

CELEBRATION OF WOMEN IN MARCH: THE LARKIN SECRETARIES

The Month of March has been designated in our country as “Women’s History Month.” What better time to take a look at the extraordinary women known as Larkin Secretaries, who largely accounted for the success of the Larkin Soap Co. (LSC). Larkin Secretaries were women who held parties in their homes where guests selected products from either a “Combination box” containing many products, or ordered from Larkin catalogs. Each month the same women attended and they took turns receiving the premium certificates based on the cost of the purchased products for the group. PHOTO 1

It is often said that Elbert Hubbard, considered to be a marketing genius, originated the Larkin Secretary concept, but in fact, though he did conceive of the idea of selling products by mail order, thereby eliminating salesmen and other intermediaries, and also the idea of giving certificates which could be used to acquire premiums (much like the old Green Stamp program), the idea of Larkin Secretaries was not his. Mildred Schlei, in her Master’s thesis as a graduate student at the University of Buffalo in 1932, sets the record straight.

Her extensive research about the LSC included not only thorough research of company records, Larkin publications, and other industry periodicals such as “Printer’s Ink”, but also many hours of interviews with LSC officers such as John Larkin, Jr. and Crate Larkin, various department heads and employees including clerical staff. She also was able to inspect the facilities. Her thesis is an invaluable window into the early history and the then present operations of this huge company.

According to Schlei, the idea that developed into the Larkin Secretary program was originated in 1890 by a customer from Pennsylvania whose identity was long lost even in 1932. She had sent an order for a Combination Box of products along with a letter saying she had formed a club of ten housewives, each of whom had paid one dollar a month for ten months to participate in dividing up the products received in a Combination Box each month, and who also then was entitled to a premium worth ten dollars. It was essentially an installment plan, but had succeeded in creating enthusiasm for the Larkin products and premiums as well as created opportunity for social gatherings. PHOTO 2

The LSC recognized the plan as an excellent marketing device, and proceeded to send letters to its customers throughout the United States describing the Plan. Clubs were created all over the country. The host of each was called “Larkin Secretary.” (LS) Schlei concluded that at the time of her thesis, the Plan “was and still remains the heart of distribution in the mail order business and has been one of the biggest factors in the success of the company.”

She further noted that the Secretaries were free to adapt clubs as they deemed helpful. For instance, clubs could be as small as 5 members or as large as 20. A Larkin Secretary could also run more than one club. They could enhance the club meeting by

holding it with a dinner, lunch or tea. Some combined the event with a card party. Summer picnics sometimes were held with more than one club participating. Said Schlei, "The Club idea appeals to the gregarious instinct of the people and meetings are usually enjoyable events."

Changes were made in how the clubs operated from time to time, for instance, rewarding a Secretary with cash or some cash along with premiums over and above her share as a member of the Club, and rewards for Secretaries and members were often given if an order was accompanied by payment, obviating the necessity of having to bill after delivery.

The duties of the Secretary included preparing the Order and remitting the payment. She had to manage the accounts for each member, confirming that products ordered had been received by the Secretary and delivered to the member. She was to make sure that all transactions were satisfactory to the members. "Patience, tact and promptness are the desired qualities in a Secretary, together with accuracy and fairness." Three distinctive features of the Clubs was that they were cooperative, social and profitable. Business and friendship were to be nicely blended.

Schlei noted that her research revealed that the LS Clubs had been and still were, as of 1932, very popular and were a paramount factor in the "Factory to Family" method of selling.

Subsequent to the initial letter sent to customers in 1890, LSC began aggressive marketing of this unique Plan. Initially it was accomplished by means of circulars, comic pictures and placards. Information about how to organize a Club was included in mailings and orders. Soon LSC was advertising the program in women's periodicals such as "Ladies Home Journal," "McCall's," "Women's Home Companion" and "Needlecraft." PHOTO 3

Marketing the Plan was targeted at the middle class where cash was scarce and a commodity premium would have special appeal. Housewives in small towns along with farmers were more susceptible to the Plan than were residents of urban areas.

Enthusiasm for the Clubs was infectious. Not only did individual Clubs have social events, but they began to have joint events with other Clubs and even organized Larkin Secretaries' Associations. {"LSA"} The clubs not only shared information with each other to boost sales, they held large events such as the Victory Club Day Picnic of the LSA to be held on July 31, 1919 in Merry Mount Park in Wollaston, Mass. as reflected on a post card contributed to the Larkin Gallery by Patrick Mahoney. PHOTO 4

Beginning in 1901, LSC began publishing a periodical specifically for the LS's, "The Larkin Idea." It was available to all customers and featured highly informative articles about Larkin products, including sources of ingredients, manufacturing techniques and details about premiums. It included news from the Clubs across the country as well as suggestions for social activities. LSC also, as early as 1912, scheduled regional

Conferences of Secretaries around the country where they met in groups to hear about and see new products. Shane Stephenson in his "Images of America: the Larkin Company," published last year, includes a photo of "Major Secretaries," unveiling a new district sales plan created in 1923 in response to a loss of income in 1920. Experienced LS's were promoted "to teach and aid other LS's to accomplish greater Larkin Achievements."

As an inducement to LS's to keep their clubs active, around that same time, LSC created a program which they called, "Let's Go to Buffalo," rewarding LS's who met certain sales goals with all expense paid trips to Buffalo. Once here they were given docent led tours of the manufacturing complex, attended talks by an LSC officer like John Larkin, Jr., J. Crate Larkin and Harold Esty, inspected new products and premiums, posed for photos, took bus and/or boat trips to Niagara Falls (Canada and US), visited sites in Buffalo and the Roycroft Campus and savored sumptuous food at Hotel Statler, the General Brock and other restaurants. All LS's received at least a ribbon and medal and some received medals for volume of sales. All left for home baring a silver demitasse spoon made for the LSC as a souvenir of their visit.

The Feb, 1929 issue of "The Larkin Idea" announced a trip to Washington, D.C. to give LS's a change of venue for those continuing successful Secretaries who had previously visited Buffalo. PHOTO 5

So how many Larkin Secretaries were there? The number astounded me when I saw it in Shane Stephenson's book. His book includes a map of the U.S. reflecting the number of LS's in each state in 1925. His commentary states that in 1920 the LSC had 90,000 LS's in the country! But by 1925, there were only 56,943!! Despite all the jubilation of celebrating the company's 50th anniversary that year, undoubtedly John D. Larkin (JDL) must have been deeply troubled by the failure of his company to climb out of the slump it had experienced in 1920. He died in February, 1926, so fortunately he did not have to witness the company's demise. PHOTO 6

Daniel Larkin, grandson and biographer of JDL, in his Epilogue, talks about the demise of the LSC, observing that it was a wonder that LSC survived as long as it did. It managed to keep going despite the stock market crash of 1929, largely because of initiating new marketing technics such as introducing Home Craft Stores, the Larkin Market on Seneca Street and a bakery. The R,S & T Building became a government bonded warehouse. But Dan Larkin credits the LS's for enabling the LSC to survive as long as it did. He says, "There is no question but that one of the strongest reasons for this survival was the backlog of good will that the company had built up over the years. Throughout the country, wherever there was a Larkin Secretary running a Larkin Club, there was great loyalty and an unshakeable belief in the integrity of the company, its management and its products."

But it was to be all downhill after 1930. On December 31, 1931 LSC paid its last dividend. Dan says that in 1932, LSC lost over \$1 million dollars and over the next five years, the losses were between five and eight hundred thousand dollars per year. In 1938,

on advice of financial consultants, the company divided up into several different corporations as it tried desperately to meet all its obligations and somehow survive without having to file bankruptcy nor leave its creditors unpaid.

That the situation was heartbreaking hits home hard when one reads two letters written by then President of LSC, son of JDL, Harry H. Larkin, to the Larkin Secretaries on April 1, 1941. Harry acknowledged that over the previous several months, LSC had been having difficulty getting products and shipping them to fill orders. He announced that a new corporation had been formed, the Larkin Store Corp., the control of which would remain in the Larkin family and which would be taking over the mail order business. The company was going to replace the premium program and pay cash commissions instead. Existing unfilled orders would be filled as the company was able to procure the money to acquire the product and/or premium. Similarly, previously issued certificates for premiums would be honored as soon as the company had the funds. He urged the LS's to essentially, "hang in there," assuring them that LSC intended to fulfill every order including new ones. He urged them to continue the Clubs and assured them that a new catalog would soon come out, obviously with products and premiums purchased by LSC rather than manufactured by it. (These letters were provided to me by Larkin expert, Jerry Puma.)

In the Introduction to Dan Larkin's "Geneology of the Descendants of John Durrant Larkin and Frances Hubbard Larkin," Dan reports that "the last order was shipped by Larkin Co., Inc. from its home in the Larkin Warehouse (R,S&T Bldg) on Jan. 26, 1962, to Mrs. Marie Miles of Philadelphia." By then, the company was a fraction of what it had been, but every order had been filled and every creditor had been paid. Again, he attributes the ability of the company to last another 20 years subsequent to Harry's letter, to the "vast reservoir of good will and the reputation for integrity that the company had built up over the years. Perhaps this loyalty and affection for what the Larkin name had come to mean was the greatest tribute of all to John D, Larkin and his achievement."

So in March, 2019, we salute the ladies of Larkin, the Larkin Secretaries for their role in this extraordinary story.