

THE GENERAL FOODS YEARS

When Henry Whiting died in 1926, he was succeeded as president of Diamond Crystal by the company founder's son, Fred W. Moore. Where his father, Charles F. Moore, had been an administrator and salesman, Fred Moore was more oriented toward production. He had started out working summers as a laborer and in eight years had worked his way up through virtually every department to become plant superintendent. Moore had a love of the water and of boating. He also had a love of machines and could often be found on the floor of the factory checking operations. One of his remembered mottos was: "When maintenance has nothing to do, things are going well."

With an eye to expanding production, one of the moves that Fred Moore made was the purchase in 1927 of a rock salt mine at Lyons, Kansas. Until that time, Diamond Crystal did not offer a line of rock salt products. The Kansas mine was operated for eleven years, but a lack of steady water supplies and transportation difficulties finally spelled an end to the venture. However, the Kansas operations proved an unusual public relations tool: the mine received national publicity for parties and other events held underground in its spacious salt caverns.

After over forty years of operation, though, the administrative and ownership structure of Diamond Crystal was proving worrisome. With the deaths of his brother, Reuben, and of Henry Whiting and others, Fred Moore was faced with the knowledge that many family members, relatives, and other survivors of the Diamond

Crystal pioneers were depending on the company for their sole means of support. In addition to his own family, there were four widows and their families, as well as unmarried sisters and cousins—all dependent on the company.

Diamond Crystal had become one of the largest and most respected salt companies in the country, but it still was a one-product company in an age that was seeing the formation of large, diversified companies with wider product lines. An alliance with such a company could mean both an infusion of money and expertise to keep pace with the competition in the salt business and an opportunity to free up some of the family's money for investments in wider interests.

With the goals of strengthening the company, preserving and increasing employment, and diversifying family holdings, Moore began looking for a large, compatible company to merge with. The growing General Foods Corporation, a major Diamond Crystal customer, had already expressed an interest in adding salt to its product line. So, on August 15, 1929, Diamond Crystal joined such consumer stalwarts as Jell-O, Post Toasties, Swans Down, Maxwell House, and Log Cabin as part of the General Foods Corporation.

The timing of the deal could not have been worse, though. Part of the sale price was 100,000 shares of General Foods common stock, which was selling at between \$70 and \$75 a share when the deal was made. By the time the stock transfers were completed, the stock market had crashed and the Great Depression had



The Shaker Girl appeared on the front of Diamond Crystal labels until 1950.

begun. The price of General Foods stock had sunk to \$45 a share. However, the money from the sale, which was put into the Moore Investment Company, was enough to guarantee the security that Fred Moore had sought for his family.

The new Diamond Crystal Salt Division was a different venture from other General Foods operations. Most of the conglomerate's products were oriented toward sales through grocery store outlets. Charles D. Cronenworth, immediate past president of Diamond Crystal, recalls that "They seemed to feel that even though a family requires two or three packages of salt a year, that they could get them to buy a dozen. It was not only a matter of trying to take business away from a competitor, but of trying to get people to eat more salt, just as you would approach trying to sell more Jell-O or breakfast cereal."

General Foods continued with Diamond Crystal's emphasis on quality and customer service, but it had a hard time getting a grasp on the other aspects of the salt business. "Evidently there is more than science in salt-making," one corporate executive admitted. When one considers that there are some 14,000 non-dietary uses for salt, it is not difficult to understand how a large, consumer-oriented food processing company might have trouble with the peculiarities of the salt industry.

Although the Depression probably contributed its share to the problem, under General Foods, Diamond Crystal lost money the first year and by 1935 was losing \$500,000 a year. Charles Moore was later to recall that the company made a lot of salt but didn't make a lot of money.

The problems of adapting to the salt business finally prompted General Foods to turn to Fred Moore for help. He was named general manager of Diamond Crystal and given more autonomy to make production, capital improvements, and marketing decisions. With General Foods providing the resources and money, and Moore and others providing the expertise, matters gradually

improved. This experiment in decentralization was later the example followed throughout the General Foods organization.

Fred Moore moved to chairman of the board in 1941 and was succeeded as president by Robert M. Farr, who had worked as secretary-treasurer from 1927 to 1930 and as assistant general manager under Moore. Farr was followed in 1946 by former sales manager J.J. "Jerry" LeClare, who had made Diamond Crystal Shaker Salt the leader in the New York market as early as 1919.

Diamond Crystal's two consumer products which had initially attracted General Foods were the Kosher Salt, which had the lion's share of the New York and other eastern markets, and Shaker Salt, with its well-known red box featuring the picture of the old-fashioned Shaker girl. The company offered iodized salt as part of a government health push to prevent goiter in areas where the water supplies and normal diet had insufficient iodine content. Salt was also marketed for use in agriculture and industry.

While profits left much to be desired, the General Foods years brought a number of positive changes to Diamond Crystal. The most lasting benefits were administrative. "There were a lot of pluses for the years we spent with General Foods," recalled Cronenworth. "They were very structured on job evaluation, management appraisal, uniform salary policies, accounting, marketing, and the whole area of safety. They were particularly strong on quality and customer service. Our time with General Foods was a broad, extensive seminar on how to run a company: it was a learning experience that helped us to carry on as an independent company."

Under the decentralized management policy General Foods had instituted, Fred Moore and others continued to make plant and product improvements. New fuel economies allowed the company to make seventeen to eighteen barrels of salt per ton of coal, compared with ten to twelve previously. New methods for brine purification were developed, and a "centrifugal flasher" was



(Left) Fred W. Moore, son of founder Charles F. Moore, was the third president of Diamond Crystal Salt Company.

(Below) The one-millionth case of Shaker Salt. From left, Bert Collins, Les Pridgeon, Fred W. Moore, Herb Cleaves, Herman Raechoff, Bob Farr, and J.J. LeClare.



COLONIAL SALT

Diamond Crystal was fifteen years old when Colonial Salt first started operations in a small town near Akron, Ohio. Some forty-four years after its founding, Colonial was purchased by General Foods and combined with Diamond Crystal to form the Diamond Crystal-Colonial Salt Division. That division was later purchased from General Foods by the Moore family and became a cornerstone of the newly independent Diamond Crystal Salt Company.

Colonial was the brainchild of Louis H. Severance, a Cleveland industrialist who was a friend of the Rockefeller clan and a former treasurer of Standard Oil of Ohio. Severance asked his son John to head the salt enterprise and recruited three men with experience in the salt business to run operations. The three, Elmer C. Turner, Frank F. King, and James Shaw, chose a site in the small town of Halo, Ohio (now a suburb of Akron) because of its nearness to coal fields, water, and direct routes to markets in the East. Halo also had access to Cleveland, the Great Lakes, and the eastern seaboard along the Ohio Canal. Best of all, the town was right over the Ohio salt fields.

Colonial began producing salt in 1901. The company owned five

acres of land and had five salt wells in operation to supply fourteen grainer pans and a double-effect vacuum pan. The plant employed between 200 and 225 employees. One of the earliest Colonial products was Log Cabin table salt, which was sold in a square carton with a pouring hole in one corner.

During Colonial's early years, the Erie Railroad became an important link both for shipping the company's products and for bringing in the immigrant workers from eastern cities. These new Americans, once they had found work at Colonial or other Akron area concerns, would send for their relatives in the Old Country. At Akron, employers and company officials often would help prepare the necessary affidavits to sponsor the immigration of employees' families. The new employees repaid the opportunities offered them with hard work.

For many years, salt at Colonial and other plants was packed in cloth sacks of various sizes. Smaller sacks were called "pockets" and were placed inside barrels for shipping. Colonial was one of the few plants that made its own bags, handstitching them from material bought by the yard. The bags ranged in size from one to fifteen pounds, and later even 100-

pound bags were handstitched.

Although the company had some problems during World War I, it survived to become one of the largest single-plant salt producers in the country. Its marketing territory covered the eastern half of the United States and penetrated as far west as Montana. Among its product innovations was a 70-pound bag of "kiln-dried" Special Farmers' Salt, a butter salt that was rendered exceptionally clean by the use of magnets.

The company weathered the Depression fairly well, but the economic strain had taken its toll on the plant and facilities. In 1948, three years after being acquired by General Foods, a \$3 million modernization program was undertaken, including the installation of the important Alberger process.

In the years since joining the independent Diamond Crystal family, the Akron plant improvements have been numerous, including installations in processing, packaging, warehousing, and power generation. By 1961, the Akron facility had twelve wells, 215 employees, a daily production of 700 tons, and a payroll of \$1.2 million. In 1985, a \$2 million vacuum pan replacement was installed which improved production efficiency and expanded evaporated salt capacity by 10%.



Loading salt into barrels, Akron, circa 1913.

installed to eliminate salt build-up in the Alberger process and thus save an hour's production time each day. A new vacuum pan building and a "triple-effect" vacuum pan operating on the exhaust steam from the Alberger systems were constructed in the mid 1930s.

As a welcome to the new member of the corporate family, General Foods devoted most of the March, 1930 issue of its *General Foods Magazine* to Diamond Crystal. In a feature entitled "What Sort of a Girl is the Modern Business Girl," Diamond Crystal employees Bertha Zweng and Amanda Heythaler were touted as "typifying the new generation of womanhood in business," although it never mentioned what they did for a living.

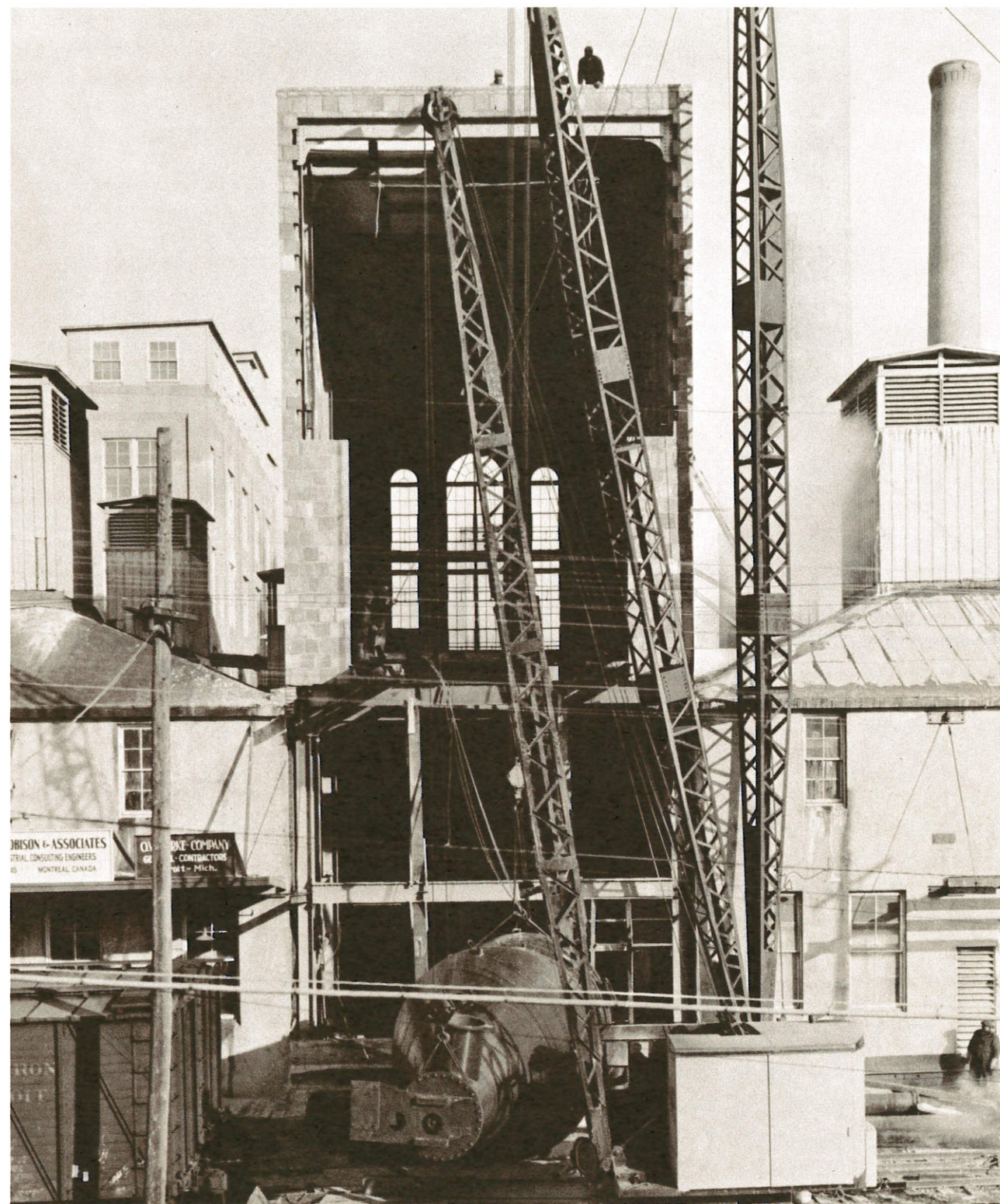
Another General Foods publication made a more concrete point: "Salt is a very heavy, bulky product which sells at a very low price. The expense of shipping it by freight is a large part of its total cost to the consumer. In some sections of the country, remote from the plant, freight charges are so high that Diamond Crystal cannot be priced competitively with salt produced closer to the market. That is the reason why Diamond Crystal, a leader in many markets, is not generally available in

all parts of the country."

To a degree these problems hold true today. In 1945 distribution and transportation problems were eased when General Foods purchased Colonial Salt of Akron, Ohio, and promptly installed an Alberger salt production facility. The Colonial plant was closer to some markets and offered substantial freight-rate savings, along with increased production capacity.

General Foods' emphasis on marketing was backed by many memorable advertising campaigns. In the 1940s singer Kate Smith advertised Diamond Crystal's Shaker and Kosher salts on the radio. But a change was coming in the salt industry. The consumer household had not constituted a large percentage of the market for salt for years; it was to become an even smaller percentage of the total salt market. The divergence between Diamond Crystal's marketing philosophy and its adopted parent company, General Foods, would become wider and wider.

In the early 1940s, a workman at the Diamond Crystal plant could flip a switch to start fourteen varieties of salt flowing from the storage bins. Advertising claimed that there were some 14,000 uses for the 8,000,000 tons



of salt produced in the United States at that time. Though salt would still be used in the home and would continue to have strong markets in the food processing industries, there would be even more growth in areas such as water softening, the chemical industry, and the fast food and convenience foods industries.

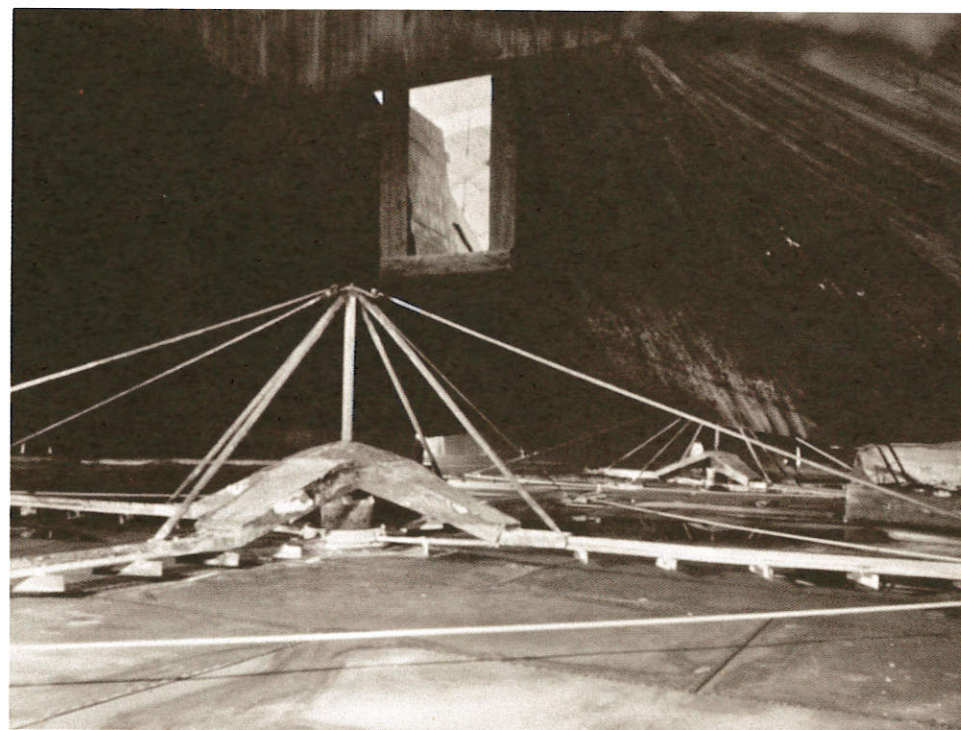
Shifts in the industry were not ignored by Diamond Crystal. Between 1946 and 1950, the Diamond Crystal-Colonial Salt Division introduced to the market four new products: trace-mineralized salt for animal feeding, salt nuggets for water conditioning, anti-oxidant salt for maintaining the quality of high-fat products, and individual service, portion-controlled, salt and pepper packets. The older lines, however, were not forgotten. In 1950, a new Shaker Girl in more modern dress replaced the old design on salt cans, and the back of the container was used for product information instead of a second picture of the company trademark.

Packaging for bulk quantities of salt was changing also. The familiar salt barrels had been in use prior to

and through most of World War II, but the use of cotton and burlap bags was introduced just before the War. Cotton bags did not require a paper liner unless they were packed with fine salt. Burlap bags required paper liners because of the coarseness of the fabric, except when they were used to hold coarse grainer salt.

The cloth bags were popular and put to many creative re-uses, but a number of customers would return them to Diamond Crystal for refilling. Plant personnel would turn these recycled bags inside out and air clean them before refilling. Shortly after World War II, the cotton and burlap bags gave way to the full paper sack, and Diamond Crystal was the first salt company to introduce paper bags into the salt industry. Some customers, however, continued to order the cotton sacks for several years after the war.

These changes, however, were nothing compared to the changes in store for Diamond Crystal only three years later.



(Far left) A new vacuum pan installation at St. Clair, 1935.

(Left) An Alberger figure-eight evaporating pan, as seen from the inside.

THE USES OF SALT

The salt shaker on a kitchen or dining room table holds a substance upon which human life depends. Without salt, there would be no blood, sweat, and tears—and food wouldn't taste as good, either.

However, only a small amount, about 5%, of the salt produced today finds its way into salt shakers. The rest is used to make everything from cheese to explosives. Most of the many uses for salt have come about only relatively recently.

At first salt was used primarily as a flavor enhancer and human nutrient and to preserve food. However, salt's properties as a chemical agent were recognized even before the industrial revolution. The scientific and industrial revolutions extended the uses of salt far beyond what early salt traders could have imagined.

The dietary need for salt by humans certainly has not changed over the centuries. How we satisfy our salt needs has changed: much of the salt consumed today is in prepared foods, canned foods, and fast foods. Salt is used in making bread, butter, and cheese as well as in candy, cakes, and beverages. That is not to say that home use of salt is limited to foods. In winter we clear our porches and walks with salt. Salt is used in home water softeners and in the saline eye solutions kept on the bathroom

shelves of contact lens wearers. Doctors tell us to gargle with warm salt water to alleviate sore throats.

Home use of salt, extensive though it may be, accounts for only a small percentage of salt usage today. Salt is the most widely used raw mineral in industry. (It is followed by sulfur, limestone, coal, and petroleum.) There are an estimated 14,000 uses for non-dietary salt. Sodium chloride is used in making metal, ceramics, and leather. It is the basis for chlorine bleach and baking soda. It is an excellent refrigerant in solution, and it is essential to the dyeing of textiles. Salt is used in the manufacture of herbicides, fungicides, and insecticides. Salt, or its separated components of sodium and chlorine, can be found in cosmetics, rocket fuels, paints, pharmaceuticals, dyes, adhesives, and batteries. Nuclear reactors are often cooled with liquid sodium, and chlorine, made from salt, was used to bleach the paper this book is printed on.

Not only has science discovered thousands of uses for salt, itself, but it also has found that salt's properties make it one of the best agents for introducing certain nutrients into human and animal diets. In areas with water supplies and normal diet lacking iodine, iodized salt was introduced to pre-

vent simple goiters caused by the iodine deficiency. Cattle get trace minerals and parasite preventatives in their salt supplies. In 1959 Diamond Crystal introduced its Enriched Bakers Salt to guarantee proper distribution and dosage of the vitamins which government standards require for enriched breads and rolls.

Finally, after the salt has been mined and processed, there are uses even for the salt voids left underground. Salt formations have been considered for storage of nuclear wastes, because these formations are dry and plastic enough to resist earthquakes. A mine once owned by Diamond Crystal in Kansas is now used to store everything from fur coats to old MGM films in an almost ideal preservative environment. Diamond Crystal is also working with public utilities in Michigan on a project designed to use cavities formed from hydraulic salt mining to store liquid petroleum gas.

Even a brief exploration shows that the value of salt goes far beyond its use at the dinner table. It won't do what alchemists from the Middle Ages hoped it would do—help change lead into gold—but it is essential for many, many things we take for granted; we would find life without it impossible.



(Above) A delivery truck promoting the Diamond Crystal line.

(Left) The Diamond Crystal bowling team, 1950. Front row: Josephine George, Thresa Mireau, Catherine O'Grady, Dorine Mireau, Vera McCormick. Back row: M. J. Gearing, Clyde Springborn, Ed. Alleman, Carl Richter, Albert Schroeder, Clinton Sharrow, H. E. Rankin.