

More dots to connect... (Continued #4)

Larkin Premiums - The Larger Picture

When the company was created by John D. Larkin in 1875, it was limited to the manufacture of soap, specifically, a laundry soap bar called "Sweet Home Soap." It was sold to retail outlets for resale, to consumers door-to-door and salesmen working directly for L.S.C. also sold to households. By 1905 L.S.C. had diversified its manufacturing to making 116 different products including soaps, shampoos, talcum powders, jellies, peanut butter, chocolate, coconut and soups. By 1912, the L.S.C. catalog offered 550 products. The company had branches in New York City, Boston, Philadelphia, Pittsburgh, Cleveland, Chicago and Peoria. Buffalo remained its headquarters and primary manufacturing complex.



In the early 1880's, L.S.C. began to enclose with orders of products, 8"x 9½" chromo cards bearing pictures of animals, children and other pleasant subjects. They were quite collectible and highly popular. Sales, of course, were boosted.

Marketing, of course, had to change for such volume and diversity. By 1885, Elbert Hubbard (John D. Larkin's brother-in-law and future founder of the Roycroft movement), had changed roles from being one of the door-to-door salesman, to becoming a one-third partner and secretary/treasurer of the company. The L.S.C. adopted the motto: "The Larkin Idea: Factory to Family, Save all Cost that Adds no Value." Hubbard promoted the idea of selling directly to the consumers via catalog sales (about the same time that

Sears began catalog sales). The retailer, wholesaler, traveling salesmen and brokers, i.e., all middlemen, were eliminated. The savings realized by L.S.C. was largely passed on to consumers by offering premiums based on the amount spent. The concept of consumers forming "Larkin Clubs" and "Larkin Pantry Parties" grew after some clever customers bought products collectively in order to qualify for more expensive premiums. The members took turns keeping each month's premium entitlement. The concept was highly successful, with premiums also becoming very diversified.

In 1891 L.S.C. ordered its first huge supply of premiums - a piano lamp. The order was \$40,000 worth that year, delivered at the rate of \$4,000 per week. Within a year, L.S.C. had ordered 80,000 oak Morris chairs and 125,000 solid oak dining room chairs.

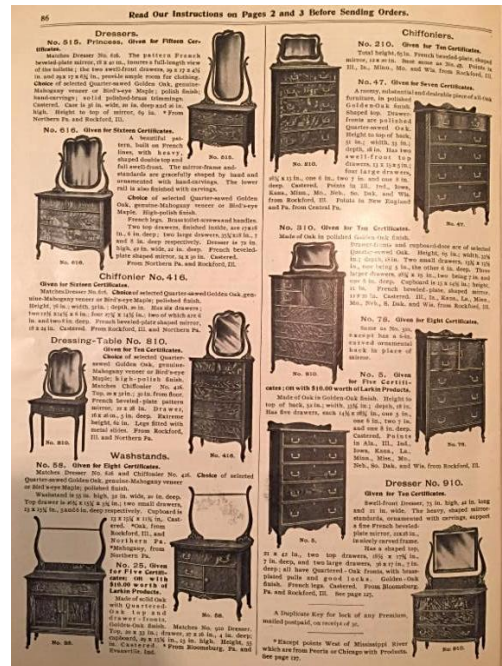


But it was the offering in 1892 of the oak "Chautauqua desk" that really created an explosion of sales. The desk stood 5 feet high, was 2 ½ feet wide and 10 inches deep, with a drop-down desk surface, three book shelves, a top shelf for knick-knacks, seven pigeon-holes for papers and compartments for letter paper. By 1893 L.S.C. permitted purchase of the desk directly in addition to its continuing availability as a premium. Sales of the desk amount to \$15,425 in 1894 and peaked at \$80,635 in 1899. Daniel Larkin, a grandson and biographer of John D. Larkin, reported that on one day alone in February, 1900, 2036 desks were sold. The 1901 L.S.C. publication, *The Larkin Idea*, reported that 400,000 Chautauqua desks had already been sent to customers. Over the years nine different versions of the desk were offered. It remained a catalog item till 1920, averaging an annual gross profit for L.S.C. of \$87,378.



Premiums included many other pieces of oak and other wood furniture, including mission, parlor, colonial or art nouveau styled chairs and settees; wardrobes, bed frames, dressers, wash stands, dressing tables and medicine cabinets. Laundry washers, wringers, wash-boilers, ironing boards, flat irons, carpet sweepers, cook stoves, room heaters, cookware, carpets, cutlery, lamps, Seth Thomas watches, even a grand piano appeared in L.S.C.'s catalogs. The list is nearly endless. The 1926 catalog lists many categories of premiums available, each category containing numerous items totaling over 1500 items. Quality was always a priority; the ability of L.S.C. to provide these items was because of bulk buying by L.S.C. or

because it was able to manufacture the item itself or through one of its subsidiaries. In addition to the Buffalo Pottery Co., L.S.C. owned a furniture making company, I believe located in Jamestown. It also purchased land at Seneca and Fillmore Streets, originally intended to be the site of Buffalo Pottery. When Larkin decided the land was too small, he erected a building that became Larkin subsidiary, Buffalo Leather Company, to make leather premiums. Many different manufacturers were involved but 15 of them specialized in only one item, all of which was bought by L.S.C. According to the 1912 catalog, "These factories are in each instance wisely located where supremacy in the particular line of work of each has been attained."





Premiums were shipped with the products purchased by a consumer whenever possible, but larger items, like pieces of furniture, were shipped from the manufacturer directly to the consumer. "Thus, by this co-operative policy we are able to save consumers all cost that adds no value to the goods by avoiding unnecessarily handling and transporting the same goods twice, often in opposite directions, moving them instead, in a direct line only." (1912 catalog).

As a footnote, obviously the U.S. Postal Service had a major role in this "factory-to-family" system. Catalogs, fliers, payments, shipments - all were handled by them. The customer mailing list alone was over one million! The volume of mail was so great, that a post office branch was established in our building!



~ From the Desk of Sharon Osgood