the German government allowed the

A JANTZEN SWIM SUIT FROM
INDUSTRIAS **SALINAS SABAT**, A
BARCELONA, SPAIN.

Vollmoeller folks to import that amount of wool. Later through the different plants we were able to buy dyestuff and machinery which enabled them to get permits to import the wool.



Chapter 40: Mid-1930s Discussion

Originally Published July 1955

ON the way back to England we visited Vienna and met Erich Reich and Hans Jellinek, who had been representatives for us since the early 20's when Mr. C. R. Zehntbauer hired them along with several other European salesmen. These men had become quite expert in the art of unraveling red tape and finding ways of getting distribution of Jantzen swim suits when an inexperienced man would consider the job hopeless. It took experts to get around these regulations that restricted imports.

Even at this early date Hitler and his henchmen were propagandizing in Germany and Austria and our men there

were worried about the final outcome. Before Hitler's forces marched into Austria we were able to get Eric and Hans a refuge in the United States. They are now American citizens and Hans is one of our valuable foundation garment representatives.

IN ENGLAND, 1931. This picture was taken on the occasion of the visit of the late Mayor George L. Baker and Mrs. Baker who stopped at the English plant while touring Europe. Appearing here with the Bakers are Jantzen folk from Portland who were in England at the time helping to establish operations and production. From left: HARRY DALTON, who was production superintendant; A. J. CORMACK, Managing Director; LOUISE DALTON, Forelady; MAYOR BAKER, MRS. BAKER, the late PERCY TYLER, European Sales and Advertising Manager; MRS. JOHN CLARK, Assistant and instructor in Final Inspection; JOHN CLARK, Knitting and Winding Foreman, and CHESTER FROUDE, who was assisting the Manager. Also from the Portland plant and not pictured here were: PEARL BRADLEY, Sewing Instructor; WANDA STEELE, in charge of Inspection, Mending and Marking; ALICE UNGSTAD, Instructor in Cutting, and VELMA SCHOLL, Secretary to the Sales and Advertising Manager.

As we look back at the records during the depression we are encouraged at the rapid recovery we have made since that time. In 1929 20. 7% of the swimming suit business in the United States was Jantzen. Our peak swimming suit business was \$4, 753, 203 in 1930 and the depression cut us down to a low of \$1, 881, 104, but in 1934 we were well on our way back to the peak and prospects were good for much higher peaks.

Despite the rough years of the depression we courageously kept up a good advertising campaign, because we believed that along with good quality and good service must go good advertising.

Back in 1928 Jantzen did 75% of the swim suit magazine advertising in the United States. Even though many competitors had come into the field, in 1933 Jantzen still did



60% of the magazine advertising and practically all of the billboard advertising. The magazines we used that year were Saturday Evening Post, Colliers, Cosmopolitan, Vogue Harpers Bazaar, Boy's Life, Photoplay, Shadowplay, Screenland, Silver Screen, Motion Picture and Movie Classic. The magazine artwork was done by Mr. Wil-lard Cox; the billboard artwork was by George Petty and W. L. Stensgaard and Associates did the window display work.

The Portland and London plants consolidated statement showed a sales increase of \$179, 882 and a net profit of \$157, 089 for 1935, as compared with \$163, 446 for 1934. Through the year we kept up dividend payments on the 7% preferred stock and 10c a share on the common stock.

On March 29, 1935 Richard Wisner, our Factory Superintendent, was elected to the Board of Directors.

With new licensees sprouting here and there Jantzen travelers were pretty busy. Mr. and Mrs. C. R. Zehntbauer had a five months tour of the Pacific. Mr. and Mrs. J. R. Dodson traveled through South America and visited their son, G. Robert, now General Dodson, while he was in Buenos Aires.

During the year Mr. DeKoning came back from Australia where he had been for five years. In an article for Yarns he said he was glad to be back but enjoyed his experience in Australia very much. Mr. and Mrs. DeKoning went to Australia with a 3 1/2 year old baby boy, Bob, and came back five years later with two boys, Bob and John. The boys had a broad Aussie accent which they lost quickly, of course, like all youngsters do. When Mr. DeKoning went over in 1930 he was immediately elected to the Board and took a very active part in the management of the company. Just before the DeKonings sailed for home Mr. and Mrs. C. R. Zehntbauer arrived in Australia and were driven across country to Melbourne by automobile by Mr. and Mrs. Klindworth. At a sales meeting just before Mr. Zehntbauer and Mr. DeKoning sailed, the Zehntbauers for the Orient and the DeKonings for home, they attended a sales meeting at which Mr. Klindworth presided. For three Portland executives to attend a sales meeting there was an unusual event. When Mr. DeKoning came home his place on the Australian Board was filled by Mr. Clifford Francis and Mr. Gordon Barclay was appointed Sales and Advertising Manager to fill the vacancy Mr. DeKon-. ing left in that department.



During the year Mr. A. J. Cormack, Managing Director of the Brentford factory; Dr. Heinz Mathee, Managing Director of the Stuttgart Vollmoeller plant;

Mr. C. W. Froude, Manager of Jantzen S. A., Paris, France; Dr. Karl Vollmoeller, Chairman of the Board of the Vollmoeller Company of Stuttgart, and Mr. P. S. Tyler, Director of Sales and Advertising, from Brentford, England visited Portland.

Mr. Cormack particularly wanted to talk about a new licensee in Milan, Italy. Mr. G. Larcher, our Jantzen representative in Northern Italy, was helping to promote the new licensee arrangement. The good export business we previously had to Italy had been squeezed out with embargoes and other restrictions.

Mr. Heinemann and Mr. Monroe were the first folks of our organization to ride the new Union Pacific Streamliner from Chicago to Portland. It was quite something to be able to come from Chicago to Portland in 39 hours, the schedule for the new train.

During the year Mr. -A. A. Baumann was presented with his 20 year pin, having been the first salesman with the Jantzen company for 20 years. He started selling merchandise for us when we were still the Portland Knitting Company. Also during the year Minerva Zehntbauer got her 25 year pin. Of course she started from the very beginning at 231 Alder Street.

At this date in 1955 it is interesting to look over the list of salesmen who attended our 1936 Portland sales meeting on September 9, 10 and 11 and the Chicago meeting September 16, 17 and 18.

The meeting was under the direction of Mr. Mitchell Heinemann, Vice President in Charge of Sales. Assisting him were Mayer Monroe, who presented the 1936 line, Irwin S. Adams, who gave an

inspiring talk on Jantzen's position in the field, Ron McCreight and Ray Andrews, who outlined the Jantzen advertising program.

Sales representatives at the Portland convention were A. A. Baumann, Royal F. Brown, Warren Clark, Al Driscoll, Art Emmrich, Clatin Fish, Neil Hamblen, Oliver Martin, Joe Miller, Tom Ronald, Dick Springer, J. H. Thomas and Minerva Zehntbauer. Representing the Canadian force were C. B. Webb, Ed Kline and J. R. Bayne. Europe was also represented by the presence of Dr. Heinz Mathee, of the German plant, Alfred Cormack



of the English plant, and Chet Froude of the French plant.

Representatives present at the Chicago meeting were O. G. Alba, Fred Baruth, C. H. Beach, Dewey Bowen, Horace Box, A. B. Busch, C. C. Campbell, R. M. Carson, Ed Felke, Joe Friedman, Dick Garner, Ed Greve, Dan Holladay, H. A. Jacobson, H. E. Kelley, John Krieger, J. W. Lowrie, G. D. McGruder, Howard Osvold, C. B. Philbrook, J. W. Richards, Charles Rothschild, E. D. Tribou, H. S. Warren, W. E. Wright, George L. Ma-duro and Francisco J. Camps. From the Canadian plant were C. E. Webb, Melvin Teetzel, Walter Teetzel and Fred O. Burgess.

Six 10 year service pins were handed out at the meeting to Dick Springer, Fred Baruth, A. B. Busch, G. D. McGruder, C. B. Philbrook and J. W. Richards. Harold Warren received his 5 year pin.

In Yarns the notice of Dan Holladay's marriage to Miss Claire Campbell on August 3, at Trinity Church, in New Haven, was announced.



Chapter 41: New Spinning Mill Operating

Originally Published September 1955

DESPITE the net profits after taxes were slightly lower in 1935 than in the preceding year, everyone felt confident we had laid the foundation for a much better year in 1936. We felt our advertising was better, our designing was better, our manufacturing facilities were better and our organization in general was in better shape for an efficient operation.

Our Export Department in March reported a 32% increase over the same period the year before. Mr. C. R. Zehnt-bauer and Mr. C. W. Froude had just arranged a license agreement with Etablissements Poron at Troyes, Prance.

Licenses and foreign plant managers who were scheduled to visit Portland during the summer were Arthur Haw-trey, Manager of the Buenos Aires plant; E. C. Klindworth, Manager of the Sydney, Australia plant and his family; H. G. Dalton, Superintendent of the Brentford, England plant and his family; A. J. Cormack, Manager of the English plant and his family; Frau. Dr. Witten-stein, of the Vollmoeller Company of Germany and Dr. Rolf Woernle, Superintendent and Chief Engineer of the German plant.

In 1936 we were still making a consolidated statement with the English plant. The statement for 1936 showed an increase in sales of \$499, 378, rising from \$2, 563, 432 to \$3, 062, 810 and the net profit after all taxes was more than double, \$369, 159, as compared to \$157, 089 for 1935.

This fine showing in 1936 enabled us to do many things. One important thing was to retire our \$937, 700 of 7% preferred stock and issue \$750, 000 of new 5% preferred stock, effecting a reduction of \$187, 700 in preferred stock and reducing the dividend rate to 5%.

For the common stockholders, in addition to the regular 10c quarterly dividend, we paid an extra dividend of 25c a share on the first of November. Also, we paid what we called a wage dividend of 5% of the annual earnings of all employees excepting executives and salesmen.

It was in 1936 that we finally decided, because of the great change in materials from



which swim suits could be made, we could no longer do a good job of designing women's swimming suits without the help of a trained and experienced female swim suit designer. We had been on the lookout for the proper person for many months and finally Mr. Heine-mann and Mr. Monroe found a person in Miami, Florida who they thought would make a good Jantzen designer, Mrs. Dorothy Read. She came to work on April 1, when the Designing Department was located on the second floor of the spinning mill building. Dorothy Read did a great deal for our Designing Department and for our ladies' line of swim suits. She gave the feminine touch and she was original and full of imagination, which gave the Jantzen line a truly new look. After seeing what Dorothy could do, we knew that never again would the Jantzen line be designed by men only.

One of our greatest plant investments was made during 1936. It was the new Jantzen spinning mill, which began to spin yarn in July. This was something we had thought about and planned for a number of years. This was Mr. Jantzen's pet project. He selected and purchased the equipment, with the help of Mr. Edgar Worth, who was our biggest supplier of yarn from his factory in Los Angeles.

Mr. Jantzen looked with pride upon this plant when it started operation and said the plant, with its 100% new equipment, was the most up-to-date dyeing and spinning mill in the United States.

It is true the equipment that went into this plant was the latest and best equipment made by English manufacturers, who were at that time the unchallenged leaders in the manufacturing of such equipment. In the three short years that Carl was to live after the installation of this plant, he saw it firmly established and its worth to the company well proved. Because of failing health during most of this time he could not give it the effort that would have been his pleasure to give, but many times I have heard him express great satisfaction over the accomplishment of having established our own spinning mill in Portland.

Mr. Harry Hoyle was hired as Manager of the Spinning Mill and Mr. Earl Brearley as Manager of the Dyeing Department. These men were both experienced and well qualified and are still on the job at this writing, in 1955. Mr. Earl Brearley's father before him was engaged in the textile business and Earl received his scientific training in dyeing at the Lowell Textile Institute, Lowell, Mass. Before he came to Jantzen he had been in



charge of dyeing operations for nearly 20 years. Mr. Harry Hoyle came from a family long connected with the textile industry. His father and grandfather were both spinners. His background is also a combination of technical training and practical experience. He received his training at Halifax Textile College in Halifax, England. Following his school work he received from the City and Guild of the London Institute of Technology a bronze medal offered as a reward for the best record made in a competitive examination of students in his field.

These men have proved very valuable in accomplishing some unusual things for the Jantzen company. Amongst the things accomplished are unusually fine blends of fibers for sweater and swimming suit making and the unique characteristic of having uniform color in all Jantzen garments.

While our new spinning mill had only the capacity to take care of about a third of our needs, it gave us a service that no outside spinning mill could give and enabled us to experiment with different fibers to determine how much cheaper and better, if any, we could spin yarn than we could purchase it from other spinners. It rapidly became an indispensable thing in our business. We were able to produce new and better yarn with a variety of fibers and to reach a perfection in spinning, partly because of the advantage of being able to test the yarn when production began on a certain size and type of yarn and to correct the spinning before a large batch of yarn had been produced.



Chapter 42: 1936 Events & Discussion of Sweaters

Originally Published October 1955

DURING the year 1936 the ever-present problem of margins for the retailer and margins for ourselves seemed to become a little more acute than usual. Its brother, the problem of carryover, also got some special attention.

Down in Spain they followed the practice of allowing a 40% discount to the merchant on the merchandise he had left on August 1 and gave fill-in service at the 40% discount, so a merchant could have sales on Jantzen merchandise after August 1. The Spaniards liked the system and believed it was working all right. Mr. Cormack, the Managing Director of the English plant, and Mr. Tyler, the Sales Manager, were quite intrigued with the plan and thought it might work in England and might help them to get rid of a cheap brand of merchandise which they were manufacturing under the name Kippy.

The plan was seriously discussed in our management meeting, mainly because our Webfoot proposition was not working quite satisfactorily as a method of getting rid of the merchandise we had on hand.

Many times over the years we considered setting a date, late in the season, after which Jantzen merchandise could be sold at a discount. Always, after studying the results other companies got from this procedure, we would abandon the idea for that time. Among the main objections was the merchants jumping the gun just a little bit to get ahead of their competitors and the tendency of the public to wait for the sales date on branded merchandise, instead of buying at regular prices at the beginning of the season. We reasoned, if a person bought a Jantzen they would be assured they would not see the suit advertised next week or next month at 40% less.

First International Convention, 1937

Front Row—Left to Right: Dick Garner, Dick Springer, Horace Box, Olive Webb, Melvin Teetzel, Ernest Pautz, Minerva Zehntbauer, Mitchell Heine-mann, G. D. McGruder, Fred Baruth, Helen Michael, Bob Carson, George Maduro, E. J. Felke. *Second Row—Left to Right:* J. R. Bayne, E. D. Tribou, Don Smith, Harry Dalton, Dan Holladay, Thomas Paulding, Ed Greve, Clatin Fish, L. P. Navarro, Lob Kelley, Howard Osvold, Harold Warren. *Third Row—Left to Right:* T. E. Wolfe, Neil Hamblen, J. H. Thomas, John Richards, Harold Beach, C. B. Philbrook, Al Driscoll, H. A. Jacobson, A. B. Busch, D. P. Bowen. *4th Row—Left to Right:* Royal Brown, Charlie Rothschild, Arthur Emmrich, Mayer Monroe, Jack Lowrie, Warren Clark, J. B. del Valle, Jr., Cameron Curry, Hermann Landshoff, Oswald G. Alba. *5th Row—Left to Right:* Paul Huedepohl, Irwin Adams, ' Herman Boyer, Oliver Martin, C. C. Campbell, John Krieger, Carl Walter, Bob Dodson, Francisco Camps, P. S. Tyler, H. L. German, Joe Miller, Dick Wisner, Carl Vreeland, W. L. Stens-gaard, R. M. McCreight.



Our competition had tried everything in the book and none of them succeeded as well as we had by sticking strictly to the practice of treating everyone alike and endeavoring to get business on good designing, good service on deliveries, good advertising and good margins of profit for the merchant.

During our discussions Mr. Jantzen said he would hate to see us allow Jantzens to be sold at a discount late in the season, because that would mean you couldn't sell that number again at the regular price next season and it would lead to designing a whole new line every year. Mr. Jantzen lived to see the whole new line every year, for other reasons. The thing that hastened this necessity was rubber yarn, which enabled elastic swim suits to be made in either woven or knitted fabrics and with a great variety of fabrics. Jantzen specially designed rib stitch swim suits were not the only suits that had permanent elasticity. The advantages of elasticized fabrics made possible the manufacturing of fine swim suits by many new manufacturers and offered the opportunity of a great variety of styles and along with this the necessity of a whole new line each year.

During the preparation of our 1937 line there were very serious discussions about the advisability of making satin lastex swim suits. The idea had been discussed since the beginning of the use of satin lastex for swim suits, but heretofore we had always decided to stick to our old rib stitch, try to make better designs and improve it and to make elastic knitted fabrics instead of going to cut and sew woven fabrics. Long and sincere discussions about our going back into the sweater business also were becoming more frequent, as our virile organization probed in every direction to find ways of improving our methods and increasing our business.

Our Australian plant, under Mr. Klindworth's direction, was reporting advantages in the manufacturing of sweaters. Mr. Klindworth felt sweater manufacturing interfered very little with swimming suit manufacturing in their plant and one of the great advantages was the ability to keep help employed during the off swimming suit season, so this help would be ready to go to work on swim suits in the Autumn. This was a distinct advantage there, because help was not plentiful and when laid off it was difficult to get it back and expensive to train new help.

Because of Mr. Irwin Adams' very strong opposition to making anything but rib stitch



swimming suits in Australia or in this country, our going into other lines was delayed. Irwin so strongly believed our success was due to our special-ization he believed we should fully develop knitted swim suits before undertaking anything else. On the 7th day of July, 1936, after several meetings and much vacillating as to whether we were ready to establish licensees in Italy and France, we sent the following telegram to Mr. C. R. Zehntbauer, who was in London. "If you have good prospective licensees ready to sign and Chet can handle, you may cable Chet to proceed. " This action was taken after Mr. Adams' long and persistent opposition to establishing any more licensees. In November, 1936, the management group voted to lay the sweater proposition on the table until 1937 and turn over the job of gathering more data on the subject to Mr. C. R. Zehntbauer, who had, since 1934, been making a research of sweater manufacturing and marketing.

Since the beginning of our business it has been the policy of our executives to work as a team. We believe that unless

all of us can be sold on an idea, or at least talk the opposition into acquiescence, we would delay taking action. Such a policy works nicely as long as there is not a very strong man who persists in having his way. We know by experience sometimes the single dissenter in a group can be right, so when we have a strong dissenter we give a proposition unusual scrutiny.



Chapter 43: 1937 International Sales Convention in Portland

Originally Published March 1956

EDITORS NOTE: In the preceding 42 chapters of Jantzen history, which appeared in earlier issues of YARNS, Mr. Zehntbauer told about his boyhood and experiences of his early youth. He told how and when and where the idea to start a knitting business originated; his early acquaintance and friendship with Mr. Carl Jantzen, Sr., and Mr. J. R. Dodson; the founding of the business and the many trials and errors they experienced in building a business from infancy to international scope. Interlaced throughout this history are names of people who have had an important part in the growth and success of Jantzen. Some of those people are still active members of our organization. In this chapter Mr. Zehntbauer relates progressive events as they occurred in 1937. Subsequent chapters will follow.

IT SEEMS a dull year when Jantzen doesn't add a new building somewhere. In 1929 we built a fine two story building, the one that now houses our Knitting and Spinning, on the southwest corner of the block just north of the old Simon Building. This was quite a nice spinning mill, adequate for taking care of all our needs and we thought would take care of us for many years in the future but now, eight years later, in 1937, we have built on the eastern half of this block, a building 180 ft. by 100 ft, two floors, with a 100 ft. by 100 ft. basement for yarn conditioning.

Another very important building was constructed, the Style Development Building added to our Administration Building on the southwest corner, in the street which was vacated. This was the first time we had undertaken to build especially for Style Development. This building was made with especially designed sky lights to give a perfect light without shadows. Also provided were dressing rooms and a style auditorium for showing new models and for giving small style shows. Buildings started in this year will give us an additional 52, 000 square feet of floor space, making a total of 167, 700 square feet at the Portland plant.

The company had overcome its depression troubles and was making steady progress,



showing a gain in sales of \$400, 000 annually for the last four years.

SALES EFFORTS OF 1937: Our Jantzen Scientific School of Swimming was going in good shape. Many "Learn to Swim" campaigns were held throughout the country and there was a lot of interest in cleaning up swimming pools and learning to swim. The Jantzen certificate for learning to swim was given and a Jantzen clean water plaque for pools that were kept up to Jantzen sanitary standards and for those efforts we got a great deal of local publicity throughout the country.

Our advertising was mainly in magazines and a very fine two-figure billboard, together of course with the cooperative advertising.

Some comparative figures are as follows:

	1937	% of	1936	% of
Sales	\$2,978,824		\$2,485,555	\$2,485,555
Net Profit after Taxes	\$ 286,329	9.6 %	\$ 336, 663	13.5 %
Advertising	\$ 254,681	8.6 %	\$ 220,744	8.9 %

While our sales increased, our profits decreased. Sales resistances were very great and we felt smaller margins were necessary in order to make sales.

In *Yarns* of October, 1937, there was a group picture of the representatives attending our first International Sales Convention held in Portland August 30, 1937. The picture was taken in front of the Administration Building. I've always been under the impression that we have a low turnover in our sales and our executive groups, but I had a shock when I went over the group and noticed how many were missing because of death, retirement, or leaving the employment of the company. Included in the list of those not now, February 1956, employed are Dick Garner, Dick Springer, Melvin Teetzel, Ernest Pautz, Minerva Zehntbauer, G. D. McGruder, Fred Baruth, Helen Michael, George Maduro, Ed Felke, E. D. Tribou, Dan Holladay, L. P. Navarro, Lob Kelley, Harold Warren, T. E. Wolfe, Neil Ham-bley, J. H. Thomas, John Richards, C. B. Philbrook, Al Driscoll, H. A. Jacobson, Charlie Rothschild, Jack Lowrie, Warren Clark, J. B. del Valle, Jr., Hermann Landshoff, Oswald G. Alba, Paul Huedepohl, Irwin Adams, Oliver Martin, C. C. Campbell, Carl Walter, Francisco Camps, P. S. Tyler, H. L. German, Dick Wisner,



W. L. Stensgaard.

The same issue of *Yarns* carried a picture of the Italian Jantzen plant, A. Bellini & C, in Milano and gave the story of that company as being the newest Jantzen licensee, with whom agreement was signed in November of 1936.

In July 1937 the Supreme Court declared the Social Security Act constitutional. We already had a retirement plan in effect for our employees and we faced the expense of our own plan plus the Social Security plan. After quite a bit of "discussion we decided to continue with our own plan, even though the Social Security plan would about double our costs. For a time we hoped the government would allow an exemption from the Social Security Act to companies which had an equivalent or better retirement plan. We soon learned everybody would be compelled to be insured and to be insured under the government plan. We did not like the government's plan of collecting money for Social Security then using the money for general governmental purposes, while the government put an IOU in the drawer for our security. It looked to us as though we were being told the more IOUs put in the drawer and the larger the government debt, the more secure we were. Of course we all know now we have continued to build up our private retirement plan until it is of much greater benefit to all of us.



Chapter 44: Discussion of 1937 Business

Originally Published April 1956

CHAPTER 44

BUSINESS was not good throughout the country in 1937 and when business is not good there is always a great pressure to reduce prices. Of course what we needed was a new fabric, or a new design that was outstanding and good in all respects. We thought we had it in Wisp-o because it was something new and its light weight was desirable and it certainly did help our sales for the year 1938, but the after effects may have nullified all the good it did us.

1937 was the first full year of spinning in our new Portland spinning mill. We felt the project was a success for the reasons it gave us yarn more uniform in quality and color and prompt deliveries, also an opportunity to test the yarn that was spun before a great quantity was made ahead. We felt in addition to all the other advantages we had proved spinning was going to cost us less in our new mill.

In December 1937 Mr. Heinemann and Mr. Monroe came home from the east quite excited about a machine a man in the east was making for knitting a very fine elastic fabric. Mr. Adamson, of the U.S. Rubber Company, was interested in it and hoped we would get it and try to help develop it.

Mr. Heinemann had been proposing for some time we make a knitted girdle and his interest in this new machine was mainly its ability to make a fabric that would be suitable for this particular garment. A few of us had discussed a plan to have girdles made for us and also to have satin lastex and boxer trunks made for us. We had quite violent opposition to this from some members, but those of us who were in favor of it were not willing to drop the subject, but continued our investigation.

The Designing Department was very interested in this machine, but after long discussions we decided we must find out more about the machine, so further checks were made, but it was finally decided the machine was not far enough developed and was not suitable for our work.

Despite our willingness always to give a good look at any new machine or any new



proposition, we have been slow to accept some machines or materials we should have had. Nothing further was heard about this machine, so we evidently made the right decision in this instance.

In November of 1937, the year of the great wisp-o-weight, we had a long meeting with the Factory, the Sales Department and the Designing Department about how many machines we should buy for making wisp-o-weight. Because the fabric was so light we had to have larger machines. New machines were needed to keep up with our sales, which were considerably higher on wisp-o-weight than we had contemplated.

Wisp-o-weight was the zenith of our efforts to make a lightweight rubber yarn and wool garment. This garment was lighter weight and more elastic than anything we had ever produced or had ever seen on the market and the sales were beyond our expectations. The machines cost a lot of money so it was quite a decision to make to buy 12 new machines for this new fabric, but after much discussion we finally decided to order 12 machines to be shipped as fast as possible.

In studying the minutes of this meeting it appears nobody even questioned how this fine new light-weight garment would stand up in wear, shrinkage and so forth. Now and again we had put other numbers in the line without giving them adequate tests and they had fallen down in use, but never before had we done such a gigantic job of making and marketing something without adequate wearing tests. Wisp-o-weight failed to wear well in the water and proved to be one of our greatest errors in design and production.

In our fiscal year 1938, beginning in September of 1937, sales and profits, because of the general business outlook, did not look too promising, so we resolved to reduce the salaries of top executives by 20% and the rest of the Board members had salaries reduced in lesser percentages. We felt if salaries and wages had to be reduced during the year, the managers should set the example at the Jantzen plant.

In January 1937 we had a real serious meeting about whether or not we should go into the sweater business again. Some of us were advocating we again start to manufacture sweaters because it would be a great help in smoothing out the peaks and valleys in our business, which was all in summerwear. One member of our Board forthrightly opposed going into the sweater business under any circumstance and others were lukewarm on the proposition. The January meeting brought no decision to go into this business or stay



out of it, but it was agreed we would continue to study the proposition.



Appendix A: Timeline of Major Events

1884

Born in a two-room log cabin about four miles north of Purdin in Lynn County, Missouri, on August 4.

1920

Used concepts from a hosiery machine to develop and perfect a new knitting machine; reduced costs of knitting a dozen suits from \$7.20 to \$0.12.

Jantzen internal paper renamed to Jantzen Yarns as a result of internal company contest.

1921

Expanding in the East.

Highest credit rating with Dun and Bradstreet of any knitting mill west of the Mississippi

Sold \$50k worth of preferred stock.

1922

First "Jantzen Week", later called the "Jantzen Learn to Swim Week".

Used Jantzen diving girl stickers on cars -- an early example of this.

1923

Total sales of \$993,152 (almost double of 1922) and ad spending of \$55,411, or %6.7 of sales.

Profits of \$47,544.

Increased capital stock to \$1MM.

Jantzen girl stickers on cars throughout the US.

1924

Featured elastic fabrics



Great distribution of Jantzen girl stickers for cars

Suits against Olympia Mills, Franklin Mills and S. Augustein Co. for patent infringement

Application for use of the 'Bedaux System' in the Jantzen plant. 1st west of Chicago.

1925

Sailed for Asian tour (Japan, China, Manila and Hawaii) in January to assess markets.

Advertising slogans include "The National Swimming Suit: the suit that changed bathing to swimming"

1926

Jantzen Learn-to-Swim Week campaign (based on 1923 Jantzen Swimming Week campaign)

1927

"The Suite that Changed Bathing to Swimming" campaign.

1928

Advertising for the Jantzen 'Clean Pools' campaign, and name changed to 'Swimming Association of America'.

First year without a retail store.

Listing on the San Francisco Stock Exchange at \$35.50 a share.

European sales up to four times 1927 levels.

Non-US markets in order of ranking: Germany, Great Britain, Sweden, Argentina, Union of South Africa, Italy, France, Austria, Hawaiian Islands, Denmark, Czechoslovakia, Norway and Panama.