

Companies

Challenge 2: A Third Company

Do you know what these are? Have you ever tried one? Did you like it?



Tootsie Roll Industries

In 1896, Austrian immigrant, Leo Hirshfield introduced New Yorkers to an individually wrapped, chewy, chocolate candy affectionately named after his daughter, Clara (whose nickname was “Tootsie”). The “Tootsie Roll” was an instant hit. They sold for a penny a piece and helped prepare Hirshfield’s candy store for its evolution into today’s multinational corporation: Tootsie Roll Industries.

Based in Chicago, Tootsie Roll Industries began selling its stock in 1922. Back then, it was known as the Sweets Company of America. Shortly after going public, it introduced the Tootsie Pop to the general public. The company would not become known as Tootsie Roll Industries until 1966. In the years following their name change the company would expand internationally into Asia, Canada and Mexico. In the late 1980’s and

1990’s Tootsie Roll Industries would acquire other candy making companies. For example in 1988 they acquired Charms, makers of Charms Blow Pops.

In addition to Tootsie Rolls and Charms Blow Pops, Tootsie Roll Industries also produces many other easily recognizable candies like Junior Mints, Dubble Bubble gum, Sugar Daddies, Charleston Chews, and Razzles.

In 2006 Forbes magazine listed Tootsie Roll Industries among 200 of America’s Best Small Companies. It has operations throughout the US and 75 distribution channels worldwide. On its Web site, the company credits its success to the combination of “a family-run corporate culture with a progressive management style that embraces an entrepreneurial spirit.”



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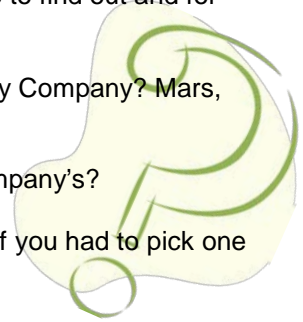


Web Sites

Tootsie Roll Industries - <http://www.tootsie.com/>

Discuss

1. Have you tried any of the other candies made by Tootsie Roll Industries? Did you like them? If you don't know what other candies Tootsie Roll Industries makes, visit their website to find out and for more information about the company.
2. How is the story of Tootsie Roll Industries the same as the story of The Hershey Company? Mars, Incorporated?
3. Whose candies do you like better? Tootsie Roll Industries' or The Hershey Company's?
4. You can buy stock in both Tootsie Roll Industries and The Hershey Company, if you had to pick one of the two, which would you chose to invest in? Why?



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