

HISTORY OF
KEWANEE BOILERS

1868 - 1961

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My subject tonight is a brief history of the Kewanee Boilers from 1868 to 1961. It is impossible to confine this history to the Boiler Company because the Boiler Company history is so interlaced with the growth and history of Kewanee itself. Many of us are inclined to think of a factory as land, bricks, mortar and machinery. While a plant is all of these things, the most important factor is the people who make up the operation of a plant. Now to get on with the ninety three year history of the Kewanee Boiler Plant.

Our country had just gone through the Civil War with the assassination of President Lincoln, the abolition of slavery and the post war re-construction period when history began for the Kewanee Boiler Plant as we know it today.

During the year 1868, which was ninety three years ago, just a short time after the CB&Q had been extended beyond Kewanee (Kewanee had for some time been the Western terminal of the CB&Q with stagecoach connections to Galesburg) a shop was built in Kewanee by a man named Valerius D. Anderson. This shop was devoted to the manufacture of steam feed cookers.

At this period of history, Illinois was a sparsely settled state and with the exception of a few strategic trading centers was inhabited largely by families who had taken advantage of the rich black soil to raise their crops.

A small group had settled in the Northwest central portion of Illinois and laid out a township and a village both of which were named Wethersfield after the Connecticut village they had left behind. Near the northern edge of the township they designated a block of property for school purposes and it was around the school area that the little village grew.

When the CB&Q railroad which was to tie Chicago to Denver was surveyed it was planned to establish a station in Wethersfield. Here the history is a little clouded as to the reason for moving the railroad right-of-way a mile north through what is now Kewanee. One historical group has recorded that the residents of Wethersfield did not want the railroad passing so near their residences and petitioned the railroad to move the right-of-way a mile north. The other school records that the Wethersfield people did their best to have the railroad go through Wethersfield but the railroad due to the swampy terrain decided it would be less expensive to run the railroad a mile north of Wethersfield. In any event, the railroad was built about a mile north of Wethersfield where there were no inhabitants and where there were many prairie chickens.

As soon as the railroad was established the Wethersfield area stopped growing and the area adjacent to the railroad began to develop. In 1854 the City of Kewanee was founded taking the name "Kewanee" from the Winnebago Indian Tribe meaning "Prairie Hen" or according to another historian the word Kewanee means "Winter Has Come Again".

It is interesting to note that at this time one of the first commercial enterprises in the city was the wholesale packing and selling of prairie chickens for

shipment on the new railroad to the Chicago markets.

I have interrupted Mr. Anderson's enterprise and the beginning of what is known as the Kewanee Boiler Plant today by injecting a bit of the history of the town of Kewanee. (See picture of Steam Cooker Plant 1868) The Anderson Steam Feed Cooker Company manufactured and sold its product to the neighboring farmers for three years. In 1871 which was year of the great money panic, he changed the name to the Anderson Steamer and Heater Company and then in 1873 Mr. Anderson changed the name again to the Anderson Universal Steam Boiler Manufacturing Company and at this time was the largest manufacturer in Henry County. In the early days each succeeding year seemed to bring a re-organization and a new name. About 1875 and again, I repeat, the following certainly bears out the fact that people are the most important factor in change and growth of any plant, for at this time a New Englander by the name of W. E. Haxtun came to Kewanee, joined the partnership with Anderson and from this partnership evolved the Haxtun Steam Heater Company. (See picture) Mr. Haxtun brought with him a patented new idea which was the magazine feed steam heating boiler. The results show that in 1876 (See picture) this new firm had a capitalization of \$50,000, employed twenty-five to thirty men and used forty ton of steel a year.

In this same year, 1876, a man was transferred to the Kewanee Plant from the Anderson Company's Chicago office. This young lad had worked as office boy after leaving a Kane County farm near Aurora, Illinois, for three years before his transfer to Kewanee. His job in Kewanee was bookkeeper and utility man with the Haxtun Steam Heater Company. This young lad's name was Emerit E. Baker. Of course, at this point no one dreamed that E. E. Baker would be the dominant figure he came to be in the history of Kewanee Boiler and the community.

Total sales volume of the Haxtun Steam Heater Company soared from \$63,000 in 1878 to \$387,000 in 1882 and the shop was increased to six times the area used by the Anderson Company twelve years before. In 1883 the Company installed equipment to roll pipe.

Another Baker entered the Kewanee picture in the year, 1883. Mr. B. F. Baker, a cousin of E. E. Baker moved to Kewanee and entered the banking business. Six years later in 1889 he joined the Haxtun Steam Heater Company. During this period E. E. Baker was elected a Director of the Haxtun Steam Heater Company, his first official post.

In March of 1891 the name of Haxtun Steam Heater Company was discontinued and the Company name was changed to the Western Tube Company with Mr. E. E. Baker, Vice President, Treasurer and Director. In 1892 which was beginning of one of the country's major depressions (see picture) there apparently developed disagreement at the Board of Directors level. What caused this disagreement is not quite clear but in any event the Company was split into two sections, one continuing as the National Tube Company (forerunner of the present Walworth Company and purchased by Walworth i. 1917) and the other section led by E. E. Baker organized and incorporated on May 4, 1892 as Kewanee Boiler Company.

integrated, with Kewanee Boiler operating in the boiler shops of the National Tube Company. Growth was slow but steady and it was necessary to build a small addition to the plant to handle the growing boiler business. In 1900 the Kewanee Boiler Company sold its property to the Western Tube Company and E. E. Baker purchased seven acres of land west of the city along the CB&Q tracks. Shops were erected and the operation moved. (see picture) The Company grew rapidly and in 1902 a radiator foundry was added.

✓ In 1906 Kewanee Boiler introduced the "Kewanee Smokeless Boiler". This boiler was a major break-through in the growing fight to reduce smoke and soot in cities and industrial areas and Kewanee sales boomed. The Kewanee Boiler built a national reputation as the manufacturer of the Kewanee Down Draft Smokeless Boiler. (See picture)

The Kewanee Boiler Company went through the World War I period making their contribution to the war effort by producing their regular products and producing locomotive fireboxes for the government. In a nineteen month period the Company shipped 19,410 boilers, heaters and tanks.

In 1919 Kewanee Machinery & Conveyor was founded. Also, W. D. Glidden was made Director and Treasurer.

Then came the fabulous post World War I expansion of 1920 when the Company acquired a total of thirty-three acres of ground and built a million dollar addition. (See picture and open house program) Upon the completion of the million dollar expansion, Kewanee Boiler Company held an open house for the community on Tuesday, October 19, 1920. This was a community effort and certainly no expense or effort was spared.

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In 1926, the plant constructed another million dollar building program which was completed in 1927. During the years from 1900 to 1927, Emerit F. Baker directed operations with a paternal hand. Employees were given an opportunity to buy stock in the Company, profits were liberally split with the stock holders, Christmas bonuses of great magnitude were given, any employee or member of his family was promptly dispatched to the Mayo Clinic in Rochester, Minnesota when illness struck, with the Company picking up the bill; children of employees received grants and loans to make possible their college education; any worthwhile civic enterprise was backed by the Boiler Company both financially and with individual participation. It was during these prosperous years that the name "Kewanee Boiler" became known all over the world and Kewanee Boiler symbolized quality, craftsmanship and sound engineering.

During this period of growth a young man by the name of Robert B. Dickson was showing great promise. He had started as an office boy, worked his way through several clerical jobs and finally became a salesman. Here his talents blossomed and at one time his territory was the entire United States. R. B. Dickson made many friends over the country and established distributors and dealers who were anxious to be franchised to sell the quality products produced in the Kewanee factory. By the mid "twenties" Kewanee Boiler Company was established as the largest manufacturer of heating boilers in the world.

✓ In 1928 the community and the employees of Kewanee Boiler Company were surprised to learn that American Radiator Company had been negotiating

with E. E. Baker for the purchase of the Company and that he, as majority stock holder had agreed to sell the Kewanee Boiler Company for seven million dollars. Remember, at this time no one could foresee the economic chaos which would soon invoke the country, the 1930 Depression. American Radiator Company on the other hand, was not particularly interested in the purchase of the boiler business but was most anxious to gain control of the radiator production which had been a thorn in their side for many years, saleswise. (See picture)

Shortly after the purchase of Kewanee Boiler Company by the American Radiator Company, it shut down the radiator foundry in Kewanee and moved to Litchfield, Illinois. American Radiator continued to operate the Kewanee Boiler Corporation as a wholly owned subsidiary, with E. E. Baker continuing as President and little or no change in the organization. In 1929 Emerit E. Baker, President of the Kewanee Boiler Corporation died. In his will, E. E. Baker left over one million dollars to the city of Kewanee to be used for civic projects. He was succeeded by his cousin, B. F. Baker, who had risen to the office of Vice President. Mr. B. F. Baker being faced with steering the Company through the depression years, which were obviously ahead, retired after being President for one year.

In 1930 after B. F. Baker's retirement, he was succeeded in office by R. B. Dickson. This man who had received his training under E. E. Baker carried on in the Baker tradition. He was dictatorial but paternal and during the bleak years of the depression he held the organization together through times when the shop would only work three or four days during the month. The Company survived the lean years far better than its competitors and the name, Kewanee Boiler, was never allowed to fall from its position of integrity in the field.

After the depression and during the mid "Thirties", organized labor was making great strides riding forward on the recently passed Wagner Act. R. B. Dickson handled the organizing drive with a firm hand. When the newly formed C. I. O. were trying to organize the Kewanee Plant, history has it that R. B. Dickson wired the A. F. of L. Boilermakers Union Headquarters and the A. F. of L. Foundry-men's Union Headquarters telling them that while there was no employee difficulty in the Plant, the C. I. O. was organizing and he would suggest they come in and organize the Plant under the A. F. of L. This, they did, submitting a Union Contract which was signed by Kewanee Boiler. Many of the clauses in this contract, which were honest endeavors at the time, came to have different interpretations during the next twenty three years. However, under the firm hand of R. B. Dickson, labor-management relations were harmonious.

Kewanee Boiler prospered through the late "Thirties" and then came the World War II period of 1942 to 1946. During World War II, Kewanee Boiler continued to produce its regular product line along with a variety of fabricated steel items for the government. On five occasions the Company was awarded the Army-Navy "E" for excellence in production of material essential to the war effort. Among its wartime products were locomotive boilers, harbor mines, net floats, "V" type bridge trestles, synthetic rubber tanks, agricultural implement castings and a regular line of boilers for military use.

In 1950 following a short period of failing health, R. B. Dickson suddenly died, W. B. Russell, who had been Vice President and Sales Manager assumed the office of the presidency and Mr. Elbert M. Palmer was made Vice President of Sales.

Mr. Dickson, before his death, had outlined a plan to build a plant in the Eastern part of the country to serve the Eastern market for residential and small commercial boilers, thus avoiding the freight costs which were making Kewanee products non-competitive in this area.

In 1951 W. B. Russell built a new plant at Lebanon, Pennsylvania. About this time the characteristic of residential building underwent sweeping modifications, mass development housing gained rapid headway and there was little market for high priced code constructed boilers in such homes.

The Lebanon Plant proved to be a poor investment and operated only about five years and in early 1957 this plant was dismantled.

In June of 1952, a major change occurred in the organization. The Ross Heater and Manufacturing Company of Buffalo, New York, another subsidiary of American Radiator and Standard Sanitary Corporation was merged with Kewanee Boiler Company to form the Kewanee-Ross Corporation. Charles H. Currier, President of Ross, was named Chairman of the Board and W. B. Russell, was named President of the new Corporation. Under the new merged Corporation, it was decided to move the production of the larger heat exchangers to Kewanee and the first new building construction in twenty five years took place during the fall of 1952 when one of the original 1900 buildings was completely rebuilt to provide space for machine shop facilities. In 1953 an addition was built so as to provide space for assembling and testing heat exchangers and by 1954 all heat exchangers which required a shell larger than standard pipe size were being constructed in the Kewanee Plant and the Buffalo Plant manufactured the smaller units. At this time, more than seven hundred workers were employed in the Kewanee Plant.

The problems of coordinating the two manufacturing operations were magnified by distance along with the difficulties of heat exchanger engineering in Buffalo and the manufacture of the engineered products in Kewanee. In 1954, which was the Centennial Anniversary of the City of Kewanee, W. B. Russell was stricken with a heart attack. Following his illness Elbert M. Palmer took charge of the Kewanee Plant and John Gudgel was in charge of the Buffalo Plant. The problems of engineering and production remained and were never fully overcome and on November 5, 1955, the Kewanee-Ross Corporation was dissolved and became two operating divisions known as the Kewanee Boiler Division and Ross Heat Exchanger Division.

On January 1, 1956, Elbert Palmer was named President of the Division and W. B. Russell was named Consultant and later in the year, following a second coronary attack, W. B. Russell was retired. In the meantime, the Ross Heat Exchanger Division had constructed a new plant and manufacturing facilities in Buffalo. During the W. B. Russell Administration, two other major facility changes took place. The Kewanee Boiler Company gray iron foundry was completely modernized at a cost of two hundred fifty thousand dollars but, inasmuch as the residential market had changed, therefore, the use of gray iron castings was less, the foundry was unable to operate at its full capacity. During this period another major improvement was the rebuilding of the old powerhouse into a modern heating plant and air compressor station along with a product development laboratory. This project cost approximately two million, five hundred thousand dollars. From the time of the establishment of the division in

1955 the plant had a poor profit record. In fact they consistently lost money. Some of the reasons for this was, as we briefly mentioned, the sweeping changes in the market, the expenditures or improvements which did not meet with the current conditions and, therefore, were not amortized plus the fact that other parts of the facilities were wearing out, production lines needed revamping and labor costs were rapidly getting out of hand. Although much planning had been done, little production line changing was accomplished with the exception of a few pieces of machinery.

In 1958 the Kewanee Boiler Plant purchased the additional land necessary to build an addition to their plate storage building at a cost of slightly over one hundred thousand dollars. This brought the total plant area to about thirty six acres with approximately fifteen acres under roof.

In spite of the expenditures made the changes in production methods made little difference to the end result in profits. This was largely due to the situation which was reaching a climax in labor relations. The harmless clauses of the original 1936 union contract which automatically had been renewed and eroded year after year were no longer harmless. The Unions had gradually extended their powers until they were dictating to management in management's own fields. Management no longer operated their own plant. Invariably, a cost saving device would be negated by Union dictation and rejection of management's rights. By 1958 it was apparent that the Unions infringements into management's prerogatives would have to be stopped if the Plant was to continue to operate.

On January 1, 1959, Kewanee Boiler Division, Ross Heater Exchanger Division, and American Blower Division were merged to form the American-Standard Industrial Division with headquarters at the Dearborn Plant in Detroit. John W. Brennan, former President of American Blower was named President of the new Division. Wells A. Gardner, former Vice President - Manufacturing at American Blower, was named Vice President and Resident Manager of the Kewanee Plant. George J. Mautz was made Manager of Industrial Relations at the Kewanee Plant. In March, 1959, after six weeks of contract negotiations the two unions (Boilermakers and Foundrymen) struck the Plant when Management and Union negotiating teams could not reach agreement. The strike was the first in the history of the Union Agreements at Kewanee and the basic issues were whether management would be able to operate the plant under the new contract. Although the situation had been brewing for years, the new management was accused of trying to break the union and the other invectives that strike leaders usually use. In spite of the labor differences, it was a quiet strike with no violence on the picket lines and with reasonably calm attitudes shown at the bargaining table. After ten weeks the Unions accepted the Company's proposal and work was resumed. Under the terms of the new agreement, management was again in a position to manage and the Unions had lost none of their rights to represent the workers in the plant.

In October of 1959, John Brennan was succeeded in the Presidency of the American-Standard Industrial Division by Albert O'B. Andrews who had served in various capacities throughout American Radiator and Standard Sanitary Corporation prior to his affiliation in 1959 with the Industrial Division in the capacity of Controller. As the Golden Sixties begin it appears that Kewanee Boiler is on the path back from the doldrums into which it had fallen. The Plant managed to show a profit in 1959 in spite of its ten week strike followed later in the year by an extended steel strike which depleted its steel stocks and advanced the year end seasonal decline in business by about two months.

In March of 1960 in contrast with the labor relations picture in 1959, Kewanee Boiler negotiated a three year contract with the Unions signing before expiration deadline without any labor trouble. Union relations continue harmoniously.

In June of 1960, Frank P. Joyce assumed the position of Plant Manager of the Kewanee Boiler Plant succeeding W. A. Gardner who was made President of Youngstown Kitchens Division in Warren, Ohio. Mr. Joyce came to Kewanee Boiler Plant in 1959 from the Buffalo Plant of American-Standard where he was Plant Manager.

Under the direction of F. P. Joyce, the Plant was able to do the same amount of business in 1960 as in 1959 even though the economic climate was less favorable.

In 1960 a three year product development program was instituted for improving present product lines and designing new products at a cost of approximately four hundred thousand dollars over a three year period. This program is necessary because we had lagged behind in our Engineering Department for the past ten years.

Mr. Joyce also has instituted a five year program of replacing fifteen acres of roof over the next five years at a cost of one hundred thousand dollars per year. Also, in this five year plan is a schedule to improve plant layout by departments, rebuild present production machines, replace obsolete equipment, convert to new and modern welding processes which entails new equipment and training of personnel, plus an intensive cost reduction program. By carrying out these programs and projects combined with the building of a strong and progressive management, the future of Kewanee Boiler seems reasonably assured.

In attempting to cover ninety three years of Plant History in this very short time, I have had to be brief and sketchy but certainly Kewanee Boiler has had a very interesting history both as to the progress of the Plant and its affect on the community and bears out my opening statement that people make up the history and the progress of a plant as well as a community.

I thank you.

George J. Mautz