

THE AMERICAN DREAM GAME SUCCESS BOOK



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Preface

Imagination, determination, hard work, persistence, luck and fate. To believe in yourself and what you are doing. To struggle, to overcome the odds, to say yes when others say no. To accept the challenge. To come from poverty and rise to the top. To have a dream and make it come true.

As the ink dried on the Declaration of Independence, so it was to be. America the land of opportunity, the land of the free. America the home of Free-Enterprise and "The American Dream." And through the years it has proven to be true. The American Dream has become a reality to many who have been willing to pay the price — to make it come true for themselves and for others.

The American Dream is not riches, wealth, and power. The American Dream is opportunity. To recognize and fill a need and be rewarded. To create products and companies that will make life easier for others. To create jobs so that others may work. To begin with imagination and enthusiasm and to keep that attitude during the many hours, days, months and years it may take to accomplish your goal. To resist the temptation to take the easier path. To endure, to reach down for that last ounce of strength.

The road to success is rarely smooth. Those who have traveled it will tell you that it is filled with detours, potholes, aggravation, frustration, delay and often disappointment. But for those who break through, who cross the finish line, who endure, the reward is great. The satisfaction of achievement and a job well done.

Success can seldom be predicted. Sometimes it just happens, but more often you must make it happen. As you read the following stories, you will see some of the greatest examples of our American Free-Enterprise System in action. Kemmons Wilson, founder of Holiday Inns, Inc. recognized a need and filled it. Walt Disney, combining imagination and years of hard work, entertained America. David Sarnoff, through what would be considered a twist of fate, began his career in communications and later became president of RCA. Colonel Harland Sanders captured the imagination of America with his Kentucky Fried Chicken. Levi Strauss, Henry Ford, W.K. Kellogg, Milton Hershey, the stories go on and on.

The American Dream game is a tribute to those who paid the price to make their dreams come true. It is a salute to our American Free-Enterprise System which affords us all the opportunity. It is a "thank you" to those who accepted the challenge and an "inspiration" to those who will accept the challenge in the years ahead.

The logo consists of the words "AMERICAN" and "EXPRESS" stacked vertically in a bold, white, sans-serif font. The text is centered within a solid black rectangular background.

In 1841, Buffalo, N.Y. was an entrepreneur's dream. It was young and thriving and perched on the edge of the American frontier. It served as the western terminus of the Erie Canal and as a funnel for the movement of commerce and people between the eastern states and the Northwest Territory.

All of this was not lost on Henry Wells. He realized the city's businesses were hampered by the absence of express service between Buffalo and other cities. While representing the firm of Pomeroy and Co., Wells convinced several local businessmen to entrust their shipments of cash and financial paper to his services. His first trip took him and a carpetbag filled with gold, silver and securities from Albany to Buffalo.

The trip took four days. But for the time, it constituted express service.

The business was so successful that Wells decided to go into competition with the U.S. government. In 1845, the rate for mail between New York and Buffalo was 25 cents per letter. Wells figured he could deliver the same letter for six cents and make a profit.

He did. The government then reduced to three cents the price of delivery anywhere in the country. Wells couldn't compete with that, but at least he forced down the price of postage.

By 1850, Wells had earned a reputation as an innovator in the express business, so when he held a meeting with his major competitors — Livingston & Fargo and Butterfield, Wasson & Co. — they were ready to listen. The old companies were dissolved, routes were reordered and the American Express Co. was formed.

The company prospered with Wells as president and William G. Fargo as vice president. By 1852, they thought the time was right to expand westward beyond the Missouri River to take advantage of the trade originating in the California gold fields. The other directors of the company voted against the idea, but had no objection to Wells and Fargo exploring the field on their own while continuing their duties with American Express.

The resulting enterprise — Wells, Fargo and Co. — played a dramatic role in the opening of the West.

In 1868, William C. Fargo took over American Express from the aging Henry Wells and led it until his death in 1881. Fargo was succeeded by his younger brother, James C. Fargo, who was to run the company as an autocrat for the next 33 years. Under his leadership, two remarkable innovations were introduced.

In response to the United States Post Office's introduction of the postal money order, Fargo instructed an employee, Marcellus Berry, to develop a more usable instrument with a face value that couldn't be raised. The result was the American Express Money Order, introduced in 1882.

In 1891, because he had difficulty with the cumbersome circular letter of credit while traveling in Europe, Fargo ordered the ingenious Berry to "come up with something" that would be as safe as a letter of credit, but easier to use.

This was born the American Express Travelers Cheque with its elegantly simple identification system of signature and countersignature. The first year, almost \$10,000 worth were sold. Today, sales are measured in the billions of dollars.

Even though the company lost the business for which it had been created when the government nationalized the express industry during World War I, the remaining financial services continued to grow.

In 1958 the company issued its first credit card as a natural extension of these financial services. Within three months it was being used by a half-million people.



For a while, it looked as though BURGER KING® wouldn't get off the broiler.

Here were these restaurants, popping up all over Miami, Florida, dispensing hamburgers and milk shakes — and losing money by the basketfull. James W. McLamore and David R. Edgerton weren't about to give up, however. There just had to be a way to make the enterprise profitable.

The two had entered business together in 1954. Edgerton already had opened a restaurant in Miami as a franchisee of a Jacksonville company. The franchise consisted of a milk shake machine and an automatic hamburger broiler.

By December of 1955, there were four restaurants open, each doing worse than its predecessor. The following year, McLamore and Edgerton took on an additional partner, Harvey Fruehauf, who provided the capital to build three more restaurants. The story was the same, except it now involved seven money-losing locations.

It was about this time that Edgerton sketched the little king on the bun that was to become the company's corporate symbol.

In 1956, the company began having severe mechanical problems. The machines would break down frequently, further disrupting an already shaky business. Edgerton decided he could build a better broiler, and six months later he had designed the machine that is in use today in every Burger King restaurant. Arrangements were made to have the unit manufactured by the same company that was making a milk shake machine to replace Burger King of Miami's original equipment. Business began to improve.

One evening in 1957, McLamore and Edgerton were in Gainesville, Florida, looking over yet another struggling Burger King operation. Up the street was a small, dirty, repulsive-looking little sandwich stand situated in an unpaved parking lot. Every time a car would drive through, it would hit a pothole and dust would fill the air.

There also were people lined up waiting to be served.

McLamore got in line and emerged with what he described as "the best hamburger ever made." That evening, McLamore decided that he and Edgerton would go back to Miami, make a hamburger just like the one McLamore had sampled and call it a WHOPPER® sandwich.

The new product was an instant hit, but the company by this time was debt-heavy and had severe cash-flow problems. As if by magic, along came Charlie Krebs asking if he might purchase one of the restaurants. A franchise agreement was drawn up and Krebs was so successful that others began inquiring about purchasing franchises.

Soon, inquiries began coming from other states, which presented a problem. The three partners still were franchisees of the company in Jacksonville. After a long period of negotiation, agreement was reached in 1961 with Ben Stein, owner of the Jacksonville company, which allowed sales of franchises throughout the world with Stein receiving a percentage of any royalties.

By 1967, Burger King restaurants were solidly entrenched in the world of fast foods, but the company required more capital to maintain its position.

The Pillsbury Company already had expressed interest in a merger and the partners elected to accept Pillsbury's offer, rather than to go public themselves. This decision netted them 60,000 shares of Pillsbury's convertible preferred stock and 344,000 shares of common stock worth more than \$19

Enjoy
Coca-Cola
Trade-mark ©

Invoke the name of Dr. John Pemberton in a casual gathering and the overwhelming odds are that nobody will have the foggiest notion who you are talking about.

They probably won't know, even if they happen to be sipping on a beverage known throughout the world — Coca-Cola.

Dr. Pemberton was an Atlanta pharmacist who one day in 1886 concocted a brew destined to become the world's best selling soft drink and, according to legend, to make more people wealthy than any other invention.

The name of the product, Coca-Cola, was coined by Frank M. Robinson; a bookkeeper and a partner of Dr. Pemberton. Robinson spelled cola with a "c" to make it look better in advertising, and designed the trademark that is so familiar today.

The druggist originally planned for his new syrup to be mixed with plain water. There are conflicting stories of exactly how carbonated water came to be used, but all agree it was an accident.

In any case, the first glass of Coke was sold in 1886 at the soda fountain of Jacobs' Pharmacy in downtown Atlanta. Dr. Pemberton soon began advertising his new drink in *The Atlanta Journal* and giving away tickets entitling the holders to free glasses of Coke.

By mid-1887, Dr. Pemberton's health was failing and his new product had not lived up to his expectations. He, therefore, sold two-thirds of his interest to Willis Venable, operator of the Jacobs' soda fountain, and George S. Lowndes, a local businessman.

Thirteen years earlier, Asa Griggs Candler was refused employment by Dr. Pemberton. In 1888, Candler, then owner of his own pharmaceutical company, became a partner in the two-thirds interest along with Woolfolk Walker, a former salesman for the Pemberton Chemical Co., Dr. Joseph Jacobs, owner of the drugstore, and Walker's sister, Mrs. M.C. Dozier. A short while later, the corporation bought Dr. Pemberton's remaining interest.

By April of 1891, Candler had bought out his partners and became the sole owner of Coca-Cola. He paid a grand total of \$2,300.

In years following, after Coca-Cola became a nationally distributed product, Candler became disillusioned with business due largely to problems with the many imitators who had come on the market. He eventually abandoned the company to his heirs. It was sold in 1915 to a consortium headed by Ernest W. Woodruff, father of Robert W. Woodruff, who would guide the company through phenomenal expansion during a great portion of the 20th century.

The Coca-Cola Company now is an international corporation dealing not only in the product whose name it bears, but also in fruit drinks, diet drinks, orange juice, coffee and even wine.

Coca-Cola Co. people, however, will not let themselves forget that the company's overwhelming success has been made possible by a drink often referred to modestly as "Dr. Pemberton's beverage."



When C.E. Woolman, a young Agricultural Extension Agent, joined the war against the destructive boll weevil, little did he know that this activity would lead to the building of one of the world's largest passenger airlines.

The boll weevil, a tiny, beetle-like insect, appeared out of Mexico at the turn of the century and marched its way across the South's cotton fields during the next two decades. By the early 1920's, it had destroyed over six million bales of the South's major cash crop. To fight this pest, the U.S. Department of Agriculture established a field laboratory at Tallulah, Louisiana, and appointed Dr. B.R. Coad, a noted entomologist, to direct the war against the boll weevil. Enlisting the assistance of C.E. Woolman, a lifelong aviation enthusiast, Coad experimented with dry powder insecticide and utilized two World War I "Flying Jennies" to apply it. This new agricultural management concept had its problems however, such as, uneven distribution of the powder insecticide and the dangers of low altitude flying.

In 1923 fate took a hand in solving the crop dusting problem and in guaranteeing C.E. Woolman's future in aviation. George E. Post, Vice President of Huff and Daland Airplanes of Ogdensburg, New York, was flying to San Antonio when technical difficulties forced him down in Tabulaha, Louisiana. Upon meeting Coad and Woolman, Post became so intrigued with the dusting-by-air experiment that he persuaded his company to manufacture a special "dusting" airplane and to form a separate crop dusting division, called Huff Daland Austers, Inc. Woolman joined the new dusting division as Vice President and Field Manager.

Although the new enterprise was successful, crop dusting was a seasonal operation. So, in 1926, Woolman headed south of the equator to Peru, where the growing seasons are reversed, to drum up new business for the company. The Peru effort was successful and, in 1927, Woolman secured the airmail rights for a 1,500 mile route between Ecuador and Peru. This route was sold later to Pan American Airways and the W.R. Grace Company.

A group of Monroe businessmen purchased Huff Daland's equipment in 1928 and renamed the company Delta Air Service after the Mississippi Delta region served. D.Y. Smith, a Louisiana planter and investor, became the company's first President, and C.E. Woolman joined the new company as Vice President and General Manager. And on June 17, 1929, with great courage and no airmail contract, Delta Air Service launched its first passenger service route between Dallas, Texas and Jackson, Mississippi. An act of Congress in 1930 gave the Post Office Department authority to award routes based on competitive bidding for carriage of airmail. Delta was unsuccessful in retaining the trans-Atlantic route it had pioneered, so C.E. Woolman and his associates repurchased the crop dusting aircraft and rechartered the company under a new name, Delta Air Corporation.

Ten airmail routes were reopened for competitive bidding in 1934. Delta was awarded the contract to carry mail from Charleston, South Carolina to Fort Worth, Texas. Company headquarters moved to Atlanta, Georgia in 1941, and its official name became Delta Airlines, Inc. in 1945. In 1953, Chicago and northern Air Lines merged with Delta, and Northeast Airlines joined the Delta family in 1972. When Delta celebrated its fiftieth year of passenger service in 1979, the company had grown to the fifth largest airline in the free world.

C.E. Woolman and Dr. Coad both died in 1966, but not before seeing their crop dusting experiment grow into a major force in the world transportation industry.

Disney

Walt Disney never wanted to be anything but an artist. As a 7-year-old on the family farm in Missouri, he already was selling sketches to neighbors. At McKinley High School in Chicago, he divided his attention between drawing and photography and at night attended the Academy of Fine Arts.

During World War I, Disney served overseas as an ambulance driver and chauffeur for Red Cross officials. His ambulance must have been a sight to behold. It was covered from one end to the other with cartoons.

After the war, Disney returned to Kansas City to begin a career as an advertising artist. There, in 1920, he created and marketed his first animated cartoons and later perfected a method for combining animation and live action.

It was in August of 1923 that Walt packed a few drawing materials, a completed animated fairy tale and \$40 and headed west to join brother Roy in California. Roy had \$250.

The Disney brothers pooled their resources, borrowed an additional \$500 and set up shop in their uncle's garage. Soon, they received an order from New York for the first "Alice in Cartoonland" featurette and expanded their production operation to the rear of a Hollywood real estate office.

A mouse named Mickey was born in 1928. His talents were used first in a silent cartoon titled "Plane Crazy." Before the cartoon could be released, however, sound had come to the screen and Mickey's debut had to wait until November of that year when "Steamboat Willie," the world's first sound cartoon, premiered at the Colony Theater in New York.

In 1932, "Flowers and Trees" won for Disney the first of an incredible 48 Academy Awards. In December of 1937, "Snow White and the Seven Dwarfs," the first full-length animated musical feature, premiered in Los Angeles. Produced at an unheard of cost of \$2 million in the depths of the Depression, the film is considered one of the great feats of the motion picture industry.

During the next five years, Disney completed other full-length animated classics such as "Pinocchio," "Fantasia," "Dumbo" and "Bambi."

In 1945, Disney broke new ground by combining live action with animation in the musical "The Three Caballeros." He used the same process successfully in other features such as "Song of the South" and the highly acclaimed "Mary Poppins."

The Disney organization began television programming in 1954 and the Mickey Mouse Club became an afternoon staple for millions of children. "Disneyland" Park, the fabulous "Magic Kingdom," was launched in 1955 and became an instant hit, attracting government officials and royalty from throughout the world. In 1961, Disney was among the first to present full-color television programming with his "Wonderful World of Disney."

With an eye toward building a prototype community, Disney directed the purchase of 48 square miles of land — twice the size of Manhattan Island — in the center of Florida. Here he envisioned a new world of entertainment and his Experimental Prototype Community of Tomorrow.

Disney did not live to see his dream completed. He died in 1966. The "Walt Disney World" Resort Complex opened in 1971.



Exxon Corporation has been in business for more than 90 years, tracing its origins to the very beginnings of the petroleum industry. For almost all those years, the corporation has been an acknowledged industry leader. It built a worldwide business enterprise long before the word "multinational" came into common use.

Today Exxon does business in nearly 100 countries. It explores for oil and gas on every continent and far out into the continental shelves. It is the largest of the major companies in petroleum production, with a 1978 output of 1.8 billion barrels of oil and natural gas liquids and over 3.3 trillion cubic feet of natural gas. It manages or has an interest in 58 refineries in 29 countries and owns or has a share in 40,000 miles of crude and product pipeline. It runs one of the world's largest fleets, with 26.2 million deadweight tons of tankers and other ships owned or under long-term charter. About six million motorists stop each day to purchase petroleum products at 67,000 service stations where Exxon products are sold.

While it is primarily a petroleum enterprise, the corporation is active in developing other energy sources, including coal tar sand deposits, uranium ore, and a fabrication plant for nuclear fuel. It is in the chemical business as one of the world's important suppliers of chemical raw materials, solvents, plastics and other chemical products. It has investments in a number of other fields related to its primary business, ranging from real estate to an affiliate which manufactures the gasoline pumps used in service stations.

These broad outlines sketch the dimensions of a worldwide, fully integrated petroleum company, an enterprise involved in every phase of the oil business from oil field to service station pump. It is, of necessity, a big business in both physical and financial terms. For example, a single offshore drilling platform may be taller than a 50-story office building and may cost more than \$200 million. A major pipeline can require an investment of several billion dollars before the first oil flows through it. Modern tankers displacing 250,000 tons or more (as much as the largest ocean liner) are commonplace, and even larger vessels are in operation.

As large as Exxon is, its facilities make up a relatively small segment of the supply system involved in developing the world's energy resources and delivering them to consumers. Exxon competes with many private companies internationally as well as other companies operating in limited areas or markets. It competes with government-owned companies, including some which are international in their own right. The number of competitors has increased over the years, so that even as Exxon has expanded its operations, its share of the world petroleum market has been reduced. This share (excluding Communist countries) now amounts to about 8 percent.



Henry Ford had a better idea long before the company he founded used that phrase as an advertising slogan.

Why not, Ford reasoned, build a car for every man, so low in price that virtually anyone could afford it? Also, why not pay the man building the car a wage high enough to allow him to purchase it?

When Ford announced on January 5, 1914, that he would pay his employees \$5 for an 8-hour day, he flabbergasted the nation. A number of his fellow industrialists predicted the fall of western civilization as a result of such radicalism.

Ford was a born tinkerer. By the time he was 12, he was spending most spare moments in a small machine shop he had equipped himself. At 15, he constructed his first steam engine. Later he became a machinist's apprentice in Detroit and spent a year setting up and repairing Westinghouse steam engines in southern Michigan. In 1881, he was employed as an engineer by the Edison Illuminating Company of Detroit and became chief engineer in 1883.

That same year, Ford's interest in the internal combustion engine led him to construct a one-cylinder gasoline model. A later version of that engine powered his first automobile in 1896.

Ford Motor Company was incorporated in 1903, after Henry Ford had failed in another automobile manufacturing venture. The initial capitalization of the new company was \$150,000, of which only \$28,000 was paid in. There were 12 stockholders — Ford and 11 investors.

The company began producing "the most perfect machine on the market, so simple that a boy of fifteen can run it." The first car was sold to Dr. Ernst Pfennig, a Chicago dentist, whose check for \$850 arrived a month after the company's incorporation — much to the relief of the stockholders who were eyeing a bank balance that had dwindled to \$223.

In the first 15 months of operation, the company turned out 1,708 automobiles — the original Model A's. Between 1903 and 1908, the company used 19 letters of the alphabet in naming cars. One of this alphabet soup of machines — the Model K — was a 6-cylinder priced at \$2,500, very nearly a king's ransom in the early 1900's. It is not surprising that the car sold poorly.

It was in 1908 that Ford's "universal car" — the Model T — was born. During the first year, the company produced 10,660 Tin Lizzies, establishing an industry record. The average price was about \$400.

By the end of 1913, Ford Motor Company was producing about half of all cars built in the United States, but still was not meeting demand. Building cars by hand simply was too slow. Henry Ford, ever the innovator, reasoned that if work could be divided and parts brought to the employees, construction would be much smoother and faster. After three years of experimenting, he and his staff had devised the moving assembly line and automobile manufacturing entered the era of mass production.

When Henry Ford died in 1947 at the age of 83, the company he founded already was becoming a force in international business. It is not surprising that when asked, "Who invented the automobile?" many people respond: "Henry Ford."

GOODYEAR

HERSHEY'S

ries Goodyear had been dead 38 years when the company that bears his name was formed, but the naming of the business was a fitting memorial. Had it been for his discovery, the development of the rubber industry would not have been possible.

Rubber was known to the ancients, but apparently only as a plaything that could be made into balls and bounced around. Later, Spanish and Portuguese explorers used the substance to waterproof clothing. It worked, however, only if the sun came out. Then it melted.

The name "rubber" actually was not coined until 1770 when Dr. Joseph Priestley covered his could correct writing errors by rubbing out pencil marks with the eraser from a tree. Others experimented, but ran into the same wall as had the first. The substance melted in the sun and turned brittle in cold weather.

Charles Goodyear joined the parade in 1836. He rented factory space, opened an office in New York and lined up a government contract to make mail bags. He was no more successful than others had been. His rubber still didn't take the heat.

One then one winter day in 1839, Goodyear was working in the home of his mother-in-law in Woburn, Mass., when he accidentally dropped a glob of rubber onto a hot stove. The heat turned the mixture into a tough substance. Heat had always been the nemesis of rubber, so no one had thought it could ever be beneficial.

Charles Goodyear realized he was on to something. The rubber was firm but flexible. He placed it outside in the February cold. It remained unchanged, and Charles Goodyear knew he had solved a mystery that had stumped others for hundreds of years. Intense heat had played such a part in making the world's first usable rubber that Goodyear named the process vulcanization after an, the Roman god of fire.

It would be logical to assume that Goodyear's discovery made him a rich man. So, what money he did receive went back into the business, and when he died in 1860, he was worth \$200,000 in debt.

Goodyear Tire & Rubber Co. was founded in 1898 with a capital stock of \$1,000,000, of which \$43,500 was paid in. Most of the stock — \$30,000 of it — was purchased by David Hill who became the first president.

Charles Frank Seiberling, however, who founded the company, named it and the winged-foot trademark. Ironically, Seiberling actually was trying to sell late family-owned property when he ended up buying at bargain-basement prices the 7-acre tract that was to become the company's home. Seiberling became president of the company in 1906 and served until 1921 when he resigned in a company reorganization.

The company began production Nov. 21, 1898, with 13 employees. The first record-breaking year was \$217,865. By 1911, the company's Akron plant was operating 24 hours a day and the company had acquired a plant in Canada.

The company built its first blimp in 1912 and soon was building blimps for the U.S. Army and observation balloons for Great Britain. Today the company's four airships — the Mayflower, Columbia and America in the United States and the Conqueror in Europe — are familiar to millions of people.

It is only a wonder what path society would have taken had Charles Goodyear never been working in the summertime and had not been near a hot stove.

Those who were supposed to be experts laughed when Milton Hershey proposed to spend a million dollars to build a chocolate factory in the middle of a cornfield. Not only a factory, but a town around it. It could have been like any other turn-of-the-century industrial town, except for Hershey's basic humanitarianism. He looked upon his enterprise as existing for people, rather than the other way around.

The company built one-family homes surrounded by trees and lawns and rented or sold them to Hershey workers. Although stores, recreational facilities and a bank were built for the people's convenience, no one was obliged to use them. In fact, before automobiles came into common use, a trolley line was constructed so that employees from other communities could commute to work. No worker was required to live in Hershey.

Milton Hershey was born in Derry Township in the Pennsylvania Dutch country. His family moved to nearby Lancaster County when Milton was eight and it was there that he became an apprentice to a candymaker.

He left his apprenticeship at 19 and opened his own business in Philadelphia, which failed.

Young Milton moved to Denver where his father had migrated. While there, Milton worked for a candymaker who had devised a method of making caramels with fresh milk which made them tastier, chewier and longer lasting.

Hershey tried again in New York. His caramels were an instant hit, but lack of business experience once again forced him to close his doors. He returned to Lancaster penniless, but with more experience and unflinching belief in himself.

Hershey managed to raise a little capital and once again opened for business. Aided by an abundant supply of fresh milk from nearby dairy farms, Hershey was successful.

At the 1893 Chicago Exposition, Hershey had been fascinated by the chocolate-making equipment on exhibit. He felt that caramels were a fad and that chocolate, a food as well as a confection, would be the basis for a new industry.

Chocolate-making equipment was ordered and the caramel company began making chocolate novelties. When he sold the caramel company for \$1 million at age 44, Hershey retained the right to manufacture chocolate.

When the business outstripped the space available, he decided to move back to the area where he had been born. There he would find a plentiful supply of fresh milk and an industrious and intelligent labor force.

By 1905, the factory was completed. Hershey wisely decided to drop the many novelties and mass produce a limited line of low priced, high quality products. Success was immediate. Sales reached \$5 million by 1911.

The company expanded into other food areas, and in 1968 became the Hershey Foods Corp. By the end of the 1970's, it was grossing more than a billion dollars annually.



hicle rental has been with us since chariots were rented in ancient Rome, perhaps to impress a senator's daughter on the first date.

One of the first references to automobile rental has been traced to an advertisement in a 1904 issue of the Minneapolis Journal. A local bicycle shop devoted one line to the fact that it rented cars.

It was in 1918 that Walter L. Jacobs, then 22, began the operation that would become the Hertz Corp. In a side-street location just south of Chicago's Loop, Jacobs housed, washed, repaired, repainted and rented 12 used Model-T cars.

Jacobs named his company Rent-A-Ford, Inc., changing it two years later to Rent-A-Car Co. By 1923, his fleet had increased to 565 cars and annual rentals totaled \$1 million.

Jacobs' growth attracted the attention of John Hertz, head of several companies associated with transportation. Hertz acquired Jacobs' company using it as a nucleus for building the Hertz System. Jacobs became a key executive in the organization which concentrated on granting franchises to local independent businessmen.

John Hertz merchandised the operation with vigor. He is, for example, credited with having run one of the largest want ads ever seen. The Feb. 28, 1925, issue of the Saturday Evening Post carried a two-page spread titled: "Wanted: A Man Character" which invited potential licensees to tie in with the Hertz property in the most towns and cities of 2,500 and up — and in certain metropolitan districts."

Jacobs' successful car-rental operation was part of a package acquired by General Motors in 1925. GM was interested primarily in truck manufacturing facilities, and Jacobs operated the Hertz properties for the new parent.

The year 1926 saw the advent of a new mode of travel whereby a traveler would charge for a Hertz rental car at his destination at the same time he bought a return ticket. By the late 1920's the company had put into practice a revolutionary concept in the car rental business. Instead of making the customer come to it, it would go to the customer. This meant the opening of rental offices in prime downtown locations and transportation terminals.

Car rental increased during the 1930's and 1940's. During World War II, of course, Hertz had to operate with limited equipment, but many Americans, unable to find cars to purchase, began to rent for the first time.

The years following the war were made to order for the car rental business. There was more leisure time, increased income, expanded personal credit, milder gasoline and tires and a stepped-up tempo of travel.

In 1953, The Omnibus Corp. purchased the Hertz properties from General Motors and the following year changed its name to The Hertz Corp. That year, Hertz was operating branches in 560 cities and at 120 airports. A mere four years later, "Rent it here . . . Leave it there" service went national and Hertz services were available at 396 domestic airports.

Hertz has continued to grow worldwide and to take advantage of changing credit conditions. It has been a long and successful trip from 1918 and Walter Jacobs' 12 Model-Ts.



Kemmons Wilson had discovered what he perceived to be pure gold just waiting to be picked up.

In 1951, the Memphis, Tenn. home builder loaded his wife and five children into the station wagon for a vacation trip to the nation's capital. It didn't take long for Wilson to realize that a great void existed on the American scene. There were few adequate motel rooms.

The ones available tended to be cramped and uncomfortable, there was an extra charge for children and few motels offered air conditioning or adequate restaurants.

Wilson came home a little cross, but with the idea that what this country needed was a motel that offered reasonable rates, a good restaurant, extra services and an assurance of quality.

Within a year and a half, Wilson had built four Holiday Inn Motels, all with swimming pools, air conditioning, restaurants, a telephone in every room, free ice, dog kennels, free parking and babysitting available. Quite a package for the 1950s.

The possibilities of a national chain looked quite good so Wilson enlisted the aid of friend and fellow builder, Wallace E. Johnson. Late one night in Johnson's living room, the two men shook hands on a deal which was to become Holiday Inns of America, Inc., later Holiday Inns, Inc.

In 1953, Wilson and Johnson invited 75 homebuilders from across the nation to hear a proposal that each build Holiday Inn Motels in his home city just as Wilson had done in Memphis. About 60 builders showed up. They were enthusiastic and promised to rush right home, send \$500 checks for franchise fees and pay five cents per room per night in royalties.

As so often happens, however, the cold light of dawn chilled some of the ardor. The prospective franchisees went home, fell back into their routines and pretty much forgot about Wilson and Holiday Inn Motels. A year later, only three had made significant progress toward developing motels.

But the fire still burned brightly within Wilson. He and his associates kept everlastingly at it until a few of the builders began to move. Wilson and Johnson quickly realized they would need a full-time administrator and enlisted the services of one William B. Walton, a local attorney who represented the Home Builders Association, who joined the company as executive vice president.

It was to be Walton who decided that Holiday Inn Motels should have innkeepers rather than managers. He also dreamed up John Holiday, one of the company's symbols, who was to remind travelers of old English or American innkeepers.

One of the earliest problems involved registration of the company's name and distinctive sign. The patent office had no precedent for granting a service mark based on intangibles such as good service and widespread availability of services facilities.

But not everything the company does is related directly to lodging and feeding. In 1969, Holiday Inns, Inc. acquired TCO Industries which is composed of Continental Trailways, Delta Steamship Lines, Continental Tours and other companies.

An idea born of frustration because a man couldn't find a decent motel room became the American dream fulfilled.

Kellogg's

As is true of many overwhelmingly successful people, W.K. Kellogg got his start in unlikely surroundings, namely the Battle Creek Sanitarium where his brother, Dr. John Harvey Kellogg, was superintendent.

W.K. Kellogg was the institution's business manager, but he also spent a great deal of time trying to develop cereals that would be nutritious and taste good at the same time.

In one series of experiments, W.K. and the doctor ran boiled wheat dough through rollers to produce thin sheets of wheat. They then experimented with toasting the wheat and grinding the sheets into meal.

As is the case in the development of many products, accident played a starring role.

One day in 1894, an interruption of laboratory activities of the Brothers Kellogg left cooked wheat exposed to the air for more than a day. When the two returned, they decided to run the wheat through the rollers even though it no longer was fresh.

Voilà! Wheat flakes.

The hours the wheat had been exposed to the air allowed moisture to be distributed evenly through the batch, causing flaking instead of a solid sheet.

Their work with food was so successful that many former patients wrote for the foods they had been served while at the sanitarium. As a result, Dr. Kellogg started a food manufacturing operation he named the Sanitas Food Co. He later started the Sanitas Nut Food Co., and in 1899 combined them into a partnership with W.K., who became general manager.

The previous year the brothers had developed corn flakes. At first they were made from the whole kernel and their acceptance was limited. It was W.K. Kellogg who discovered that a much better flake was produced by using only the grit, or heart of the corn, and by adding malt flavoring.

In 1902, W.K. announced to his brother that he was leaving to form his own company, primarily to sell corn flakes. The doctor never had agreed on the aggressive promotion, advertising and production proposals W.K. thought would make the business grow.

That same year, however, fire destroyed the sanitarium and W.K. put aside his personal ambitions to help his brother rebuild. It wasn't until four years later that the younger Kellogg managed to get out on his own. He opened the doors of the Battle Creek Toasted Corn Flake Co., on February 19, 1906.

Kellogg's corn flakes were better received than the wheat and corn flakes of the many competing companies which had sprung up. To avoid confusion, he had his name printed on every package with the explanation that "The Original Bears This Signature."

Fire destroyed the Kellogg plant in 1907 and the present facilities were built. That same year, the words "Battle Creek" were dropped from the company name and in 1909 the young business became the Kellogg Toasted Corn Flake Co.

By 1930 Kellogg had accumulated a fortune that allowed him to establish the W.K. Kellogg Foundation to "help people help themselves," as he said it. The foundation has given more than \$300 million to institutions serving agriculture, health and education. The foundation receives the income from the largest holding of Kellogg Co. stock and is one of the 10 largest philanthropic organizations in the nation.

©Kellogg Co.

Kentucky Fried Chicken



Can a 66-year old Social Security pensioner find happiness and fortune peddling fried chicken to millions of Americans?

You bet your life he can, especially if his name is Harland Sanders, a.k.a. Colonel Sanders.

Sanders, born in 1890 on a farm near Henryville, Ind., learned to cook of necessity. His father died when Harland was six and his mother was forced to go to work, sewing for other families and peeling tomatoes at a canning plant in Henryville.

She often would be away for days at a time, so young Harland had to look after a younger brother and sister and handle much of the family cooking.

By the time he was 12, his mother had remarried. Her new husband didn't think much of stepchildren, so two of the three left home. The younger boy went to live with relatives, but Harland struck out on his own.

For the next 28 years or so, Sanders did about everything he could find. He worked on a farm. He was a streetcar conductor and then a railroad conductor. He soldiered in Cuba for a year, studied law by correspondence, was a justice of the peace, sold insurance, manufactured acetylene lighting systems, sold tires and operated service stations.

When he was 40, the Colonel began selling meals to hungry travelers who stopped at his service station in Corbin, Ky. More and more people began stopping just to eat, so Sanders did away with the service station and built a restaurant to seat more than 140 persons. Over the next nine years, he developed the basic cooking technique that still is in use. Gov. Ruby Laffoon named him an honorary Kentucky Colonel in recognition of his contribution to the state's cuisine.

As the business grew, however, Sanders discovered that pan-frying chicken was too slow. He finally hit on the idea of frying it in a recently introduced gadget called a pressure cooker. Business boomed.

Then things started going wrong. World War II and gas rationing forced him to close for the duration. Then, in the 1950's, an interstate highway was announced that would leave his restaurant in the middle of nowhere. He auctioned the business at a loss and retired to try to live on savings, what he had salvaged from the business and a Social Security check of \$105 a month.

The Colonel still had a plan, however. In 1952, he had taught his process to a friend and let the friend serve the chicken in his own restaurant. It was good for business. This caused others to approach the Colonel and by 1956, he had several informal franchise agreements under which he collected four cents for every chicken cooked.

He decided to sell franchises, so he loaded a couple of pressure cookers and a bag of seasoning into his car and started to drive. When he encountered a likely restaurant, he would ask the owner to allow him to cook for the staff. If they liked it, he would offer to cook for the customers, with the understanding that if the reaction was favorable, franchise negotiations would follow. The rest is history.

At an age when most people think of retirement, Colonel Harland Sanders pioneered an idea and created a legend for himself in American history. He has become an inspiration for millions of Americans and a most distinguished symbol of the American free enterprise system. Colonel Harland Sanders exemplifies the American Dream.



LIFE SAVERS.

Levi Strauss barely had gotten off the boat from Germany when his nose turned west and smelled what every other nose in the country was smelling — gold.

In 1849, the 20-year old Strauss boarded a ship in New York bound for California by way of Cape Horn. He carried with him bundles of cloth which he intended to sell to raise money for his grubstake.

By the time the ship reached San Francisco in 1850, Strauss had sold most of the cloth to his shipmates. All that remained was a roll of canvas. Strauss figured he could sell this to a tentmaker who needed a new top for his covered wagon.

It so happened, however, that one of the first people Strauss met in California was a miner who asked if the new arrival had brought any pants with him. The miner explained that prospecting was tough work and there was a shortage of trousers that could stand the punishment.

If ever a light shone on anyone's head, it did at that moment. Strauss set to work making a pair of pants from his roll of canvas. They were an instant hit. The miner loved them and showed them off to all his friends.

Strauss insisted on calling his product "pantaloons" or "overalls," but his customers had the last word. From the beginning, the miners referred to the revolutionary pants as "Levi's."

Strauss gradually shifted from the use of canvas to a lighter but also durable fabric called denim. At the time, the fabric came mainly from Nimes, France. It was made from cotton threads woven in a twill pattern. Denim had been used for clothing, but Strauss was the first to color it dark blue. This made it easier to match pieces of cloth.

The next major development is said to have taken place because of a character named Alkali Ike. Ike carried ore samples in the back pockets of his Levi's, a practice that caused the seams to split. He complained to his tailor, Jake Davis, that there should be a way to solve the problem.

Davis, almost as a joke, took Ike's pants to a local blacksmith and had the back pockets riveted. Ike was overjoyed. Months later, his pockets were still good as new.

Strauss eventually learned of Davis' invention and the two joined forces. Davis patented the riveting process and Strauss hired him as foreman of his factory.

The fame of Levi's began to spread to the Southwest, where cowboys discovered the pants could take the hard pounding associated with riding horses and driving cattle. Soon, Levi's became the uniform of the cowboy, just as they had become the uniform of the gold miner.

By the early part of the 1900's, more and more people were moving to cities. At the same time that a large part of the population was losing touch with the land, the American cowboy was becoming a folk hero. He was featured in books, magazines, movies and finally on television.

And guess what was the result?

By the 1950's, most teenage Americans were dressed in Levi's.

The instant recognition the name "Levi's" enjoys begs an intriguing question. What if Strauss' first name had been Irving?

It really is improbable that someone would be interested in buying a piece of candy with a hole in it.

On the contrary, however, Edward John Noble thought a lot of someone would be interested, and launched Life Savers on a voyage that would make it an internationally known product.

In 1913, Noble was an energetic salesman of streetcar advertising space. One day he encountered in a New York candy store tubular packages of mints with the name Life Savers. He bought some and was so delighted by the taste, the shape and the name that he immediately took a train to Cleveland to see the manufacturer, Clarence A. Crane.

Noble entreated Crane to begin advertising and otherwise promoting the product, but Crane was primarily a chocolate manufacturer and used Life Savers only as a fill-in during the usually slow summer season. Life Savers had to be manufactured on pill machines at a pharmaceutical house and, well, Crane just didn't want to fool around with it.

If this youngster was so smart, why didn't he take the product and promote it? The price: a mere \$5,000.

Noble went back to New York to talk over the deal with J. Roy Allen, a lifelong friend. The two actually had been seeking a high-volume item to promote, and this looked like the one.

Allen got a loan from his mother, Noble kicked in his savings and together they managed to raise \$3,800. Crane finally agreed to sell for \$2,900 so the trends were in the mint business with \$900 left for working capital.

They incorporated as Mint Products Co., Inc., rented a loft space in New York and hired five girls at \$5 a week. Noble agreed to keep his selling job and put a little money into the business each week. Allen would devote full time to the new enterprise.

The dream quickly began to evaporate before their eyes. The candy already was a flop because of the cardboard package. The cardboard absorbed the highly volatile peppermint flavor. In exchange, the candy took on the odor of glue. The package that Noble had tried in New York just happened to be fresh.

A new foil package already had solved the problem, but who was to know? Retailers were stuck with thousands of tubes of bad candy and wanted no part of the new version.

Off went Allen and Noble in search of markets uncontaminated by Crane's cardboard package. Saloons provided the first break. There Life Savers found a home, right next to the traditional dish of free cloves. A few packages also began to sell to drug stores, cigar stores, barber shops and restaurants. Noble had a marketing strategy to recommend to the usually balky shopkeepers. He suggested they place the box of Life Savers and a price card next to the cash register and make certain each customer received a nickel in his change.

In a few years the company was making a tidy profit, due in no small part to Allen's idea of recruiting youngsters as a sales force. They sold to retailers and collected on the spot, which did wonders for the cash flow.

Sales went from less than a million boxes in 1914, to 6.7 million in 1915, to 22.4 million in 1916, to 53 million in 1917. The first million-dollar net year came in 1925 on sales of 170 million nickel packages of Life Savers. That year, 29 percent of the company's stock was sold to the public and Roy Allen retired with a cool \$3.3 million. Noble would wind up not only as chairman of Life Savers, but also chairman of the American Broadcasting Co., which he bought in 1943 for \$8 million.



Prudential

It is an established scientific truth that for every action, there is a reaction. Sports offers a prime example.

Action: A game is invented.

Reaction: Somebody finds a way to make money from it.

Thus, the formation of the National Football League was assured in 1869 when Rutgers and Princeton engaged in a contest that was a distant relative of today's brand of football.

The game quickly caught on with other colleges and spread to athletic clubs that developed fierce rivalries. It wasn't long before established athletes were being imported for important games. In 1892, a fellow named William (Pudge) Heffelfinger was paid \$500 by the Allegheny Athletic Association to play in a game against the Pittsburgh Athletic Club and thereby became the first man known to have been paid openly to play football.

Heffelfinger earned his keep. He picked up a fumble and ran for the game's only touchdown.

By 1898, there was an outfit called the Morgan Athletic Club on Chicago's South Side. The organization later became the Chicago Normals, Racine (a Chicago street) Cardinals, Chicago Cardinals, and St. Louis Cardinals, the oldest continuing operation in professional football.

Within a couple of years, owners of baseball teams had got into the act. The Dreyfuss brothers, Temple and Barney of the Pittsburgh Pirates, and Connie Mack of the Philadelphia Athletics, formed football teams. Some players actually played both baseball and football.

By 1920, it was apparent something had to be done. Teams were loosely organized, players moved freely from one team to another and back again, there was no recruiting system, and everybody pretty much made his own rules.

Teams from five states met September 17 in Canton, Ohio, and formed the American Professional Football Association, forerunner of the National Football League, and chose as president Jim Thorpe, the immortal Carlisle Indian.

The first recorded player deal was completed that same year when Akron sent tackle Bob Nash to Buffalo for \$500 and five percent of the gate.

The first draft of college players was in 1936. Jay Berwanger of the University of Chicago, was the first pick by Philadelphia. The Eagles later traded negotiation rights to the Chicago Bears, and Berwanger never played a minute of pro ball.

Over the years, a number of efforts were made to establish rival leagues. All failed, however, until 1959. That year, the fourth organization to call itself the American Football League was formed. This league not only survived, but actually prospered until an agreement was reached in 1966 for a merger with the NFL. The agreement called for the two leagues to maintain separate schedules until 1970, but to begin playing a championship game in 1967.

Super Bowl I was played in Los Angeles in January, 1967, with the Green Bay Packers of the NFL defeating Kansas City of the AFL 35-10.

The AFL was able to claim its spot as an equal two years later when a quarterback named Joe Namath, possessed of bad knees and a howitzer-like arm, led the New York Jets over the Baltimore Colts 16-13.

The National Football League now is composed of the American and National conferences which are balanced enough so that any distinctions between the former rival leagues are virtually invisible.

"The company with the strength of Gibraltar" seems to have been around nearly as long as the rock itself.

In fact, the Prudential Insurance Company of America began in 1875 as the Prudential Friendly Society in a small basement office in Newark, N.J. The objective of founder John F. Dryden was to provide affordable insurance for the workingman.

Dryden, then in his late 30s, had been moved by the fact that life insurance was beyond the reach of a large portion of the population. Incomes generally were low and policy premiums were relatively high. There seemed to be no way for a common worker to provide even for his own burial.

There was in Great Britain a popular type of coverage called "industrial insurance." Premiums were as low as a few pennies a week and were collected each week by agents. Dryden saw this principle as one which would benefit a large number of Americans, including himself.

Not everyone was enthusiastic about the idea. Some argued that such cheap insurance would encourage parents to murder children to collect benefits.

Dryden was a determined man, however. He managed to interest Allen L. Bassett in his plan and the two agreed to seek financial backers. Bassett steered Dryden to Dr. Leslie D. Ward, a physician and pharmacist, who was a member of one of the leading families in Newark. Ward considered the idea asinine, but something about the intensity of Dryden's belief and the fervor of his presentation changed the doctor's mind.

Ward agreed to subscribe to \$1000 worth of stock and to attempt to enlist other investors. When \$6000 had been scraped together, the Prudential Friendly Society was formed, taking its name from a British company which had founded the concept of industrial insurance.

Toward the end of 1876, the company was carrying more than 7,000 policies, but was about to finish its first full year \$1,500 in the red. John Dryden went to England to talk with officials of the highly successful British Prudential and returned filled with new ideas and a conviction that his company had a future.

The company discontinued sickness insurance, changed its name to the Prudential Insurance Company of America and began to expand outside of Newark. John Dryden was elected president in 1881.

In 1885, the company took the great leap into ordinary life insurance at the suggestion of John B. Lunger. He argued that times were better and people were making more money and could afford to upgrade their insurance. He was right. Five years later, Prudential was selling 2,000 ordinary life policies a year.

In the 1890s, the company began to search for a symbol that would indicate its strength. A New York Advertising man named Mortimer Remington is credited with creating one of advertising's most famous slogans. On August 20, 1895, Leslie's Weekly carried a Prudential ad that featured a picture of the Rock of Gibraltar and the words, "The Prudential Has the Strength of Gibraltar." Today the trademark is the same but the theme is, "Get a Piece of the Rock".

John Dryden continued to head Prudential until his death in 1911 at the age of 72. Prudential is today a mutual insurance company, and as such does not have stockholders. It is the largest life insurance company in the world.

RCA

f David Sarnoff's biography had been written as fiction, no publisher would have touched it.

Sarnoff was born in 1891 in Uzlian, a place so remote it made the hamlet depicted in "Fiddler on the Roof" look like a bustling metropolis. David's father, determined to escape perpetual poverty, immigrated to the United States in 1896. It would be four years before he had accumulated enough money to send for his wife and three sons.

David's introduction to his new homeland was a jolt. The family quickly discovered it had traded one brand of poverty for another, and this new poverty came equipped with a foreign language. Strange surroundings, lack of money and his father's failing health forced David to become a man before he became a teenager.

The youngster's first job was selling Yiddish newspapers in the Hell's Kitchen area of New York, a section not noted for the gentility of its inhabitants. The job often involved staying a step ahead of mayhem.

This association with newspapers kindled a desire to write for them, and David was off to apply for a job at James Gordon Bennett's New York Herald. So intent was Sarnoff on his mission, that he blundered into the Commercial Cable Co., a telegraph office adjacent to the newspaper. When he left, he had a job as a messenger at \$5 a week and his career in communications was begun.

Sarnoff became a proficient telegraph key operator by practicing in his spare time. He later joined the Marconi Wireless Telegraph Co. The date — Sept. 30, 1906 — is important to RCA. It marked David Sarnoff's entry into the world of electronics.

The next six years were exciting ones for the young man. He became more polished as a telegrapher and worked as radio operator on several merchant ships. The importance of radio as a communications medium was not realized, however, until April 14, 1912, when the British ship Titanic went to the bottom of the Atlantic Ocean carrying more than 1,500 passengers with her.

The first news of the disaster reached none other than David Sarnoff, then manager of a radio station in Wanamaker's department store in New York. For three days and nights, Sarnoff was the only link with the tragedy.

By 1917, the Marconi Co. had consolidated a large portion of its activities into a new commercial department, and Sarnoff, then 25, was named as its head.

At the close of World War I, concern arose over the British-controlled Marconi Company's dominance in radio communications. On Oct. 17, 1919, The Radio Corporation of America was formed to take over the assets of the American Marconi Co. Sarnoff remained as commercial manager, although his influence within the company was far greater than his title suggested.

The company expanded rapidly. It was instrumental in the formation in 1926 of the National Broadcasting Co. In 1929, it acquired the Victor Talking Machine Co. and the General Electric and Westinghouse tube manufacturing business.

The following year, David Sarnoff, who had been vice president and general manager since 1922, was elected president just short of his 39th birthday anniversary. Ignoring to a large degree the virtual collapse of the world's economies, Sarnoff during the depths of the Great Depression authorized expenditure of \$50 million on television research. He later would spend \$130 million on color research before the first dime in revenues was realized.

David Sarnoff died in 1971, but not before he had seen the company that was formed to resist foreign influence itself become a multi-billion dollar international organization.

SLINKY®

One day in 1943, Richard T. James, an engineer at a Philadelphia shipyard, allowed a torsion spring to fall from a table. It landed on a row of books and didn't bounce or roll. It, well, slunk.

Slowly, the top coil moved to the next book, each coil following, then to the third book and across the row. James was fascinated, although he could not realize at that moment that he was looking at what would become Slinky, an internationally distributed toy that would make him and his family wealthy.

He knew, however, that he had something. He worked for two years to get the proper balance so the spring would walk down steps. James and his wife, Betty, who would take over the business after his death, tested the new toy on their own six children and their friends. Everybody loved it.

The Jameses knew absolutely nothing about marketing toys, but they decided to try anyway. They found a manufacturer and arranged for a demonstration counter at Gimbel's in Philadelphia. The new toy promoters were so uncertain the product would sell, they arranged for some of their friends to act as shills in case business was slow.

It wasn't. In spite of a day designed for aquatic birds, the entire stock of 400 Slinkies was sold in 90 minutes. The Jameses' friends never got close to the counter.

The folks at Gimbel's knew a good thing when they saw it and wanted all the Slinkies the Jameses could make. But, then, so did Macy's and Samberger's.

The entry into Macy's was a good-news, bad-news situation. The Slinkies were a huge hit, so huge, in fact, they had to be removed from the store because people were blocking aisles and creating a fire hazard.

Even after setting up their own small factory near Philadelphia, the Jameses still were relative babes in the woods. They made arrangements to display their new gadget at a toy show in New York — and forgot to take along any order forms. James Industries was prospering, however. One of the reasons was a willingness to listen to new ideas. A Seattle woman approached the Jameses with a suggestion to put Slinky in the middle of a dog's body. Thus was born the first of many Slinky toys.

Slinkies are not strictly for amusement. They have been used in therapy with persons suffering from paralysis, by at least one baseball team to improve finger dexterity and for demonstrations in physics classes.

Betty James was well prepared when it became necessary for her to take over the business. She was instrumental in getting Slinky on the market in the first place and it was her idea to paint the walking wire red and blue "because children like bright colors."

She also had an opportunity to explain things to the president of Pittsburgh Steel. Shortly before Christmas in 1947, her husband was seriously ill and a strike had cut off the supply of steel. Betty James calmly called the president of Pittsburgh Steel and told him he must be a very understanding man or he wouldn't have risen to such heights. She got her steel.



When United States Steel was incorporated in 1901, its authorized capitalization of \$1.4 billion was a staggering sum and made it the largest business enterprise ever launched.

A number of the nation's legendary businessmen of the day were involved during the formation of the company, including Andrew Carnegie, J.P. Morgan and Charles M. Schwab. But the principal architect of the company was one Elbert H. Gary, known as Judge Gary in recognition of his two terms on a county court in Illinois.

Several years before the company was founded, Judge Gary, then a successful Chicago lawyer, had outlined the concept of a modern integrated steel-producing company. He had been approached by the Illinois Steel Co., a J.P. Morgan interest, for counsel regarding its purchase of a small railroad.

What was needed, Judge Gary said, was not just a railroad, but a "rounded proposition," a steel company which could achieve maximum efficiency and a high volume of production through ownership and operation of all the facilities required for steel-making, including raw material sources, rail and water transportation facilities, coke ovens, blast furnaces, steel furnaces and finishing mills.

Judge Gary felt that such a company would have a two-fold impact. It would help provide the steel for a rapidly growing United States and would increase the nation's wealth and stature by strengthening its trade position. At the time, foreign steel markets were dominated by European steel producers whose international sales contributed substantially to the various countries' favorable trade balances.

Judge Gary helped to form the Federal Steel Co. in Chicago and served as its president. It quickly became the largest steel producer serving the West and Midwest.

The fully "rounded proposition" had to wait, however, until Andrew Carnegie was ready to sell his holdings in the Carnegie Steel Co. These were purchased by the Morgan group for more than \$492 million. The Carnegie Co. and Federal Steel became the nucleus of United States Steel.

Six other companies, primarily producers of products such as wire, tubes, or sheet steels were added along with American Bridge Co. and Lake Superior Consolidated Iron Mines. The "rounded proposition" was in place and Judge Gary was named chairman of the board, a position held until his death in 1927.

Over the years the proposition has become even more rounded than Judge Gary could dream. United States Steel's activities have steadily diversified to the extent that today it is not only engaged in producing and selling markets numerous other types of products and provides many services. United States Steel, in addition to being the nation's largest steel producer, operates a diversified group of other businesses. These include the fabrication and erection of steel structures; the production and marketing of various industrial and coal chemicals and agricultural chemicals, gas and oil field drilling and pumping equipment, cement, shipping containers, engineering and consulting services, real estate operations and financing activities.

United States Steel has extensive raw material reserves and is one of the world's largest mining companies, serving its own operations and developing commercial outlets for excess mineral and coal resources. The Corporation operates a Great Lakes fleet of vessels to transport raw materials for ultimate use at Corporation production locations. Other domestic transportation and utility services are provided by wholly-owned subsidiaries in the form of common carrier railroads, barge lines and gas utility companies. The Corporation also owns and operates ocean transportation companies which are engaged in the transportation of bulk materials.

As can be seen from the foregoing, success rarely comes cheaply or easily. Even Henry Ford and Milton Hershey failed the first time out. David Sarnoff was fired from his first communications job. Charles Goodyear never was a financial success and didn't even receive proper recognition until long after his death.

It is not surprising, then, that most would-be tycoons never make it past the thinking stage. Establishing a successful company or promoting an idea is, after all, hard work.

The American Free-Enterprise System, however, offers almost unlimited opportunity to those who are bold enough to take a chance and give their ideas room to work and succeed.

There may not be too many Thomas Edisons, who, it seems, invented nearly everything, but there certainly are other Henry Fords, or Milton Hersheys, or David Sarnoffs or W.K. Kelloggs who have workable ideas and the willingness to pursue those ideas until they become still other examples of the American Dream.

THE AMERICAN DREAM GAME

America—the land of opportunity. You can write your own success story if you have the courage and the determination to bring your ideas to life. It's not easy and you must take risks. But, as you'll see from this game, the rewards are great.

OBJECT:

Be the first player to make \$1,000,000.

CONTENTS:

4 Salary Recorders • 88 cards (1 blank) • 1 Rack • 84 Blue Stock Chips (7 ea. of 12 • 28 Orange Franchise Chips (7 ea. of 4) • 1 Gameboard • 1 "American Dream" Book • Play Money • 4 Pawns • 3 Dice.

TO SET-UP THE GAME:

1. Choose a pawn and place it on the space marked "Imagination."
2. Separate the cards and place them on the appropriate card spaces on the board. (Put half the "American Dream" cards on each space marked "American Dream.")
3. Select a banker. Then, separate the stock and franchise chips, place them in the rack with all of one company together, and set the rack by the banker.
4. Separate the money and place it in piles by the banker. The banker gives each player \$50,000 to start (two \$5,000 bills and four \$10,000 bills).
5. Each player also receives one Prudential card, one Experience card, and two American Dream cards.
6. Take a Salary Recorder and set your dial so that "\$10,000" appears in the window.
7. Roll one of the dice. High roller goes first; others follow in turn, clockwise.

TO PLAY:

1. On your turn, you may roll one, two, or three dice. Move your pawn the number of spaces showing on the dice in a clockwise direction around the board—you cannot move backward.
Note: You cannot move into the center of the board on your first turn.
2. There is no penalty for landing on another player or his property.
3. When you roll doubles, increase your salary by \$5,000. When you roll triples, up your salary by \$10,000. (Exception: When you roll doubles during a Stock Fight, do not increase your salary.)
Note: Be sure to increase your salary before you move your pawn. Then, when you collect your salary, it will include the increase.
As you pass "Imagination," you collect your "yearly" salary according to the amount showing in your salary recorder window. However, you decide to move up into the center of the board as you pass "Imagination," you forfeit your salary. But, if you land on "Imagination" by exact count, you can collect your salary. Then, on your next turn, you can move up into the center without penalty or you can continue around the board.
5. You can also enter the center of the board by using the "Credibility" and "Flexibility" paths. (See explanation later in the rules.)

6. You can use Experience cards to add to your dice roll or you can use only the cards to move. You can use more than one Experience card in your turn. But, you must add the cards together and move the total of the cards or the total of the dice and the cards.
For example: If you roll "6" and decide to play a "3" Experience card, then you must move 11 spaces in one move. You cannot stop after 8 spaces and then move 3 more spaces.

7. Make all your purchases after you move your pawn.
8. Be sure the preceding player has completed his turn before you begin your turn.
9. Once your salary reaches \$155,000, it stays at that level for the rest of the game.
10. The three paths containing the Great Ideas are one-way paths which can only be entered from "Imagination," "Credibility," or "Flexibility." The arrowheads at the ends of the paths show the direction you must move in when on the paths.

BOARD SPACES:

1. When you land on a space marked "Trap," you must draw a Trap card.
2. If the card is marked "Insurable," then you can play a Prudential card from your hand and cancel the Trap card. Place the cards on the bottom of the appropriate card piles.
3. If the card is "Insurable" but you don't have a Prudential card, then you must do what the card says. If you cannot pay the penalty immediately, then you must keep the card until you can pay it. You cannot buy anything until you pay the penalty. If you draw a Prudential card in a later turn, you cannot play it on your unpaid Trap card. When you pay the penalty, return the card to the bottom of the Trap deck.
4. If the card is "Not Insurable," then you must do what it says. You cannot play a Prudential card on it. If you cannot pay the penalty immediately, keep the card until you can pay it. You cannot purchase any stocks or franchises until it is paid.
5. All penalties are paid to the bank unless otherwise specified on the card.

Franchises (Kentucky Fried Chicken, NFL, Burger King, Holiday Inn)

1. When you land on a franchise, you may purchase one if you wish.
2. Pay \$30,000 to the bank, take a matching franchise chip, and increase your salary by \$10,000.
3. When you land on a franchise and you have an American Dream card that allows you to buy one franchise chip every turn, you can buy two franchise chips. This is the only time you can buy two franchises in the same turn.
Note: You can only buy one extra franchise or one extra stock in your turn, not both.
4. When you land on a company from which you have already purchased franchise chips, you receive a \$10,000 bonus for each of these previously purchased chips.
5. Franchises cannot be traded or sold.

1. There are 12 stock spaces on the board. When you land on a stock space you may purchase one stock chip of that company for \$10,000. You can buy another stock chip if you have an "American Dream" card that allows you to purchase one stock chip every turn. Note: You can only buy one extra stock or one extra franchise in your turn, not both.
2. When you land on a company from which you have already purchased stock chips, you receive a \$5,000 bonus for each of these previously purchased stocks.
3. If you own all seven stocks of a particular company, you receive a \$70,000 bonus (\$10,000 per stock) when you land on that company's stock space.
4. During your turn, you can resell your stock to the bank for \$5,000 per chip.

1. You receive \$5,000 for every stock chip that you own when you land on this space.

Blue Chip Dividend

1. Move your pawn to any stock space on the board.
2. When you move, you do not pass "Imagination" and thus cannot collect your salary.
3. You may purchase stock if you wish.

Stock Fight

1. When you land on one of these spaces, you may try to take stock chips from other players.
2. Choose a company that you own one or more stock chips in and challenge any or all players (who have stock in that company) to a stock fight as follows:
 - a. You roll two dice and your opponent rolls one.
 - b. In order to stop you, your opponent must equal or better the highest number rolled on one of your dice.
 - c. If your number is higher, then you take one of your opponent's stock chips (of the company named).
 - d. You may continue until all your opponent's stocks are gone.
 - e. Then, you can go on to another player who has stock in the same company and try to win his stock.
 - f. You can keep rolling until you lose. When you lose, you must give one stock chip to your opponent and your turn is over.

Patents and Copyrights

1. When you draw a Patent or Copyright card from the American Dream deck, keep the card face down until you land on the appropriate office space (Patent Office, Copyright Office).
2. First, turn the card face up and collect the royalty indicated on the card.
3. Every time you land on the appropriate office space for the rest of the game, you collect the same royalty.
4. There are duplicate cards in the American Dream deck for each patent and copyright. The first player to reach the Office gets to collect the royalties. The duplicate card becomes void. (Exception: See Stolen cards.)

Great Ideas

1. When you draw a Great Idea card from the American Dream deck, keep the card face down until you land on the matching space in the center of the board.
2. When you land on the space, turn your card face up and collect the royalty indicated on the card.
3. You only collect your royalty payment once with Great Ideas.
4. There are duplicate cards for each Great Idea. The first player to reach the space that matches his card gets to collect the royalty and the other card becomes void. (Exception: See Stolen cards.)

Stolen Cards

1. You can play a Stolen card out of turn to prevent another player from collecting the royalty on a Patent, Copyright, or Great Idea (depending on the card).
2. As soon as the other player reveals his card, you may play a Stolen card on it.
3. Both cards are then removed from play and neither you nor your opponent get any money.
4. The duplicate card now becomes effective. If your opponent has the duplicate card, then he can play it when his first card is "stolen" and still collect the royalty.

Credibility and Flexibility

1. These paths can only be used if you meet the necessary qualifications:
 - A. Credibility can be used only after you have claimed a Patent, Copyright, or Great Idea.
 - B. Flexibility can be used only when your yearly salary is \$100,000 or more.
2. These paths can be used to enter or leave the center of the board.
3. These paths do not count as spaces so you may continue your move after using them.
4. When using these paths you cannot move back and forth in the same turn.

Arrowheads

1. The arrowheads which say "Take an Experience card" at the ends of the paths leading from "Decision" do not count as spaces.
2. When you pass them, take an Experience card (as a bonus for passing through the center of the board) and continue on your move.

American Express

1. When you land on this square, you can move to any space on the board and take advantage of its benefits.
2. If you pass "Imagination" during this move, you cannot collect your salary.

TO WIN:

During your turn, when you think you have collected one million dollars or more, announce your win. You must then count your money. (You can sell your stock now if you wish.) If you don't have \$1,000,000, then the game continues to the next player.
If you have \$1,000,000 or more, then you win the game.
(Note: Even if another player has more money than you, you still win because the other player did not declare a win during his turn.)