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# THE DEPLOYMENT OF THE COMMERCIAL NETWORK

The tire soon passed from being an industrial product—a mechanical component and automobile part—to an article of consumption comprising another good exhibited in publicity with the aim of attracting customers. With the purchase of a new car that was equipped with new tires, a circuit that fed this specialized industry was initiated. Throughout the life of the vehicle the tires had to be replaced several times due to wear and tear or deterioration, and the car owner had to choose between maintaining the original brand provided by the manufacturer or choosing a different one. Given the strong competition, one of the keys for positioning the product was to have ample knowledge of the distinct market demands and to know how to choose the adequate channel of distribution, tire sales and service for each case.

# 1. A slice of the (tire) pie

The production of the tire industry, running in parallel with that of vehicle manufacturers, is aimed at satisfying demand in three main areas: the Original Equipment market (known by the acronym OE), the Replacement or Renewal market (abbreviated here as RE) and the Export market (abbreviated here as EX). OE consists of tires sold directly to car manufacturers so as to equip their vehicles in the assembly line. RE are tires sold directly to the consumer to replace the tires that had been fitted to their vehicle in the factory.

The steady rise in sales of automobiles and cargo vehicles led to an increase in the production of solid and pneumatic OE tires and offered good prospects for the incorporation of new companies into the U.S. RE market. Sales of 181,000 factory sold automobiles in 1910 were nearly doubled in the following two years, to 356,000 in 1912; 548,000 in 1914; 1,526,000 in 1916 and 1,906,000 in 1920, growing consecutively to 4,791,000 in 1929, until the outbreak of the financial crisis.<sup>1</sup> In 1930 sales were reduced to almost half of the figures reached for the previous year. Each one of the existing companies during the first decades of the twentieth century oriented their production in different markets based on their expectations and possibilities, consequently competing with companies having similar policies, but with financial and productive structures that were often unequal.

In 1910 the U.S. market was proportionately divided in the following manner: total tire sales<sup>2</sup> produced by the industry for OE constituted 31.5%, those destined to RE 66.3% and the remaining 2.2% for exportation.<sup>3</sup> The average for the period between 1910-1930 shows similar figures: 27.50% EO, 69.3% RE and 3.3% EX.<sup>4</sup> There were, however, intermediate distortion factors resulting from the economic crisis of 1921-1922 or the Great War, which affected both military production and the restrictions of internal market and exports.

## 2. Brand new tires

The Original Equipment market was one coveted by all companies in the sector. Obtaining a contract to supply a vehicle manufacturer meant equipping each vehicle with four tires over a medium or long production timeframe.<sup>5</sup> In addition, it was the perfect occasion for cultivating continuity by converting the future car owner into a faithful user of the original tires' brand when having to decide on—after wear and tear—their replacement. It also ensured a consistent base of medium-and long-term financial stability, regular factory production, and control of investments in raw materials, infrastructures and labor—which in turn led to greater labor stability. On the other hand, tires sold directly to manufacturers had a very narrow profit margin, often close to cost price. Some authors<sup>6</sup> situate the price of OE tires to be around 40-50% of the value of the same tire sold by RE dealers. However, profitability was not strictly economic:

"The tire manufacturers feel that supplying tires to automobile companies, even at cost, gives them useful market connections and valuable advertising. They believe that this affiliation puts them in touch with large organizations of automobile dealers who will be prospective dealers for their replacement tires. They argue that low original equipment tire prices permit the automobile manufacturer to lower the price of automobiles, thus extending car registrations and future renewal sales. They find it desirable to keep on good terms with the automobile manufacturers because they sell them many rubber products other than tires. And finally they believe that they can build up consumer preference for their particular brands by having it known that their products have been selected as stock equipment on a well-known automobile."<sup>7</sup>

In the early years after the turn of the century, the OE market was heavily divided due to short industrial vehicle production periods, often using artisanal materials and procedures. But the rapid growth of the automotive sector and its demand for tires led to more market control by a small group of companies in the sector. The initiation of serial production on a large scale, with assembly lines and production methods scientifically controlled for the sake of maximum efficiency, took place around 1908—the year of the Michelin factory's launch in Milltown—with the appearance of the economical Ford Model T.

In general, large tire companies—with the financial capacity to handle large-volume orders contracts dominated the OE, whereas the field of action for medium and small companies was the RE market. Certain data show the market situation for those years:<sup>8</sup> in 1914, of the total sales for U.S. tire companies (OE, RE and EX), 66.1 % corresponded to the "Big Four" (U.S. Rubber, Goodyear, BF Goodrich<sup>9</sup> and Firestone); 9.2 % to the next four companies in the ranking (Fisk, Miller, Kelly-Springfield and Ajax); and the remaining 24.7 % was shared by the small and medium companies, which included Michelin. The wide deployment of the French firm in principal European markets as early as 1910—with its own production centers in France and Italy and with a significant presence of distributer branches in countries such as Germany, Spain and especially in the United Kingdom—allowed for the Michelin Tire Company's U.S. factory in Milltown to focus production on the OE and RE market. Although it is true that the volume of business came from RE, the Michelin Tire Co. signed contracts with various automobile manufacturers in the country during the early years. However, they were always a far cry from the agreements reached by the tire companies dominating the market.

Among the American brands that included Michelin as original equipment—an extra that was emphasized in press advertisements—were several models of electric cars manufactured by Columbia between 1905 and 1906 (fig. **3**).<sup>10</sup> Others included firms such as Colt Runabout Co. with its 6 cylinder Colt in 1907;<sup>11</sup> the Buckeye Mfg. Co. with its model Lambert 18 in 1907 and 1908;<sup>12</sup> Fort Pitt Motor Mfg. Co. with its 50 hp and 6 cylinder Pittsburg Six model in 1908;<sup>13</sup> Oldsmobile with its 22 hp and 4 cylinder model in 1908 (fig. **2**),<sup>14</sup> and Reo with its model Runabout of one and two cylinders in 1908 (fig. **4**).<sup>15</sup> In addition, agreements were reached with the Buick Motor Company in Flint, Michigan.<sup>16</sup> Michelin tires were also utilized to equip vehicles in the heavy-duty freight and transportation sector. These included the Decatur Hoosier Limited 30 hp–4 cylinder truck manufactured by Decatur Motor Car Company in 1912, with Michelin Twins—double tires—on the rear tractor wheels.<sup>17</sup>

Other manufacturers offered different possibilities of original equipment through contracted partnerships with automobile shops, according to the availability or the preferences of the customer. This is the case of the four-cylinder 30 hp Model H Turabout from Jackson, which was equipped indistinctly with Goodyear, Morgan & Wright, Continental or Michelin in 1909 and applying the same dynamic—with the exception of Continental—in versions 30, 40 and 50 in 1910.<sup>18</sup> The same phenomenon happened with several models of the National Motor Vehicle Company, the Indianapolis firm who advertised themselves with the slogan "King of Speedway, Monarch of the Road." Among their models, the four cylinder National Forty was offered in 1909 with the option of choosing original equipment from G & J, Diamond or Michelin brands,<sup>19</sup> and the two-seater 2 cylinder 14 hp Maxwell could be fitted with either Diamond or Michelin.<sup>20</sup> In addition, the 4-cylinder Jewel 40 produced by The Forest City Motor Co. in 1908 offered clients the option to choose from Diamond, Firestone, Goodyear or Michelin for their automobile tires;<sup>21</sup> and the 35-40 hp four-cylinder Henry 35 of the Henry Motor Car Co. in 1910 offered Firestone, Continental or Michelin tire options.<sup>22</sup>

This "tailored" ordering policy was offered by the manufacturer through the points of sale, or obtained through aggressive strategies. An example is found in a Michelin advertisement from 1908, which appeared in popular publications such as *The Literary Digest* or *Country Life in America*. In the text, the reader and client were asked to insist that automobile manufacturers offer Michelin tires directly from the factory, as explained in the following text:

"Cut this advertisement out and send it to the manufacturer of the car you have selected, in a letter specifying Michelin Tires. At the same time write us the name of the car. If the manufacturer does not immediately accede to your request we will at once inform you of several very excellent makes of the same price and class which WILL give you Michelin's."<sup>23</sup>

In 1926 the OE market was controlled by the "Big Four," who had a market share of 80% compared to other medium and small manufacturers, a growing trend if we consider the following data: 92% in 1930 and 98% In 1933.<sup>24</sup> Outperformed by the market situation and the evident supremacy of the leaders in the sector, Michelin adopted a sales policy oriented exclusively to the RE market and made a statement of intent in *The Michelin Proposition for 1927* aimed at retail establishments that wanted to be part of or already belonged to the network of dealerships. In a full-page message titled "Factory Equipment" [Words crossed out graphically with a large 'X' in the original printed text], it is stated:

"Michelin does no Car-Equipment Business. It isn't fair to sell tires below cost to car manufacturers and make the tire dealer pay the bill. Until we can get a price from car makers that is fair to our dealers, we want no equipment business."<sup>25</sup>

## 3. The replacement market

The market for tire replacement in automobiles, trucks and vans that were in circulation was the most profitable, accounting for around three-quarters of the sector's total sales. However, it was also the most competitive, unstable and unpredictable, because it depended directly on the preferences of the consumer and their unforeseen needs. The tire price, quality and related servicing, along with brand positioning, were decisive factors in the moment of purchasing and in securing client loyalty throughout the lifecycle of their vehicles.

On the other hand, the technical evolution in tire construction and the incorporation of advances in the chemistry of materials—along with improvements in automobiles and roads in and of themselves—entailed, year by year, an increase in tire longevity. In addition, there was the constant streamlining for processes and improvements in machinery used at different stages of production. This resulted in efficiency that lowered costs and impacted the final sale price. Increasingly inexpensive and durable replacement tires led to fierce competition and challenged business profitability. It was within this context where the commercial network of supply and points of sale—allied with marketing, promotion and publicity—faced its maximum challenge.

The replacement market was formed by different types of customers. First, there was the fragmented market of thousands of private cars for personal use, including small businesses and family-run farms and facilities. Second, there was the market generated by the demand coming from organizations or institutions. And thirdly, a market existed for large national distributors, car accessory chains, mail-order companies and oil companies (see TABLE 4).

In the market sector for organizations and institutions, there was a distinction between commercial fleet accounts for companies in the private sector and those resulting from agreements with different public administrations and government entities at the local, state or national level. Trucks and vans constituted the main types of vehicles, along with passenger cars, buses and automobiles. Commercial fleets consisted of corporate motorized transport for cargo and transfers used by companies to distribute their products, or to offer their services in the case of taxi and bus operators or car rental companies.<sup>26</sup> On the other hand, accounts with the administration were also considered a good opportunity as municipal public services, state and federal government had a considerable vehicle fleet, which included health services, security and fire departments, maintenance of roads and public works as well as the army and the navy.

Individual users acquired their replacement tires at retail outlets, while institutional accounts were negotiated, depending on volume, directly from the factory or through the manufacturer's various territorial representations, although administrations could also make agreements with other distributers and wholesalers.

For example, in a large city such as Chicago in 1909 there were five taxi companies, for a total of 182 cars. It was an attractive market as a single vehicle circulated around 2,900 km per month, in shifts shared by two drivers in a 24-hour period. This represented an annual expense of \$10,148 in tires for each taxi, bearing in mind that tire life was guaranteed for approximately 5,600 km. The 55 taxis of the Walden W. Shaw Co. and 45 of the Chicago Taxicab Co. used Fisk tires. The 42 taxis of the Auto Taxicab Co. were fitted with Michelin, 25 cars of Chicago Motor Cab utilized Diamond and 15 of Owen Fay, Morgan & Wright's taxis used Empire.<sup>27</sup>

## 4. Distributors at the national level

In the case of major distributors, the tire manufacturer channeled their product brands through agreements with car accessory chain stores, mail-order companies (who also had their own sales outlets) and with different oil companies who sold tires at gasoline service stations in their commercial network. In a more advanced phase, the tire manufacturer worked directly on demand by placed orders, producing private brands for these companies and entering into a complex scenario of depending on and competing with their own products in the same market.

One of the staples for **car accessory chain stores** consisted of tires. Out of the total replacement tire sales, 0.3 % corresponded to these establishments in 1924, which grew in importance until reaching a quota of 13.2 % in 1929.<sup>28</sup> Among the companies that operated in this sector were:

- Chas. E. Miller, founded by Charles E. Miller, a seller, importer and exporter, distributor and manufacturer of bicycle accessories since 1896. They also worked in the automobile sector early on, being one of the exhibitors for the first automobile salon organized in the United States in 1900. In 1906, they had six points of sale, and in 1918 they increased to 12 stores in principal cities: New York, Brooklyn, Buffalo, Boston, Springfield, Hartford, Detroit, Cleveland, Philadelphia, Atlanta, New Orleans and Newark. Their sales catalog—in the year 1918, 36 numbers had been published since its constitution—had a circulation of 100,000 copies.<sup>29</sup>
- Western Auto Supply Co. of Kansas City (1909) and Western Auto Supply Co. of Los Angeles (1916), were initially created as mail-order companies and having a chain of their own stores since 1916 (figs. 40-46); Pep Boys of Philadelphia, founded in 1921 (figs. 37-39); Gamble-Skogmo of Minneapolis, created in 1928 by Bertin Clyde Gamble and Phil Skogmo; R & S Auto, founded in 1919 in Newark by partners Harry Roth in conjunction with brothers Herman and Henry Schlenger; as well as other leading firms in the late 1920s and mid-1930s such as Dean Phipps of New York, Strauss Stores in Philadelphia (figs. 47-48), and Gofkauf's Auto Stores in the New England area (figs. 49-50).

**Domestic mail-order companies** were financially sound companies with a wide repertoire of product lines, including automobile accessories and tires. Much of this market sector—accounting for 1.8 percent of total replacement tire sales in 1922 increasing to 5.5 percent in 1929—<sup>30</sup> was dominated by two rival firms: Sears Roebuck & Co. and Montgomery Ward.

- The original Montgomery Ward was founded in 1872 and remained active until 2001. In 1912 the first brand of car tires under the generic name Wards Riverside was added to its catalog of bicycle and motorcycle tires. These tires were manufactured by Gillette Rubber Co. (founded in 1914) and Samson Tire & Rubber Corp. of Los Angeles (founded in 1916). Both were purchased in early 1931 by U.S. Rubber, in order to secure their sales to Montgomery Ward and become the exclusive manufacturing supplier. Around this time the Wards Trail Blazers were added as second-line tires (figs. **32-34**).
- Sears Roebuck & Co. was founded in 1893 as a mail order company. In 1912, they joined the tire business with their own brand of tires known as America.<sup>31</sup> From 1915 on, they published a complete catalog of auto accessories in which their new brand of tires Justice was added, manufactured for Sears primarily by the Murray Rubber Company in Trenton, New Jersey. In 1925, they began to expand their own chain of stores and retail stores, and one year later Sears changed the tire manufacturer contract to Goodyear, who would produce a new range of tires under the brand All-State (figs. **30-31**).
- An example of other major companies—but at a level inferior to that of the giants Sears Roebuck & Co. and Montgomery Ward—was the specialized Better Tires Co., founded in 1920. From its headquarters in Chicago it was a wholesale distributer of articles from their extensive catalog that exclusively targeted car accessory stores. In 1923 they offered four types of tire inner tubes and up to ten of their own tire brands: Duval-Rand, Homestead, Stratford, Andover, Cameron, Templeton, Kingston and Douglas (the latter two both in their Fabric and Cord versions). However, in line with other similar businesses, their activities were not limited to selling. They had nine commercial agents distributed throughout the country who served as consultants to retailers in their businesses—18,000 regular clients, according to their catalog—and provided free advice and promotional material for points of sale (figs. **35-36**).

The tire companies viewed orders from oil companies and mail-order establishments as a business opportunity, producing brands based on previously placed orders. After the Great Depression a large number of manufacturers disappeared, which led to concentration in the sector in the years following 1930. Given the delicate economic situation, this opportunity became a necessity, a matter of survival. In the following years, with the notable exception of Firestone, the majority of the sector extended contractual alliances with the principal distributors.

For Michelin, in the period prior to the closure of the factory in 1930, mail-order companies constituted yet another of their competitors, and were never seen as an opportunity. Michelin did not produce for third parties, not in America nor in any of their European factories.

On the other hand, the takeoff of **oil companies and their service stations** took place just as the Milltown mill ceased to operate. It was in the summer of 1930 when Standard Oil Co. of New Jersey began commercializing its brand of tires known as Atlas, manufactured by U. S. Rubber and Goodyear. A variety of oil companies followed suit by creating their own brands, while others continued to offer products from well-known manufacturers through their extensive gasoline station networks. Of the total tire sales, 0.9% corresponded to oil companies in 1929, which experienced significant growth with figures increasing to 3% in 1930 and up to 10.3% in 1934.<sup>32</sup>

# 5. The territorial offices

With the large companies present in all markets and especially active in the OE and the EX—since they were the only ones who could afford maintaining a consistent commercial export network and had the potential to tap into large distributors (chain stores, mail order and oil companies)—the replacement market in the first two decades of the twentieth century was practically the only field of action for most of the small and medium-sized tire industries, including Michelin. The development of commercial networks and the establishment of branches or delegations capable of supplying local retail businesses were priority actions.

In the first stage, between 1900 and 1910, the tire companies set up branches that were strategically distributed throughout the territory. This initial network intended to position the product in its area of influence. Branches functioned as service headquarters and as storage, from which wholesale tire consignments were dispatched to retail stores, establishments, garages, small dealers and resellers—wholesale retailers and distributors—in the region. But they also had their own department of direct sales to the consumer, acting as one more retail store. The three basic areas of action for a branch—offices, warehouses and shop-service center—did not necessarily have to be in the same building and they were usually distributed in different locations. Each company settled in an area establishing their first commercial ties so as to have a portfolio of wholesale customers who would, in turn, place their items within reach of the individual user.

Competition between companies was directly translated into the struggle to obtain the services of the best independent distributors and wholesalers in each area. Their distribution capacity often covered one or several states, and they operated handling a wide variety of products with tires constituting only one more item on their list. The power of decision was in the hands of these dealers, whether they decided to pay attention—or not—to a particular tire brand. An example of this early dispute between manufacturers can be found in Allen's book on the corporate history Goodyear, which included in the bibliography:

"The trouble with this system was that the distributor might or might not put any particular effort behind tires—and he might change without notice. The [Goodyear] Detroit distributor did just that in 1907. Michelin, the French company which had an excellent reputation, put in an American factory. The Detroit man threw out Goodyear, took on Michelin—and took the two big accounts, Buick and Reo, with him (...) It would take them two years, however, to get Reo and Buick back into the fold."<sup>33</sup>

Another of the basic functions of the manufacturers' branches was to offer tire installation and repair service, bearing in mind that a large part of the mechanic workshops might not be adequately equipped or lacked experience in handling their products. As such, manufacturer branches were also involved in organizing demonstrations and training courses for mechanics.

In a second stage, after 1910, tire companies already had a sufficient number of customers that were recruited and trained to whom they could delegate part of their original functions. The shops had assured the supply of products and the mechanic workshops were able to offer adequate services. The branches thus focused their attention and effort on supplying their clients and developing promotion and sales policies.

# 6. The Michelin branch offices.

The general scheme outlined above is in line with the strategies deployed by Michelin in its U.S. implementation, beginning with the successive representation agencies of Winans and Lamberjack. The Michelin Tire American Agency, Inc. of Eben D. Winans—active from early 1905 until January 1906 listed in its press advertisements up to eighteen branches located in strategic cities: Albany, Baltimore, Boston, Buffalo, Cincinnati, Chicago, Indianapolis, Minneapolis, New York, Philadelphia, Pittsburg, Poughkeepsie, Rochester, St. Louis, St. Paul, San Francisco, Utica, and Washington.<sup>34</sup> The Michelin Tire Repair Works—constituted in April 1906—was the branch office-mechanical workshop responsible for repairing the firm's products.

In July 1907, E. Lamberjack & Company listed nine distributors in the following areas of territorial influence: New England including Connecticut with two dealerships—one in Boston and the other in Broadway, New York—and the rest spread out between Philadelphia and East Pennsylvania, Pittsburgh and West Pennsylvania, Buffalo and West New York, New Jersey, Chicago and Central West, Brooklyn and Long Island, and Washington D.C.<sup>35</sup>

Following the legal establishment of the Michelin Tire Company on March 12, 1907 and the start-up of the new Milltown factory in early 1908, it was the company itself that took over the commercialization of American-produced tires. The responsibility for establishing a new policy in the deployment of commercial branches (see TABLE 1) was taken on by F. W. Libby, director of the sales department in 1908. At the beginning of that year the Michelin Tire Co. already had operational branches in the cities of Boston, Buffalo, Chicago, Detroit, New York—located at "Automobile Row" in Brooklyn—and San Francisco—inaugurated June 1 (figs. 5-6). The number of branches gradually continued to increase and by the end of 1908 included Cleveland, Denver, Los Angeles and Philadelphia, and by 1910, the Kansas City branch was added.<sup>36</sup>

The supervision of the various branches was administered from a specific department in Milltown, the management of which was assumed in 1915-1916 by Elmer E. Connolly. His position oversaw the general representatives of the different commercial zones in which the country was divided—Central Zone, Northwest, New England, East, Midwest, West Coast and others. These representatives, whose offices were located on the factory premises, coordinated the different Michelin agencies attached to their territory. These agencies, in turn, had the responsibility of adequately servicing and supplying local whole-salers, shops and automobile repair shops, as well as being able to obtain new client accounts, such as the equipment of commercial vehicle fleets used to transport goods or passengers.

The unification and coordination of criteria for compliance with following the guidelines of the commercial policy developed from Milltown, as well as for the cohesion of the different teams, was encouraged in the meetings and conventions that were periodically scheduled (figs. **9-10**). These meetings did not bring together the whole network of branch offices, but were specific to each of the commercial territories. Thus, for example, the branches included in the Central Zone and Midwest territories congregated in Chicago. The annual conventions of 1915 and 1916 which took place in this city—both during September—were attended by the central offices, represented by Elmer E. Connolly, director of the entire network of branches, D. E. Bardin, head of sales for Clermont and London, E. M. Benson, Sales Director, R. B. Tracy, Midwest Area Director and R. B. Bramwell, Advertising Director. Specifically in 1916, the Chicago conference was preceded by the East Zone conference, held at the Milltown factory's premises. Apart from these two meetings three more were held, hosted in the cities of Denver and Atlanta, and the November convention of the West Coast Zone, which took place in San Francisco.<sup>37</sup> Another initiative aimed at encouraging the commercial agents was the annual election of Top Notchers.<sup>38</sup> This exclusive club was made up of those Michelin agents from the different areas of the country who had the best sales results. The chosen ones enjoyed a week of events and celebrations in New York as well as on the premises of the Milltown complex. They were awarded prizes and incentives according to the position they occupied in the ranking and professional recognition by the company, translated in internal promotions and advancements for the most outstanding individuals.<sup>39</sup>

The New York headquarters, in the heart of the automobile world's business center, was one of the most important branches and was among the first to be constituted. J. Wilbur Hobbs, formerly employed by the competitor Diamond Tire Co., was appointed director of the New York branch in early September 1907, headquartered at 1765 Broadway. In the early 1920s the office moved to 245 West 55th Street.

In September-October 1908 the Michelin Tire Co. of Massachusetts was created to cover business throughout New England, a region that included six states—Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont—in the northeast corner of the country. The start-up capital was \$10,000, with J. C. Matlack as President, Emile Fontaine as Treasurer, and Lawrence H. Fiske as Director. Fiske was Director of the Boston headquarters until 1917, and was then replaced by William L. Hogarty. In 1918 the branch had its own truck that ran the distribution route in the Boston metropolitan area, loading tires in the headquarters' warehouse and supplying the associated businesses with-in the commercial network. In 1920 the Hogarty-led sales team consisted of the following commercial agents: N. M. Marple, in charge of western Massachusetts and Connecticut; L. M. Weiner, North Shore; E. J. Fitzgibbons, Maine; H. J. Cobb, New Hampshire and Vermont; F. W. Doherty, Greater Boston. In 1927, it was agreed to move the offices from 901 Boylston Street in Boston to future facilities in the same city, a building that was to be constructed at the intersection of Ipswich and Lansdowne Streets, specifically commissioned by Michelin.<sup>40</sup>

In October 1908 Michelin also opened a branch in Philadelphia, at 320 Broad Street under the direction of H. D. Benners. It was to serve as the operational center for the territory of the State of Pennsylvania. The growth of the business led to the transfer of these headquarters in November 1910 to 1304-06 Race Street, under the new direction of C. W. Scott.<sup>41</sup>

On February 10, 1910, the Michelin Tire Company of Missouri—based in the city of Saint Louis—was established to cover business transactions throughout the State. The starting capital contributed was \$10,000 and the founding members were: M. A. Wilson, F. M. Gough, J. O. Wilson, S. T. L. Dyer and A. J. Goodbar. That same month the headquarters of Kansas City was established, located at 1926 Grand Avenue, under the direction of Wayne Murray.<sup>42</sup>

In December 1912 the Michelin Tire Company of Wisconsin was established, with equity capital of \$300,000 and the intention to establish headquarters in the city of Milwaukee. The inauguration date and beginning of its activity was scheduled for January 1, 1913. In the spring of that year, Michelin opened the branch at 1106 Hennepin Avenue in Minneapolis, Minnesota, with the aim of servicing the town itself, the entire state, as well as adjacent states, specifically the northern Wisconsin area and commercial territories in North Dakota and South Dakota.<sup>43</sup>

Since 1920 the Michelin Tire Co. of Texas had its headquarters at 121 North Flores Street in San Antonio. The branch office acted as wholesale distributor for retailers, garages and businesses in the territory. In addition to the offices and warehouse space, there was also a retail store for sale to the public (fig. **21**). The 18 branches active in 1917 were located in the cities of Atlanta, Chicago, Cleveland, Dallas, Denver, Detroit, Des Moines, Jacksonville, Kansas City, Los Angeles, Minneapolis, New York, Philadelphia, Portland, Saint Louis, San Francisco and Syracuse. In 1919-1920 the agencies in Charlotte, Lynchburg, Memphis, New Orleans, Oklahoma City, Omaha, San Antonio, Seattle and Spokane were added to the list, as well as the Hawaii Islands, Puerto Rico and the Philippines. The Atlanta branch alone employed thirty-seven employees in 1920 albeit the infrastructure and staffing dimension of each branch was in line with territorial needs.<sup>44</sup>

In 1913 Michelin continued its North American expansion with the creation of Michelin Tire Company of Canada, Ltd. It was launched with the purpose of manufacturing tires in that country, with its base in Montreal. The founding contribution was \$40,000 and the partners included A. E. Woodworth and A. B. Wright.<sup>45</sup>

## 7. The California Rubber Rush

Most tire companies, such as those based in Akron and the East Coast states, followed a scheme basing their business operations on three basic enclaves. On the one hand was the factory and control of production, situated in a determined location. On the other hand, the company's central and administrative offices, which were usually not on the factories' premises but were relocated to the city of New York—or in its place important branches were constituted—, the nerve center for business related to the automobile and components sector. Finally, in the face of the growing West Coast market, most companies chose to add an important branch in that territory, preferably in the State of California.

In May 1908 Michelin established one of the most strategically important branches in California, led by M.J. Tansey, with offices in the Winton Building at 306-308 Van Ness Avenue in San Francisco.<sup>46</sup> After a year of intense activity, the Michelin Tire Co. of California was formally legalized on May 1, 1909, with an initial capital of \$5,000 and located at the same headquarters. The founding partners were Emile Fontaine—Treasurer and trusted employee from Milltown headquarters—as the largest shareholder with 40 shares of the 50 issued, and M. J. Tansey and Marion Vecki each with 5 shares (see TABLE 2).<sup>47</sup> In 1911, a special branch was set up in Los Angeles, whose commercial policy was aimed exclusively at supplying automobile and auto components stores. This new wholesale distribution center was led by J. R. Wells, who had been trained at the San Francisco branch.<sup>48</sup>

In 1914, the Californian branch of Michelin was supplying 181 retailers in that state, with 14 of them located in the city of Los Angeles.<sup>49</sup> Business expectations and turnover for the sector in the West were reflected in a news item published in 1915: for that year the approximate number of drivers in California was 130,000, who spent annually about \$15,000,000 on tires of any brand. The average cost of a single car tire was around \$20, taking into account that approximately 750,000 tires were utilized annually in the state of California.<sup>50</sup>

The San Francisco headquarters was first located at 308 Van Ness Avenue. Later it was transferred to 1644 Pine Street, and in 1920 it finally moved to spacious premises located between 166 and 168 Doce Street—between Mission and Howard—in the same city. The new one-story brick building cost approximately \$26,000 and expanded the storage space of stocks for distribution and included "a conference room and separate dining rooms for male and female employees."<sup>51</sup> On August 20, 1921 part of the building was destroyed by flames in a fire that devastated the offices, store and a sector of the warehouse, in addition to stocks accumulated in its interior. The damages incurred were valued between \$30,000 and \$50,000.<sup>52</sup> In 1927 the San Francisco branch was dissolved, and the business was transferred to the agency A. M. Scott & Co. from the same city, who was designated as the official distributor for the central California area.<sup>53</sup>

## 8. Company-owned stores and independent businesses

The final private consumer could obtain factory-produced tires through two different types of outlets. On the one hand, there were the retail stores owned by the same tire companies as part of their business organization. On the other hand, they could access the independent retail stores, which obtained the product through intermediaries or directly dispatched wholesale from the manufacturers' territorial branches (see TABLE 4).

In the early years, territorial branches that were wholesale suppliers to local businesses often had their own departments of direct sales to the public (figs. **5-6** and **7-8**). But the gradual development of the network of independent retail establishments redirected this policy.<sup>54</sup> The creation and maintenance of a company's own network of stores entailed a significant investment—rent or purchase of premises, renovation and set up, equipment and materials, personnel and salaries—with low profitability. The exception was perhaps the case of ensuring an adequate supply to those areas neglected by independent businesses. Some companies experimented with this possibility, albeit on a reduced scale.<sup>55</sup>

Therefore, it was common practice to reach private agreements with different commercial retailers. The conditions of the contracts varied depending on factors such as the strength or size of the business and its strategic importance, exclusivity or preferential treatment with the brand, sales and contracted stocks as well as investments to be made. Each independent retail store, due to its own idiosyncrasy, was a particular case and the commercial and economic relationship with the manufacturer reflected this. The tire company could intervene by providing financial aid to encourage the creation of a new store, or to avoid the closure of an existing one. Or they could invest in the growth of an already self-sufficient business, resizing it to adapt it to the needs of a specific area. Another action included the tire company taking on the role as the main creditor of an establishment that had failed, to protect the investment they had made in it.

## 9. Michelin suppliers

Michelin's commercial expansion policy—similar to that of the great majority of small and mediumsized companies—did not contemplate the creation of a network of its own establishments. Instead, they negotiated specific agreements with the heterogeneous typology of independent businesses such as:

- Tire establishments.
- New and used automobile sales establishments.
- Establishments specialized in automobile spare parts and components.
- Agricultural supply establishments.
- Sections of large department stores and variety stores.
- Garages and mechanical repair services.
- Gasoline and service stations.

Stockists or retailers received the tires directly from Michelin's territorial branches, or indirectly through different intermediaries. These intermediaries or resellers acquired large wholesale quantities,

and they had their own warehouses and distribution channels. As wholesale customers, they obtained advantageous prices and could negotiate exclusive representation in commercial zones and specific locations. Some even offered mechanic and repair services, almost functioning as just another branch of the manufacturer.<sup>56</sup>

In 1909, within the early stage of productive and commercial settlement of the Michelin Tire Company in Milltown, the company owned ten territorial branches and had contracts with 22 businesses for distribution and sales in 16 states: San Antonio, Dallas, El Paso and Amarillo, Texas; Atlanta and Savannah, Georgia; Brooklyn, New York; Chicago, Illinois; Daytona and Jacksonville, Florida; Kansas City and Wichita, Kansas; Los Angeles, California; Minneapolis, Minnesota; Missoula, Montana; New Orleans, Louisiana; Oklahoma City, Oklahoma; Omaha, Nebraska; Pittsburgh, Pennsylvania; Saint Louis, Missouri; Salt Lake City, Utah; and Washington D.C.<sup>57</sup> Over the following years there was an exponential increase in this list of stockists and establishments. This was achieved by applying a policy of expansion and development through contracts with independent businesses to adhere to Michelin's commercial network, becoming official distributors and dealerships of their products.

In 1914, Michelin had already made agreements with 3,300 stockists in the United States, one hundred more than the previous year, scattered throughout the country in more than 2,100 towns and cities (figs. **13-20**).<sup>58</sup> They relied on the unique presence in small urban nuclei as well as on numerous representatives in large cities and capitals of which the following stand out: Chicago, with 63 warehouses; New York, with 37; Los Angeles, with 14; and Newark, New Jersey, with 10 (see **TABLE 3**). In comparison with twenty Michelin branches and 3,300 points of sale, one of their outstanding competitors—the Fisk Rubber Co. of Chicopee Falls, Massachusetts—for that same year owned 45 branches and boasted in their press advertisements of "18,000 stockists throughout the country and Fisk branches in the main cities." <sup>59</sup> The following year the number of branches reached 90, accounting for 80 % of the company's sales, with the remaining 20 % occurring as OE sales.<sup>60</sup>

By 1916-1920, the "Big Four"—U.S. Rubber, BF Goodrich, Goodyear, and Firestone—each had about 20,000-30,000 contracted stockists and independent sales outlets,<sup>61</sup> in addition to their own branches spread throughout the territory. **BF Goodrich** had 59 branches in 1913, 72 in 1916, and 108 in 1920.<sup>62</sup> **United States Tire**, the tire division of the U.S. Rubber Co., had 69 branches in 1916.<sup>63</sup> **Goodyear**, in 1902, had 12 branches of its own that increased to 55 in 1911, and reached 72 branches and more than 20,000 contracted stockists in 1921.<sup>64</sup> **Firestone** listed 33 branches in 1916 and 140 branches and stock-ists in 1925 which supplied 30,000 retailers as well as more than 200 branches and distributors abroad.<sup>65</sup>

The contracts and agreements to distribute Michelin replacement tires varied depending on the type of customer. In the case of sales from the branches to resellers such as small wholesalers and distributors, retailers and stores one could estimate that, as a usual standard in the sector, a 20-25 % initial discount was applied to the retail price list established and published by the manufacturer.<sup>66</sup> These discounts were subject to negotiation and could vary, increasing with rebates on volume orders and sales, cash payments or obtaining preferential status commitments for the Michelin brand, as independent retailers were not exclusively linked to a single brand of tires (fig. 1).

An example of this policy was included in the annual contracts Michelin mailed to their retail businesses, with proposals for the 1908-1909 and 1910-1911 campaigns (figs. **24-25**). They enumerated the conditions of the agreement, with the obligations that the signer acquired and the compensation that they received when fulfilling them, among which were the following:

- This type of "Confidential Contract" included an initial order with the current tariff reserved for stores (figs. 11-12), with a 5% discount from the total amount if payment was made in cash at the time of delivery or within 10 days after shipment.<sup>67</sup>
- The signatory agreed to always have a stock of tires available—the exact amount agreed upon depended on the particular size of each business—and to place a replacement order as soon as the reserves were exhausted.
- The signatory committed to strictly respecting the manufacturer's selling prices set by the manufacturer and published in press advertisements, admitting as an exception—and as a voluntary option for each business—a maximum discount of 5 % off the price for cash payments made by the private end-user.
- The signatory agreed to utilize Michelin's signage and service indicator signs and to include the name "Michelin Tires" in all catalogs, promotional material and press advertisements made, sending copies to the Milltown central office. In addition, the retail business had to equip their vehicles with Michelin tires that were used in the business and in any type of fair, exhibition, contest or race in which they participated.
- A final clause included the annulment of the contract if the conditions stipulated were not respected, with particular emphasis on the maintenance of the price list.

Agreements similar to those proposed to the establishments "Stock Michelin Tires" were issued by other manufacturers in their commercial expansion. Thus, for example, United States Tire reached agreements with independent establishments for the creation and maintenance of their conveniently indicated service units known as "United States Tire Sales and Service Depots" (figs. **26-28**). Fisk Rubber Co. created the "Fisk Franchise Dealer" to obtain adequate representation and efficient distribution of their products in a given area (fig. **29**) and Goodyear extended its "Goodyear Service Stations" network with 15,000 contracted establishments in 1917.<sup>68</sup>

# Notes

- 1. According to Table 23 "Motor Vehicle Factory Sales in the United States, 1900-1938," Gettell (1940), p. 235.
- 2. For a total of 2,400,000 covers and 2,000,000 inner tubes produced in 1910. According to Table xvi "Automobile tire production in the United States 1910-1933," Carlsmith (1934), pp. 100-101.
- **3.** According to the comparisons developed, with year-to-year figures between 1910 and 1932, in the tables " Tire sales by principal markets by thousands of tires" and "Percentage distribution of tire sales by principal markets," Gettell (1940), pp. 245-246.
- **4.** Ibid. Mean calculated based on data from the Table.
- 5. Spare tires, placed in the back of the car or on its sides, were an "extra" that was not normally included in the newly released vehicle. By 1926, spare tires were already attached as part of original equipment. If we take into account that each car used to carry between two and four spare tires —flat tires were common in the early years due, in part, to the precarious state of the roads—we can understand why sales of spare tires constituted a significant part of the business.
- 6. "Each order for original equipment tires is executed under a negotiated contract, and so the precise terms of each sale are not available to the student or the industry (...) it would appear that from 1926 to 1933 original equipment sales were made at an average price about 40% below the price to independent dealers [who already benefit from a discount on the retail price lists]," Gettell (1940), p. 254; "As a rule tires for original equipment are sold at a lower price. It is frequently claimed that they are deliberately sold below cost," Carlsmith (1934), p. 105; "Sales [of OE] are made to the car manufacturer at a price about 40 per cent below the dealer's price," Leigh (1936), p. 95.
- 7. Gettell (1940), pp. 257-258.
- **8.** See the data in the Table "Sales of the tire industry and of particular industrial groups, 1914, 1919 and 1921," Leigh (1936), p. 18.
- **9.** In 1911 BF Goodrich absorbs another of the major tire manufacturing companies, Diamond Rubber, strengthening its position in the sector.
- According to the specifications of the original equipment. Advertisments in the New York newspapers *The Sun*, October 12, 18 and 27, 1905 and September 27, 1906; and *New York Daily Tribune*, October 22, 1905.
- 11. Advertisement for Colt in the monthly magazine *Motor*, November 1907.
- 12. Advertisement for Lambert in the magazine *The Horseless Age*, October 24, 1907.
- 13. Advertisement for Pittsburg Six in the magazine *The Automobile*, January 23, 1908.
- 14. Advertisement in the newspaper *New York Daily Tribune*, November 29, 1908.
- **15.** Advertisement in the newspaper *The Washington Times*, March 29 and April 5, 1908; and *Suwannee Democrat* (Suwannee County, Florida ), October 10, 1909.
- 16. French (1991), p. 27. The inclusion of tires in Michelin's original equipment on different Buick models is also listed in several press releases, for example in *The Janesville Daily Gazette* (Janesville, Wisconsin), September 30, 1907 and in *The La Crosse Tribune* (La Crosse, Wisconsin), February 18, 1908.
- 17. Advertisement for Decatur Hoosier in *The Automobile* magazine, January 4, 1912.
- **18.** Advertisement in the newspaper *The Washington Times*, February 28, 1909; and *The Herald Republican* (Salt Lake City, Utah), October 24, 1909.
- 19. Advertisement for National published in Motor Age magazine, September 1909.
- **20.** Advertisement for the Maxwell-Briscoe Co. of Tarrytown, New York, published in the *Lawton Constitution-Democrat* newspaper, April 23, 1908.
- 21. Advertisement for Jewel 40 in *The Automobile* magazine, April 16, 1908.

- 22. Advertisement for Henry 35 in the magazine The Horseless Age, April 13, 1910.
- 23. Advertisement published in *Country Life in America*, June 1908 and *The Literary Digest*, May 9, 1908.
- 24. See data in the Table "Large vs. small companies' participation in the total tire market, 1921-1933," Leigh (1936), p. 197.
- **25.** *The Michelin Proposition for 1927*, p. 14. Marketing and promotion manual for Michelin retailers, format 35 x 50 cm and profusely illustrated with the graphic material and signage to be utilized.
- **26.** The manufacturers sold tires to commercial accounts with a 15% discount off the list of consumer prices. French (1991), p. 28.
- 27. As explained in more detail in the article "Care of taxicab tires," Motor Age, September 30, 1909.
- **28.** According to Table xv "The Distribution of Renewal and Spare Automobile Pneumatic Tire Sales to Consumer by Various Channels, 1922-1934 inclusive," Leigh (1936), p. 126-128.
- 29. "Chas E. Miller, the wise man of Reade Street," The Horseless Age, January 1, 1917.
- **30.** Ibid note 28.
- **31.** In 1912 the Sears Roebuck and Co. of Chicago publishes a fold-out catalog offering its new tires. Circumscribed on a huge tire, part of the text explains: "A standard automobile tire for less money than the manufacturers get from their own distributers. After months of preparation, we are ready to sell Automobile Tire Casings and Inner Tubes of a standard make at prices that will mean a revolution in tire selling. Our investigations in making and selling automobile tires have shown us conclusively that tires can be sold like any other article of everyday need, at a price representing a fair profit over the actual cost of making (...) We have just closed a tremendous contract for tire casings and inner tubes with one of the country's best known makers. Our contract calls for immediate delivery to us of a large quantity of tires, exactly the same in every particular as the tires this same company advertises and sells all over the country through their regular distributing branches and agencies, excepting that our tires will be branded 'America' instead of the usual advertised name." Poster-catalog of car tires and accessories, printed on two sides and sent by mail, measuring 8.5 x 11.5 inches [216 x 292 mm] folded and 34 x 23 inches [864 x 584 mm] extended. Private collection.
- 32. Ibid note 17.
- 33. Allen (1949), p. 315.
- **34.** As listed in the advertisements published in *Motor Age*, 1905 and *The Automobile*, April 29, p. 51 and July 20, 1905, p. 62.
- **35.** According to advertisement text in: *Cycle and Automobile Trade Journal*, July 1907, p. 257; *Motor*, May 1907, p. 123 and July 1907, p. 99.
- **36.** Advertisements in *Collier's*, March 21, 1908, and in *The Literary Digest*, October 10, 1908, p. 516, and December 12, 1908, p. 906. None of the addresses of these branches coincides with the addresses es of branches in the same cities established in the past by Michelin importing agencies, which seems to indicate that the commercial networks of the previous period were not inherited. The complete listing appears in the Michelin brochure of 1910, *Michelin Tires. First Pneumatic Made for Automobiles. Facts About Michelins and Instructions for Their Proper Use.* With reference to the San Francisco Branch: "The Steady Progress Made by the Michelin Tire Co.," *The San Francisco News Letter*, June 27, 1908.
- 37. The Horseless Age, September 4 and November 13, 1907.
- **38.** The term "top notcher" derives from that used in sports language—and especially in baseball—to designate the man with the best numbers, the one who holds the record. This name was probably chosen due to the affinity with the company's baseball team. "Michelin Entertains Top Notcher's Club," *San Antonio Express*, February 15, 1925.

- **39.** The 1915 and 1916 conferences in Chicago were held during the first and second week of September. "Michelin tire heads hold a conference," *Chicago Examiner*, September 19, 1915; "Michelin tire conference on," *Chicago Examiner*, September 3, 1916; "Michelin men end conference," *Chicago Examiner*, September 10, 1916. In early 1925, other conventions, such as the New Jersey State Commercial Area, held on January 17 at the Klein Hotel in New Brunswick under the motto "Ten Jersey Salesmen Top Notchers" and under the supervision of the district director, H.K. Felton. *The India Rubber World*, February 1, 1925, p. 297.
- **40.** *The India Rubber World*, October 1908 and June 1927. In addition to the news published in *The Boston Sunday Globe* during 1918: "Truck delivery for Michelin Tires," May 5; Michelin branch gets tires quickly," April 21; "Delays overcome by branch delivery," September 8. The same news-paper dedicated a review about the commercial team in "Many Michelin men in town last week," March 23, 1920.
- **41.** "Michelin, Philadelphia," *The Automobile*, October 15, 1908; *Automobile Topics*, November 26, 1910; "News in brief from the East, West and South," *The Automobile*, December 8, 1910.
- **42.** The India Rubber World, July 1910; "New incorporations," The Horseless Age, February 23, 1910; *The Carriage Monthly*, February 1910, p. 35.
- **43.** "Michelin in Wisconsin," *The Automobile*, December 26, 1912; *The India Rubber World*, February 1913; "The month in retail trade," *Motor*, May 1913.
- **44.** Lists of branches or territorial offices extracted from advertisements in different publications, in which slight differences are observed. *The World Almanac and Encyclopedia*, New York: The Press Publishing Co./The New York World, in its 1919 editions, p. 13 and 1921, p. 11; "Michelin Completes Factory," *The Rubber Age and Tire News*, July 25, 1920, p. 339.
- 45. "Trade news notes," The India Rubber World, December 1913.
- 46. According to news published in the newspaper Oakland Tribune, May 24, 1908.
- 47. "Articles of incorporation of Michelin Tire Company, nº 2954," Washington State Archives.
- **48.** *The India Rubber World*, December 1911, p. 124.
- **49.** According to information in the promotional brochure published by Michelin in 1914, *Address Book of over 3.300 Michelin Stockists in the United States.*
- 50. "The rubber trade on the pacific coast," *The India Rubber World*, September 1915.
- **51.** "San Francisco notes," *The India Rubber World*, April 1920; "Western Trade Notes: San Francisco, Cal.," *Motor West*, March 1, 1920, p. 88.
- 52. "Fire destroys tire plant in San Francisco," Oakland Tribune, August 21, 1921.
- **53.** "San Francisco notes," *The India Rubber World*, April 1920; "Articles of Incorporation of Michelin Tire Co., nº 2954," Washington State Archives; "Pacific Coast," *The India Rubber World*, June 1927.
- 54. Although the situation created by the competition of branches and stores controlled by the manufacturers as well as independent establishments it increased in the mid-1920s. The sales of the large distributors by mail order—and in the stores of this type of businesses—increased and constituted another option for the consumer, along with the supply from chains of car accessories stores. From 1930 onwards the possibility of buying tires at gasoline stations and service stations was introduced. In 1922, independent retailers accounted for 98% of RE sales, which fell to 58% in 1934 as a result of the entry of these large distributors into the business and the development of store chains controlled by some manufacturers. Gettell (1940), pp. 270-271.
- 55. Leigh (1936) cites the case of the market leader United States Rubber round 1920-21, as one of the first experiences in the development of a network of controlled shops in the Southwest under the name of "Smith Tire Service." In the case of Firestone, they created their own chain of stores in 1928—about a hundred—and this policy was a response to the growing invasion of businesses and offers from large oil distributors who acted as distributors of their private or well-known brands as

well as positioned brands of tire manufacturers. In 1934 about 1,600 establishments were owned by different tire companies. In 1938 the figure rose to 2,199, distributed by order of importance between Firestone (631), Goodyear (550), BF Goodrich (450) and the rest between U.S. Rubber, General, Lee and Dunlop. Leigh (1,936), pp. 137-139 and Gettell (1,940), p. 304-305.

- **56.** For example, the Fayette Motor Accessories Co. obtained the tires directly from the Michelin factory for distribution in the state of Pennsylvania through its 5 branches, which supplied 138 retailers. Michelin tire advertisement published on March 14, 1929 in *The Daily News Standard* of Uniontown, Pennsylvania.
- **57.** As can be read in Michelin full-page advertisements published in 1909 in the specialist magazine of the automobile sector *The Automobile*, March 25, p. 57; and April 1, p. 55.
- **58.** According to information from promotional brochures edited by Michelin in 1913, *Address Book of over 3,200 Michelin Stockists in the United States* and in 1914, *Address Book of over 3,300 Michelin Stockists in the United States*. The latter, in fact, enumerated exactly 2,620 establishments distributed in different States, including Puerto Rico and Hawaii, within a total of 2,131 towns and cities.
- 59. In 1909 Fisk Rubber managed 17 branches in Atlanta, Boston, Buffalo, Cleveland, Chicago, Denver, Detroit, Kansas City, Los Angeles, Minneapolis, New York, Philadelphia, Saint Louis, Saint Paul, San Francisco, Seattle and Springfield. In 1914 Fisk already had 45 branches and published in their press advertisements that they had "18,000 dealers everywhere and Fisk branches in main cities." In 1916, Fisk ran 100 branches that offered a long list of services and direct customer support for free, among which were: "it includes putting in your new tube, mounting tire in your spare wheel, air testing, inspection, inflation, putting your wheels in alignment and so on, *regardless of the tire used*." In 1917 the figure reached 130 branches. Information compiled from the texts included in the following Fisk press advertisements: *Munsey's Magazine*, 1909; *The Literary Digest*, July 4, 1914 and *The Saturday Evening Post*, May 23, 1914; "A message to new car owners" in *Motor Print*, May 1916; *Life*, August 23, 1917.
- 60. French (1991), p. 29.
- **61.** Blackford and Kerr (1997), p. 58. The same figure for 1917 is referred to by Leigh (1936), p. 38, citing as a source the article published in the *Rubber Age and Tire News*, October 10, 1918, p. 24.
- **62.** Blackford and Kerr (1997), page 68. It should be noted that this position was achieved largely by the purchase of the major rival company Diamond Rubber in 1912. This was integrated into BF Goodrich who maintained the brand and line of business. In the promotional brochure *How to get more mileage out of your tires* (Season of 1913) Diamond proclaimed that its commercial network served about 25,000 contracted establishments.
- 63. Polyglot Rubber Trade Directory of the United States and Canada, 1916, pp. 91-93.
- **64.** Rodengen (1997), pp. 31 and 47; Allen, p. 318 (advertisement published in *The Saturday Evening Post* on January 1, 1910) and p. 319; "History of the Goodyear Company," *The India Rubber World*, April 1921, pp. 510-512.
- **65.** Lief (1951), p. 178.
- **66.** Small distributors and wholesalers received a discount of about 20-25 % around 1930. "Commonly, almost any business unit that purchases tires for resale [small wholesalers, distributors, stores, stockists and establishments] will be granted an initial discount of about 25 % from the list price" Gettell (1940), pp. 281-282; and "Jobbers were allotted a regular trade discount of about 20 per cent and they received in addition quantity bonuses," Leigh (1936), p. 36.
- **67.** Two years earlier, in 1906, the import agency Michelin Products Selling Co. was already offering a 5% discount on the public selling price to retailers. *The India Rubber World*, December 1906.
- **68.** As explained in the text of a Goodyear company advertisement published in the general magazine *The Saturday Evening Post*, May 5, 1917.

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- *Polyglot Rubber Trade Directory of the United States and Canada, 1916.* New York: The India Rubber World, 1916.
- "Courage and \$5 built up big business," Oakland Tribune, January 14, 1923.
- "Saving Sam is character in motor trades," Oakland Tribune, June 17, 1923.
- "Western Auto Supply opening,"
  - The Van Nuys News (Van Nuys, California), February 8, 1924.
- "Wester Auto sale is mark of big growth,"
  - Woodland Daily Democrat (Woodland, California) March 17, 1928.

"New automobile and radio accessory store open,"

The Lowell Sun, (Lowell, Massachusetts), May 5, 1928.

"Gofkauf's Store in midst of anniversary sale," The Lowell Sun, January 25, 1934.

"Education: New colleges," *Time*, June 14, 1937.

"Western Auto Co. 23rd anniversary," The Van Nuy News, March 13, 1939.

http://chuckstoyland.com/national/index.html. Website created and managed by Charles Test on the history of the National Motor Vehicle Company automobile firm.

# TABLE 1: COMMERCIAL BRANCHES AND AGENTSOF THE MICHELIN TIRE CO. IN MILLTOWN FROM 1907-1928

CITY AND STATE	NAME	POSITION	YEARS
Atlanta, Georgia	E. R. Dunning	Agency Director	a. 1916
Boston, Massachusetts	Laurence H. Fiske	Agency Director	1907–a. 1916
	William L. Hogarty	Agency Director (Sales)	
		New England Area Representative	1916-a. 1923
	H. E. West	Agency Director	a. 1916–a. 1918
Charlotte, North Carolina	D. M. Bell	Agency Director	1927
Chicago, Illinois	C. C. Harbridge	Agency Director	1907-a.1908
	James R. Gilbert	Agent	1907
	John C. Zimmerman	Agency Director	1909
	Ledyard H. Smith	Agent	a. 1912
	Richard B. Tracy	Agency Director	1910
		Central/Midwest Area Representative:	
		Chicago, Minneapolis, St. Paul, Detroit,	
		St. Louis, Cleveland and Kansas City	1910-1916
			a. 1920
	A. B. Wagner	Agency Director	a. 1916
	J. E. Redman	Assistant Sales Director	1916
Cincinnati, Ohio	William Smith	Ohio, Indiana	
		and Kentucky Representative	1910
Cleveland, Ohio	Richard B. Tracy	Agency Director	1908-1910
	D. K. Dickinson	Assistant Director	1908
	Frank Dunn	Agency Director	1909
	W. W. MacNell	Agency Director	1912-1913
	J. J. Byrne	Agency Director	a. 1916
Dayton, Ohio	R. E. Gespacher	Agency Director	1913
Dallas, Texas	L. B. Magnum	Agency Director	a. 1916
Denver, Colorado	C. T. Hamrick	Agency Director	a. 1916
Detroit, Michigan	Bert Scoville	Agency Director	a. 1912–1913
Des Moines, Iowa	Frederick J. Potter	Agency Director	1915–1917
Indianapolis, Indiana			1916
Jacksonville, Florida	R. Roullier	Agency Director	a. 1916
Kansas City, Missouri	Wayne Murray	Southwest Area Representative	1909-a.1910
	Oscar Wagner	Agency Director	a. 1913
	A. W. Smith	Agency Director	a. 1916
Lynchburg, Virginia	E. H. Swingler	Agency Director	1927
		(cont	inued on next page)

CITY AND STATE	NAME	POSITION	YEARS
Los Angeles, California	G. N. Jordon	Southern California Representative	1911
	J. R. Wells	Agency Director	1911
	F. R. Hiniker	Agency Director	1916-1920
	F. N. Hogoboom	Agency Director	1920
	W. H. Show	Sales Agent	a. 1923–a. 1924
	S. A. Williams	Sales Agent	a. 1923–a. 1924
	J. R. Reilly	Southern California Distributor	1927
Michigan State	John E. Griggs	Michigan Area Representative	a. 1912
Milltown, New Jersey	H. K. Felton	New Jersey Area Director	a. 1923–a. 1925
Milwaukee, Wisconsin			1912
Minneapolis, Minnesota			1913
	Joseph Gerspacher	Agent	a. 1913
	G. T. Lownsbery	Agency Director	a. 1913
	O. H. Wagner	Agency Director	a. 1916
New York State	J. Wilbur Hobbs	Agency Director	1907-1910
	R. D. Hensaw	New England Area Representative	
		and New York District	1907-1917
	Joseph A. Atwell	Agency Director	a. 1909–a. 1915
	B. I. Van Hoesen	Agency Director	a. 1916
Omaha, Nebraska	J. A. V. Mullen	Agency Director	a. 1919
Philadelphia, Pennsylvania	Harry D. Benner	Agency Director	1908-1910
	C. W. Scott	Agency Director	1910–a. 1911
	T. Y. Sutphin	Agency Director	a. 1916
Portland, Oregon	H. E. Hollenbeck	Agency Director	a. 1915–a. 1916
	C. L. Normyle	Northwest Area Director/Representative	
		Seattle, Spokane, Butte,	
		Great Falls and Boise	a. 1920
San Antonio, Texas	H. Holzhauer	Agency Director	a. 1913–a. 1916
	F. H. Hatzenbuehler	Agency Director	1920
		Texas/Southwest Area Representative	1920
	W. A. Weaver	Agency Director	a. 1928–1930
Saint Louis, Missouri	Alfred Wagner	Agency Director	a. 1912
	Fred R. Morey	Agency Director	a. 1916–1917
	J. A. Ryan	Agency Director	1917
	E. J. Fitzgibbon	Agency Director	
		Saint Louis and Indianapolis Districts	1927
	R. Victor Edell	Agency Director	1928
		0,	nued on next page)

CITY AND STATE	NAME	POSITION	YEARS
San Francisco, California	Robert W. Thompson	Agency Director	1908–a. 1910
		Pacific Coast Area Representative	1908
	M. F. Tansey	Pacific Coast Area Representative	1908
	J. M. Cummings	ngs Agent	
		Pacific Coast Area Representative	1911–a. 1925
	I. H. Saddler	Agency employee	1911
	M. L. Weeks	Agent	1915
	G. A. Shape	Agent	1916
	Maurice Vroman	Agent	1916
	John. E. Griggs	Agency Director	1917
	W. H. Mund	Agent	1917
	A. L. Steele	Agent	1918
	F. R. Hiniker	Pacific Coast Area Representative	1917-1920
		Northwest Area Representative	1920
	F. N. Hogoboom	Pacific Coast Area Representative	1920
	W. H. Stimpert	Agent	1922
	H. C. Lucas	Agent	1925
Seattle, Washington			1909
	I. H. Saddler	Agent	a. 1910–1911
	E. J. Hawke	Agency Director	1911
	F. R. Hiniker	Northwest Area Representative	1920-a. 1924
Syracuse, New York	Ernest. C. Lemmertz	Agency Director	1915–a. 1920

## Notes for Table I.

The abbreviation 'a.' for "active" is added next to the date (e.g. 'a. 1922' means active in that same year) when sources have been identified that cite a person linked to Michelin's organizational chart in that particular year, without specifying when the employee began in this position or when their mandate was completed. Data compiled from different sources, including articles and news items:

The Horseless Age, September 3 and November 13, 1907.

"Trade personals," The Horseless Age, November 27, 1907.

"Personal trade mention," The Automobile, November 28, 1907.

*History of Milltown.* Document edited from the original, typewritten and presented to the Milltown Historical Society by Linda Matlack Butch. Public Works Administration, 1936.

"New agencies established," The Automobile, June 4, 1908.

The Horseless Age, July 29, 1908.

"Tire company notes," The India Rubber World, August 1908.

"Michelin, Philadelphia," The Automobile, October 15, 1908, p. 555.

"A. B. Costigan brings out new line of autos for the coast," *The San Francisco Call*, December 11, 1908, p. 12.

The Horseless Age, July 21, 1909 and October 13, 1909. "Notes of the industry and the sport," The Horseless Age, November 24, 1909. "Trade personals," The Horseless Age, January 26, 1910. "Philadelphia," Automobile Topics, November 26, 1910, p. 529. "The rubber trade in Cincinnati," The India Rubber World, December 1910. "Michelin Tire Co. (Milltown, New Jersey)," The India Rubber World, February 1911. "Tire man on the move," Los Angeles Times, April 9,1911. The New Brunswick Times, August 5, 1912. The New Brunswick Times, September 11, 1912, p. 3. The New Brunswick Times, October 7, 1912, p. 6. "Scoville resigns from Michelin," Automobile Topics, March 22, 1913. The India Rubber World, December 1911 and December 1913. The New Brunswick Times, March 7 and July 29, 1913. "The rubber trade on the Pacific coast," The India Rubber World, May 1915. "Trade news notes," The India Rubber World, May 1915 and June 1915. "Redman joins Chicago Michelin," The Automobile, March 2, 1916. "Personal mention," The India Rubber World, April 1916. "The Rubber Trade Preparedness Committee," The India Rubber World, September 1916. The San Antonio Light, January 16, 1916. "Dealers. Michelin Tire Co.," The Automobile, November 23, 1916. "Charge employee," Oakland Tribune, April 22, 1917. The Automobile and Automotive Industries, October 11, 1917. The Automobile and Automotive Industries, December 27, 1917. "Henshaw gives up Michelin," Automobile Topics, December 29, 1917. "Care of Tubes told by Michelin manager," The Boston Sunday Globe, June 9, 1918. "Nebraska," Automobile Topics, December 27, 1919. "Mid-Western notes," The India Rubber World, January 1920. "Michelin executives are in town," Boston Daily Globe, March 14, 1920. "Western manager, Globe Rubber Tire Manufacturing Co.," The India Rubber World, April 1920. "San Francisco notes," The India Rubber World, April 1920. "Balloon tires add comfort," Syracuse Herald, April 11, 1920. "Swinehart tires enter southwest," The Brownville Daily Herald, April 30, 1920. "Hatzenbuehler made head," San Antonio Express, August 15, 1920. "Michelin promotes Hiniker," The Rubber Age and Tire News, September 25, 1920. "Salesmen return," Los Angeles Times, January 15, 1924. The India Rubber World, July 1920, October 1924, September 1926 and April, May and August of 1927. "Heads St. Louis Michelin," The Motor Age, April 12, 1928.

- "Lowensteins buy tire firm," San Antonio Light, April 6, 1930.
- Several press advertisements, listing the active branches for the corresponding date.

## **TABLE 2: ACCOUNTING BALANCES** OF THE MICHELIN TIRE COMPANY IN CALIFORNIA

## **MICHELIN TIRE CO. CALIFORNIA BALANCE SHEET**

(DECEMBER 31, 1923)

#### Assets

Cash\$	34,124.30
Accounts receivable	160,731.36
Inventory	252,959.86
Real estate	55,485.48
\$	503,301.00

#### Liabilities

Accounts payable\$	497,739.43
Capital stock	5,000.00
Surplus	561.57
\$	503,301.00

#### MICHELIN TIRE CO. CALIFORNIA BALANCE SHEET (DECEMBER 31, 1925)

Assets	
Cash\$	26,336.10
Accounts receivable	218,258.68
Inventory	254,990.27
Real estate	53,466.08
\$	553,051.13
Liabilities	5
Accounts payable\$	541,823.02
Capital stock	5,000.00
Surplus	6,228.11
\$	553,051.13

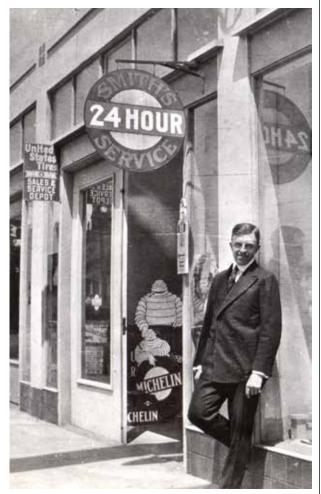
### Notes for Table 2.

The balance sheets of the Michelin Tire Company in California were published in the Nevada State Journal. They referred to the status in 1923, and in 1924, and in a daily and repeated manner reflected the period between April 10 to 17. They also included the yearly activity for 1925, and for the specific days of March 1 and 8, 1926. These were mere snapshots, reflecting schematic accounts that were not detailed and were difficult to interpret. These accounts made public through the press—in this respect surely complying with the legislation in force—are a unique example of the scarce economic data available on Michelin's early activity in the United States. This was in line with the historic policy of discretion and secrecy that was imposed on them by the parent company in Clermont-Ferrand.

The balance between assets and liabilities takes into account the generic sections of: cash or cash equivalents, liquid assets which were available; accounts receivable; inventory, the value of movable goods including the product; real estate, the value of real estate and property; accounts payable; capital stock, with \$ 5,000 of start-up capital; and surplus for the period accounted for.

# TABLE 3: STOCKISTS CONTRACTEDBY THE MICHELIN TIRE COMPANY IN 1914, BY STATE

STATE	TOWN/CITY	ENTITIES
New York	195	274 (37 in N.Y. City)
Massachusetts	137	193 (6 in Boston)
California	141	181 (14 in Los Angeles)
Pennsylvania	154	171 (7 in Philadelphia)
New Jersey	116	160 (10 in Newark)
Illinois		155 (63 in Chicago)
Ohio	114	129 (9 in Cleveland)
Indiana		115 (5 in Indianapolis)

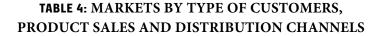


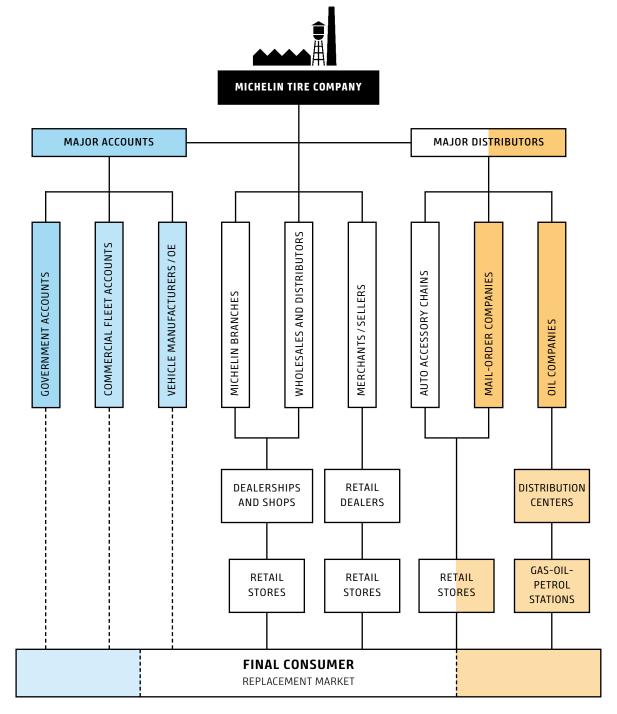
**1.** Portrait showing the facade of Smith's Service, automobile accessory retailer. The establishment combines the representation of the United States Tire Co. with the sale of Michelin products. Photograph c.1920, unknown location.

STATE	TOWN/CITY	ENTITIES
Texas		
Michigan	59	
Iowa	59	
Kansas		
Colorado		
Maine		
Minnesota		
Nebraska		
Missouri		
Connecticut		
Florida		
Georgia	40	
New Hampshire		
Wisconsin		
Oregon		
Washington		
South Carolina		
South Dakota		
Vermont		
Virginia		
Mississippi		
Tennessee		
Montana	17	
	15	
Kentucky		
Wyoming		
New Mexico		
North Dakota		
Rhode Island		
Alabama	11	
Idaho	11	
Louisiana	10	
Arizona		8
Oklahoma		8
Nevada		7
Delaware		5
*Hawaii		5
Arkansas		2
*Porto Rico		2
Utah		2
Columbia (Distric	:t) 1	1

## Notes for Table 3.

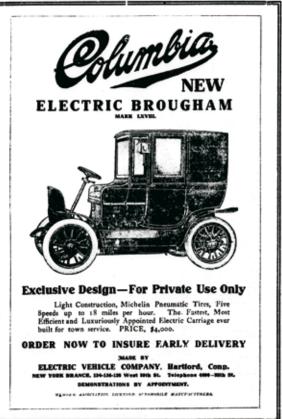
Data extracted from the listings contained in the promotional publication edited by Michelin in 1914, *Address Book of over 3,300 Michelin Stockists in the United States*. It compiles all the towns and cities of the different states—including Hawaii and Puerto Rico—in which the brand was officially represented via agreements and commercial contracts, and ordered from those with the highest to the lowest number of entities. The first eight States highlights the areas with the largest number of Michelin representations. Of note, there were 63 contracted retail outlets—tire stores, automobile accessories, garages—located in the city of Chicago.





**Notes for Table 4.** The column on the left, in blue, represents the major OE market accounts for automobile manufacturers and institutional fleets (governmental and commercial) that eventually would end up going to the replacement market. In the column to the right, the major mail-order distributors and oil companies that negotiated directly with the companies to produce private brands under contract (in this case, in orange, as Michelin did not use this resource). The central columns reflect the chains of automobile accessories and different types of resellers to retailers, such as Michelin's own branches who also supplied company-contracted establishments. Simplified scheme, adapted from those proposed by Gettell (1940)—Chart E: "The outlets in the United States," p. 276—and Leigh (1936)—Chart VII: "Marketing structure of the automobile tire industry, 1934," p. 229.





#### DEMOCRATIC TIRES.

A variety of different types of vehicles were fitted with Michelin tires, such as those shown here. They ranged from the most luxurious and powerful automobiles and limousines with retail prices in excess of \$4,000 - \$6,000 to light and economical two-passenger cars priced below \$1,000, and also included the mid-range four-passenger models with prices hovering around \$2,000-\$3,000. Michelin negotiated Original Equipment contracts directly with the automobile manufacturer—in orders having a certain volume—or with the manufacturer's different territorial and local branches for smaller orders and series.

2. Advertisement for the 22 hp 4-cylinder Oldsmobile model (\$1,200). *New York Daily Tribune*, November 29, 1908.
3. Advertisement for the Columbia Mark LXVIII (\$4,000) manufactured by the Electric Vehicle Co. *The Sun*, October 18, 1905.

**4.** Advertisement for a model of the Reo Motor Car Co. (\$650) in *The Washington Times*, April 5, 1908.



MICHE

TIRES

#### **MICHELIN BRANCHES.**

This double page portrays two samples of the appearance offered by the facades and windows of Michelin branch offices in major cities. The original emblem employed by the American subsidiary of Michelin that incorporated an insignia, before the massive implantation of the mascot Bibendum as a corporate and advertising claim. can be observed. The advertisement above depicts the facade of the San Francisco branch, inaugurated on June 1, 1908 as a strategic action to commercially cover the West Coast. The double page photograph shows the window displays of the important Michelin branch located at 1763 Broadway, New York. They included promotional photographs of the automobiles winning the American Grand Prize celebrated in November 1908 at the Savannah Circuit, in which five of the top six vehicles, including the winner, were equipped with Michelin tires.

6

5. Full-page advertisement published in the San Francisco News Letter, June 27, 1908.
6. Image of the Michelin branch's facade on Broadway, taken at the end of 1908.
Photograph by Spooner & Wells, Inc., New York.



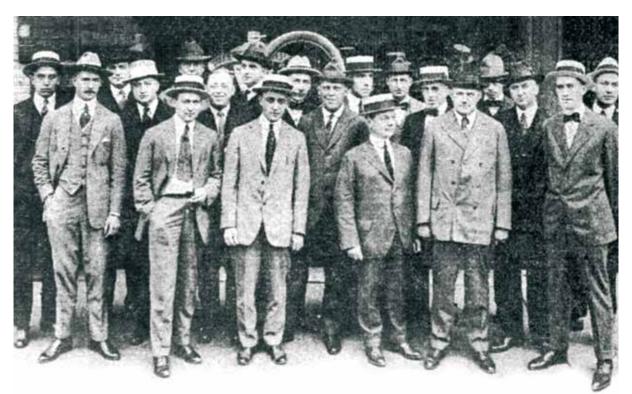


### **DOUBLE OPTIONS.**

In a first phase when the tire manufacturer set up direct branches in a town or citu, they also acted as retail shops, often because of the lack of good representation and presence of their products among the independent retailers in the catchment area. Once a network of shops was established, these branch offices reassessed their role, abandoning direct sales and focusing their efforts on serving as a support, supply and distribution center for retailers, instead of competing with them. In the advertisement for Savage Tires, the potential customer is asked to purchase tires at two possible stores: directly from the factory at the branch office shop or from any of the contracted retailers / independent dealers. The image on the right depicts the new Michelin branch office constituted in 1908 in San Francisco, which offered the sale of tires direct from the factory.

 Advertisement for Savage tires. Oakland Tribune, October 31, 1915.
 Michelin advertisement. The San Francisco Call, May 24, 1908.





**AN ARMY OF VENDORS.** The Michelin sales department regularly organized meetings with the directors and staff of the country's territorial branches. These meetings served to share experiences and convey the guidelines and the orientation of sales and service policy planned from the Milltown offices.

9. Portrait of Michelin Territorial Representatives in the Central States, taken during the Congress held September 1916 in Chicago and published in the *Chicago Examiner*, September 10, 1916.
10. Portrait of the "Michelin Top Notchers" at the 1927 meeting, which was held annually at Milltown headquarters. In the background Bibendum can be seen—dressed as a chef—in the restaurant sign for the industrial complex, which was open to the public.



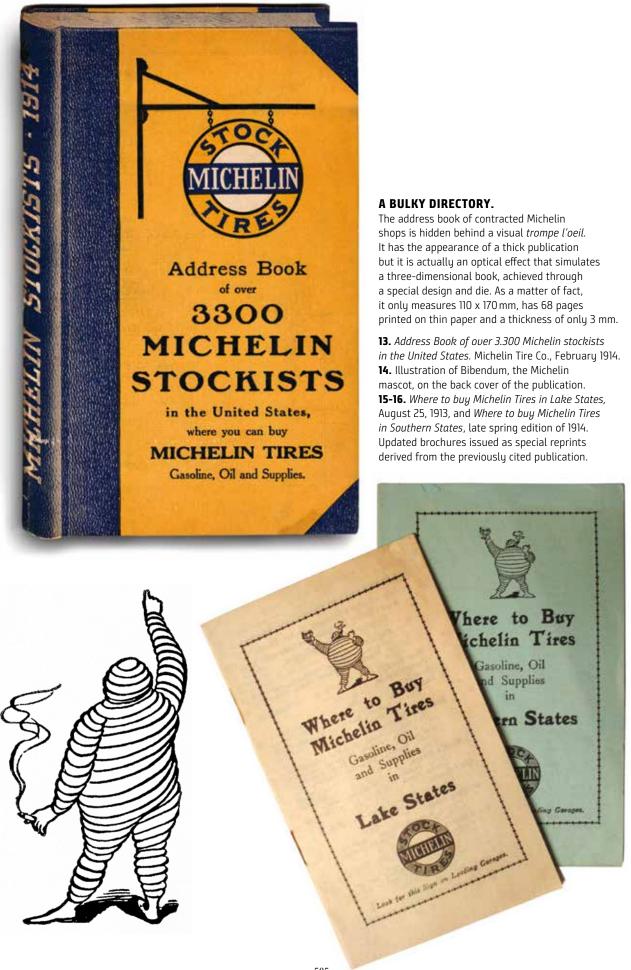
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RIM SIZES	RING-SHAPED TUBES	OVERSIZE	REGULAR SIZE	FABRIC CASINGS	
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20 - 2					
28 x 3 30 x 3	\$2.40 2.45	*******	********	\$10.00	
30 x 3 1/2	2.45	\$15,50	\$12.75	12.75	
31 x 4	3.45	\$13.30	15.50	12.13	
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30 x 3 1/2	2.70	22.25	15.00		
32	2.90	23.35	18.90	*******	
31 x 4	3,45	26.45		********	
32	3.70	29.15	22.50		
33	3.85	30.05	23.35	*** ****	
34	4.00	30.85	24.15		
32 x 4 1/2	4.75	37.70	26.45		
33	4.90	38 55		1221 11 2	
34	5.10	39,50	MICHELIN		
35	5.25 5.40	40 70 41.55	REGULAR SIZ	E	
36					
33 x 5	5 70	46 95	giv mi		
34	5.85	48.15		ICHELI	N T
35 37	6.00 6.30	49.30 51.85	ye IVI	ICITELI	1 1
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36 x 6	9.40	86.00	I	Manufacture	rs' Pric
Prices are all n	et cash. Subject to chi	nge without notice.	These price	Effec	

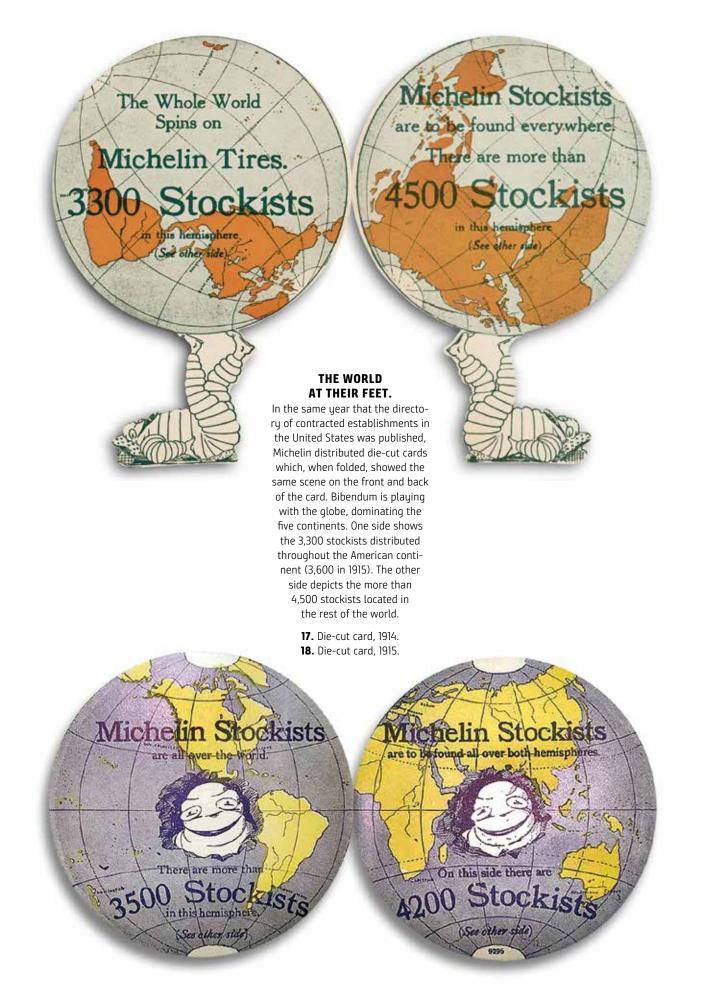
the so-called "confidential list" of the manufacturer with wholesale prices for authorized dealers of the commercial network, incorporating relevant conditions and discounts. On the other hand, the retail prices that stores had to accept, marked by circulars and communiqués sent through the mail by Michelin. Announcements of sales were also publicly broadcasted in press releases.

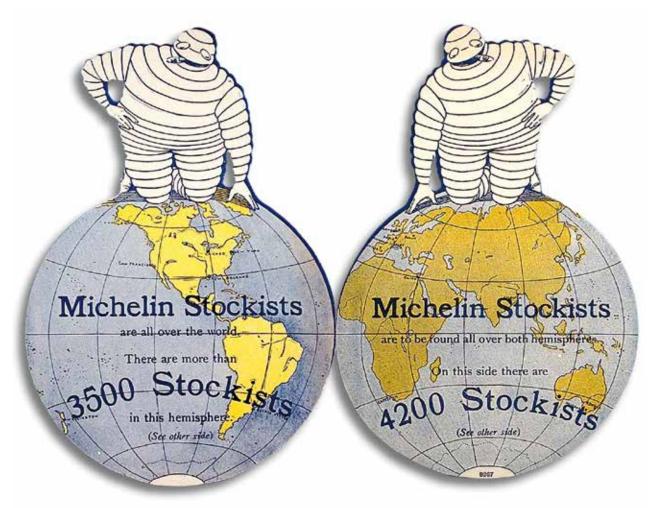
**11.** Price revision list effective for August 1922. **12.** Brochure of available products and prices for distributors, effective as of September 15, 1913.



TIRES



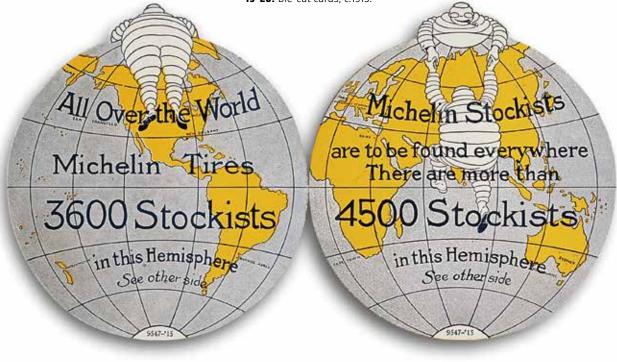




### MOVING UP.

Two other models of die-cut cards show Bibendum ascending to the top of the globe, as do the figures of establishments associated with Michelin's commercial network. In the American continent, stockists went from 3,500 to 3,600, and the 4,200 stockists in the rest of the world increased to 4,500.

**19-20.** Die-cut cards, c.1915.

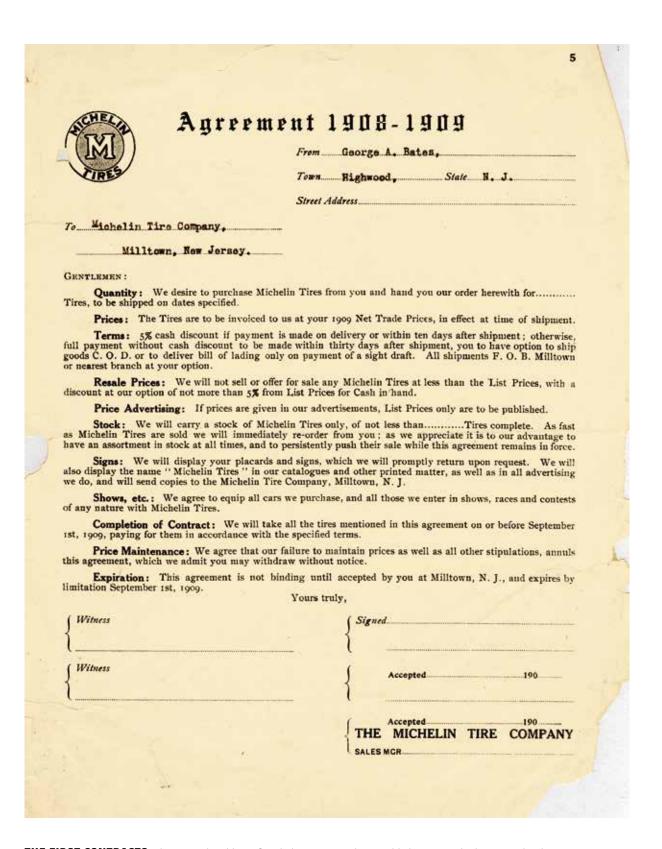




**NEW BRANCHES.** The advertisement shown above is an example of the advertising that the Michelin Tire Co. in Milltown used to publicize new branches that were incorporated into their commercial network. In this case, the Michelin Tire Company in Texas, which operated as a distribution center for the territory from the city of San Antonio.

**21.** Full-page advertisement in the newspaper *San Antonio Express*, August 1, 1920.





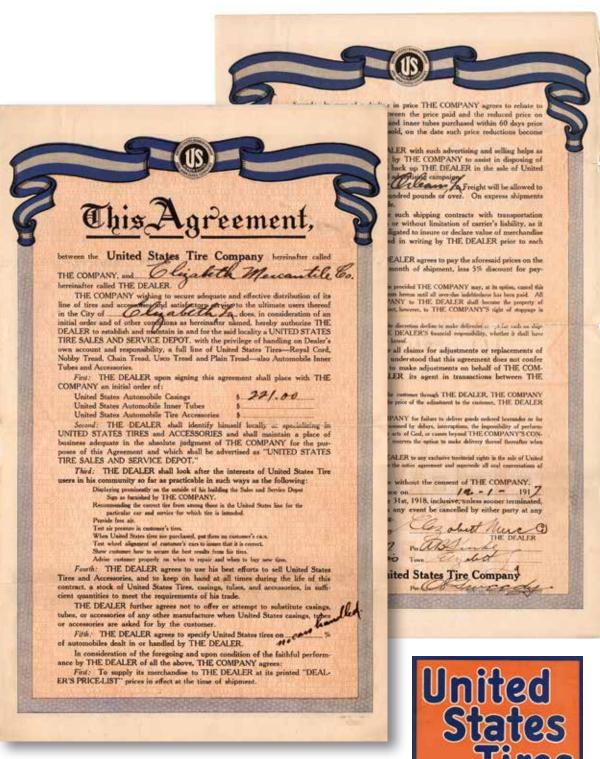
**THE FIRST CONTRACTS.** The original emblem of Michelin Tire Co.—the initial 'M' circumscribed in a tire that has "Michelin Tires" written on it—is incorporated into page headers of a 1908 commercial proposal launched at retail establishments. It dealt with securing a network of contracted retail establishments to release the first tires produced on American soil, as the Milltown factory started production and was fully operational at the beginning of that year.

24. Page 5 of the Michelin Tire Co.'s business proposals to retail establishments. Annual contract 1908-1909.

Tr. St.	" You do not know what a good t	ire is if you have not used a	MICHELIN propert	y i flated"
E.S.	Confidential A	greement 191	Ø-11	
	Standard Auto			HEL
	From Wichita,	Stale Ka	ns.	EV.T P
F. S.		. Main St.	(	IMI
To Miche	lin Tire Co.,			THE
	own, N.J.			
Gentlemen :				
Quantity: W	e desire to purchase Michelin T n dates specified.	fires from you and hand you	u our order herewith	for
Prices: Tires	are to be invoiced to us at your			Contraction of the second s
ull payment without	cash discount if payment is mad cash discount to be made withi deliver bill of lading only on pa your option.	n thirty days after shipment	, you to have opti	on to ship
	: We will not sell or offer for s at at our option of not more that			
Price Adverti	sing: If prices are given in	our advertisements, Consur	ners' (List) Prices on	ly are to be
Signs: Wew	ill display your placards and sig " Michelin Tires '' in our cata			. We will
Shows, etc. :	We agree to equip all cars favor them as equipment on ca	we enter in shows, races		nature with
	f Contract: We will take all t them in accordance with the sp		greement on or before	e September
Price Mainter	nance: We agree that our faile we admit you may withdraw w	are to maintain prices as w	ll as other stipulation	ons, annuls
Expiration : limitation September	This agreement is not binding 1st, 1911.	until accepted by you at	Milltown, N.J., and	l expires by
( Wilness	You	urs truly, ( Signed		
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(Witness			oted	
		) at Milltown, N. J.,	U.S.A. MICHELIN TIRE C	OMPANY
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ł		SALES MGR	÷	

**RENEWING TRUST.** The mascot Bibendum, a heavy smoker, accompanies the company's emblem in the page headers for commercial contracts of 1910 that lasted for one year—September 1, 1910 until September 1, 1911. His presence is surprising, since it seems more appropriate for him to appear in press advertisements and promotional elements with popular projection than in solemn and formal administrative stationery. Apart from the exhaled smoke, he emits a sentence used as an advertising slogan from his mouth "You do not know what a good tire is if you have not used a MICHELIN properly inflated."

25. Proposal of the Michelin Tire Co.'s annual contract sent by mail to the contracted retail establishments.

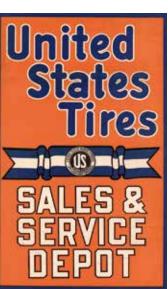


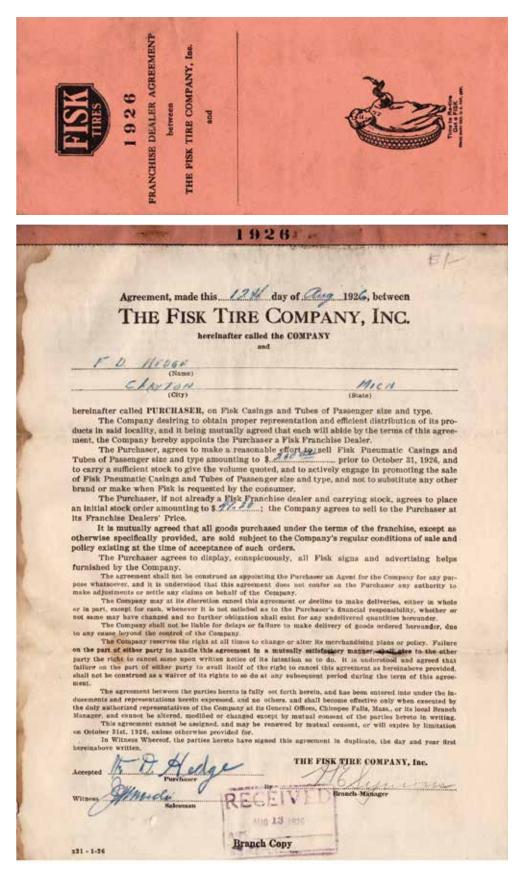
**THE U.S. RUBBER NETWORK.** United States Rubber entered into agreements and contracts with its "Sales & Service Depots" (the term 'depot,' adopted from the French *dépôt*, means warehouse). A campaign developed between 1917 and 1918 in the general press such as *The Saturday Evening Post* showed the signs and elements that identified the service shops and establishments. It was on these premises where they offered their tires and all services associated with their installation and maintenance.

**26-27.** Front and back pages of the U.S. Rubber

contract to retail establishments in 1918.

**28.** Reproduction on paper—and attached to the contract of the appearance of signs that identified their service units and which, as part of the agreement, had to be conveniently displayed.





**FISK FRANCHISE DEALERS.** The above image shows the contract model proposed by The Fisk Tire Co. —the tire division of the Fisk Rubber Co. of Chicopee Falls, Massachusetts—and mailed to retailers in 1926, in order "to obtain proper representation and efficient distribution of their products in a particular locality."

29. Copy of a contract between Fisk and a delegated retailer, accepted and signed in 1926.



## PRICES OF JUSTICE.

The experience of Sears, Roebuck and Co. in the mail-order sale of all types of goods and merchandise was also applied to automobile accessories and tires. Comprehensive catalogs profusely illustrated and filled with hundreds of references and their respective prices showed different models of the tire line Justice (covers and inner tubes) and all kinds of products, of their own brand as well as of other manufacturers. These included: tools and parts for mechanic repair shops—from jacks, shock absorbers, air pumps and valves, spark plugs, radiators, batteries, etc., to professional clothing such as coveralls; elements for the maintenance and improvement of engines and bodywork such as lubricants, automotive trims and enamel paint; and accessories for driving comfort and special features—, hoods, special steering wheels, extra lights, rear-view crystals and mirrors, improved seats, snow chains, etc.

**30.** Double-page interior from the catalog *Automotive Equipment. Justice Tires and Tubes of 1922,* published by the Sears, Roebuck and Co. for the cities of Chicago and Philadelphia. 76 pages. **31.** Fragment of the catalog cover *Justice Tires and Tubes. Automobile Supplies of 1919,* from the Sears, Roebuck and Co. 110 pages.





**TIRES TO FIT YOUR NEEDS.** The photograph shown above, from 1929, illustrates the wide range of products offered by Montgomery Ward through its different mail-order catalogs. In this case, Riverside inner tubes and tire covers were showcased along with men's shirts, ties, caps and hats, underwear, suspenders and belts, shoes, socks, and golfing sports equipment for the special sales week of men's items, which was held April 13–20, 1929.

**32.** Photograph of a Montgomery Ward & Co window display. Taken March 16, 1929. **33-34.** Front covers of the catalogs *Riverside Tires. Riverside DeLuxe Batteries and Auto Supplies,* in their 1925 editions, with 20 pages and in 1926, with 52 pages.





The Better Tires Co., a mail-order company for retail stores, was based in Chicago and had territorial commercial agents and distributed orders throughout the country. They boasted of having 18,000 clients, retailers who placed orders drawing from the different product updates of their extensive catalog.

**35-36.** Double page interior and cover of the spring catalog for Better Tires 1923, announced as "the catalog with the greatest bargains in America."







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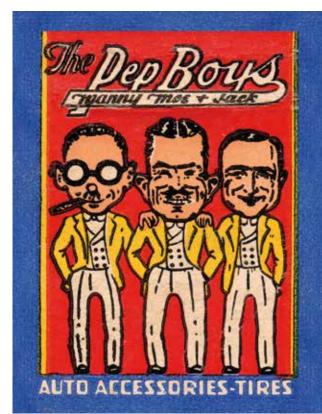
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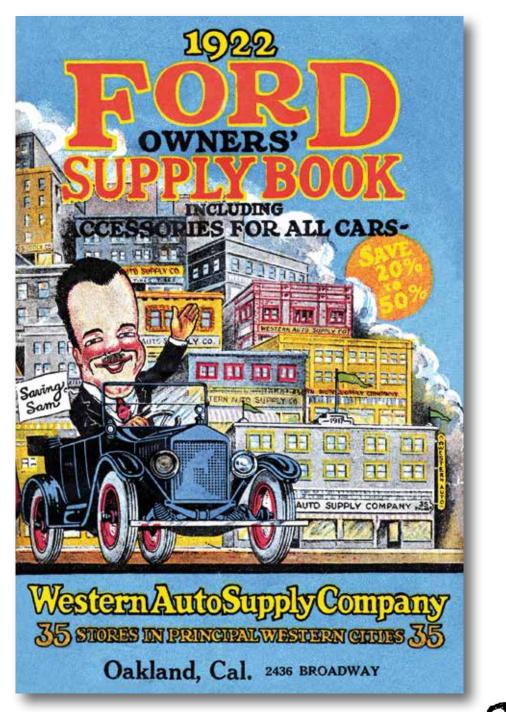
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CEO GADE



**THE THREE CABALLEROS.** The chain of accessories for the automobile Pep Boys was founded in 1921 by four partners, nicknamed "Manny" (Emanuel Rosenfeld), "Moe" (Maurice Strauss and Moe Radavitz) and "Jack" (Graham Jackson). Harry Moscovitz, a commercial illustrator from Philadelphia, was commissioned to caricature the three of them, which was to be employed as a symbol of the company. After Jackson's early departure, his position at the company was occupied by "Izzy" (Isaac Strauss, Maurice's brother) with the corresponding graphic adaptation of the corporate portrait of "Jack"—it was decided to keep the names of the characters. They commercialized items from well-positioned companies, but also created their own private brands. The faces of the trio of mascots appeared in all kinds of promotional items as well as in catalogs, a basic tool to attract the consumer to access one of their many stores—2 stores by 1929, 99 in 1954, and close to 590 in 2005—spread over 36 states.

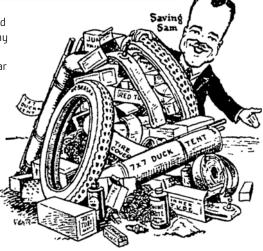
**37.** Photograph of a billboard advertising Cornell tires which were commercialized in Pep Boys stores, c. 1930. **38.** Illustration of the three partners Manny, Moe & Jack stamped on a box of publicity matches, c. 1930. **39.** Promotional illustration, date unknown.



## MR. PEPPERDINE.

The entrepreneurial businessman George Pepperdine created in 1909 the automobile accessories mail-order sales company Western Auto Supply in Kansas. In 1916 he sold part of his interests and moved to California to establish that same year the Western Auto Supply of Los Angeles. In 1923 the chain had around 60 of their own stores distributed throughout seven states, and increased to 100 stores in 1924, 160 in 1928 and 200 in 1939. It was then when the control of the business passed definitively into the hands of the Gamble-Skogmo chain stores in Minneapolis.

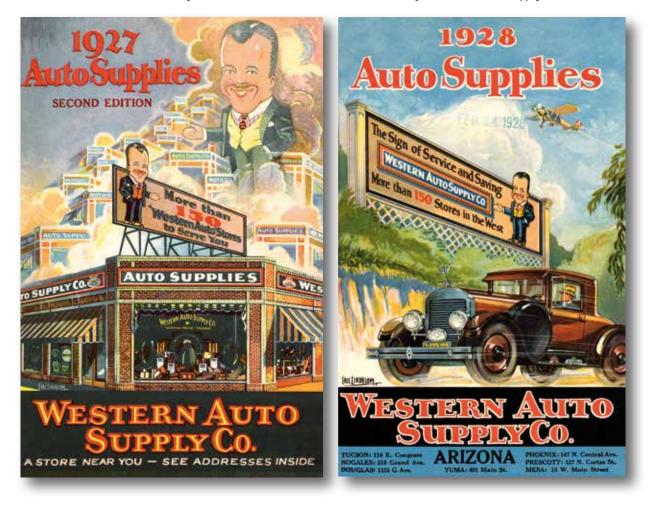
**40-41.** Front cover of the 1922 catalog for users of Ford passenger cars and detail of a vignette. Both illustrations are signed by the cartoonist Robert Schuyler Van Rensselaer (1899-1972).





**EASY ON THE POCKET.** After the launch of Western Auto Supply in Los Angeles, Pepperdine commissioned an advertising agency in 1918 to create a character that would represent the company's ideals. From the drawing table of commercial artist R. S. Van Rensselaer "Saving Sam" was created, the seller with an eternal smile, one hand in his pocket [suggesting savings] and another extended to provide service to the driver. The mascot was present on roadside billboards, on shop facades, their signs and in shop windows, as well as in catalogs and press advertisements.

42-43. Advertisements in the masonic magazine *The Trestle Board* of San Francisco, November 1919 and March 1920.
44. Drawing of Saving Sam, illustrated by R. S. Van Rensselaer, utilized on the interior pages of the 1928 catalog.
45-46. Front cover of the catalogs of 1927 and 1928, illustrated by Eric Waldemar Lindblom (1893-1948),
—a Swedish artist settled in Los Angeles—who worked on the covers of other catalogs for Western Auto Supply.





## TAKE THE TIRE ... AND RUN.

In May 1929, Isaac Strauss "Izzy," one of the Pep Boys' partners, decided to leave the business and establish the company Strauss Stores in Brooklyn, a direct competitor in the automobile accessories market. They began with five stores and a large warehouse and in the year 1939 reported having around 100 establishments. Strauss's time with Pep Boys not only provided him with valuable experience, but also the idea to represent the image of his chain stores in the form of a character having the qualities of a seller and head manager. It is extremely curious that his face appeared simultaneously representing both competing firms.

47. Izzy Strauss caricature stamped on a box of advertising matches, c.1930.48. Detail of an advertisement published in the *Middletown Times Herald*, December 17, 1936.







## INSEPARABLE?

Herman N. Gofman and Murray L. Kaufman joined forces and surnames to establish in 1928 Gofkauf's Automotive Stores, a chain of stores for automotive accessories, electrical supplies, radios, sporting goods and home bricolage products. They began with an establishment in the town of Lowell, Massachusetts, progressively expanding throughout New England--Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont. In 1931 they had 8 stores and in 1934 owned 22 establishments with approximately 150 employees. By 1934 the Goff and Kauf characters began to be used corporately and for advertising as brand mascots, embodied bu caricatured portraits of the founders Goffman and Kaufman. Their figures were published in different poses and contexts in press advertisements, catalogs and in packaging of their private brands. It appears that in 1947 the partners decided to follow separate paths, as Gofkauf's Automotive Stores press advertisements are no longer seen and two new firms appear separately: Kauf's Auto Stores "formerly Gofkauf's" and Goff's Auto Stores "Gofkauf's successors."

49. Lithographed tin box of spare parts for car headlight bulbs, 8 cm long x 6.5 cm wide x 4.5 cm high, c.1934.
50. Gofkauf Catalog in 1934, 76 pages.