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RYERSON LIBRARY BUILDING
GRAND RAPIDS, MICHIGAN

December 28, 1932.

Dear Miss Tarbell:

I have your interesting inquiry of December 22 regarding the "low-down" of the Berkey & Gay Furniture Co. affair. There are several stories around this town of what happened, but the one that seems to me most reasonable, although nearly all of ~~which~~ it has come to me second-hand, is as follows:

First of all I knew the old Berkey & Gay organization very well. Mr. Whitworth who was President for many years, and Treasurer a long time before that, was on our Library Board for 18 years, until he died, and Mr. W. J. Wallace, who was Treasurer after Mr. Whitworth became President, was also on our Board for 9 or 10 years. For a period the profits of the company were very large. Following the National Advertising Campaign storeis began to be circulated around the country that by going into mass production they had lowered the standard of quality of their furniture. Mr. Wallace spoke to me about that a number of times, and about the sinister effect of the whispering campaign that was going on, and resented it very much. About that time or a little later a man who was connected with another furniture organization here as sales manager, I believe, bought heavily into the Berkey & Gay Co., and got into the organization as sales manager, I think also, but I do not recall that definitely. To me the personal appearance of the man was such that I always had a repulsion against him. About an hour after your inquiry came to me last Saturday, an advertising man was in my office, and I incidentally brought up the

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Berkey & Gay matter, and he discussed the thing quite freely with me. Among other things he stated that the repulsive individual referred to above, he personally heard ~~him~~ say that he had been planted into the Berkey & Gay Company by the Simmons Co., to get an understanding of the inside operations, etc., as to whether or not the Simmons people should buy it. He considered it a smart thing, something to boast about. The plan of the Simmons Company to get it, (and this was stated by the advertising man, although I had heard it before,) was not to make high grade furniture, but to reorganize the thing, and sell stock to the public on the strength of the name of Berkey & Gay. In the words of the advertising man who was talking to me on Saturday, ~~were that~~ the name of Berkey & Gay alone and their reputation was worth ~~three~~ ten million dollars, about three times the worth of the plant, and it was ~~on~~ this that the Simmons people were going to capitalize and unload on the American public. This happened along about September, 1929. In the meantime, as you know, the stock market broke in October, 1929, and all this stock market proposition went to the wall. I also heard directly fromsome of the old men who were in the organization that as soon as they saw how the Simmons people were handling the sales end of it they sold out, selling their stock ~~to Simmons~~ for what they could get. The talk around town here was that every month that the Simmons people owned that plant as a manufacturing proposition they lost money, and naturally the old men saw this and if they could got out. The ~~whole~~ marketing feature of this business was the fact that Berkey & Gay had built up a more or less exclusive sales organization throughout the country, so that only a limited number of high grade stores in ~~these~~ cities could sell their product. In other words, they did not allow the name of Berkey & Gay to be associated with

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stores that were known primarily for the cheapness of their furniture. About the first thing the Simmons people did was to wreck this whole sales organization.

The foregoing you understand, of course, is largely second-hand and rumor, but to me the damnable tragedy of the whole business was throwing out onto the street workmen who had given their whole lives to that plant, and where there were often three generations working in it. The heartlessness and cold-bloodedness of the whole business, if the foregoing is true, is something that makes one's blood boil, and certainly is a feature of business that every decent citizen must regard with nothing less than contempt.

I am going to Chicago today to make several addresses at the Council of the American Library Association meeting , in which I shall discuss the financial support of libraries in the present time. As you may know I have been Chairman of the Committee on Library Revenues of that organization for 11 years, from the time that Committee was organized, and I have perhaps more facts about the inside financial workings of libraries of this country than anyone else. I gave an address on certain phases of this subject at Atlantic City last March, on Economic Cycles and their Relation to the Library, and the New Jersey people are going to print it when they have the necessary funds. I had a letter recently from Miss Askew, of the New Jersey Library Commission, stating that they are going to print it shortly. Some of the things I say there might interest you very much. Personally I am very much disturbed by the insidious campaign that has been going on for the last few years, to discredit all kinds of governmental service and governmental employees. Among the leaders of this campaign were the Insull brothers (fine people to discuss

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THE GRAND RAPIDS PUBLIC LIBRARY

a subject of this kind), Col. McCormick, of the Chicago Tribune, and the Editor of The Nation's Business. I am taking with me to Chicago a number of cartoons illustrating this subject.

At the meeting of the American Library Association in New Orleans in April last, I introduced a resolution calling attention to this, which was new to nine-tenths of our people, and you might be interested in a copy of that which I am enclosing herewith. If you cared to seewhat I said at Atlantic City in which I used very plain language, I should be glad to send you a typewritten copy.

I am treasurer of two educational trusts, and as such a member of the Finance Committee of two organizations which have to do with the investment of about $200,000, constantly growing, and I have decidedly first-hand knowledge of the kind of things that so-called reputable business men and business institutions endeavor to unload on the unsuspecting public. I suppose when it comes to dealing with these fellows I am as hard-boiled as anyone, but so far they have gotten away with very little. Certified public accountants completed the examination of our Art School, of which I am Treasurer, and complimented us on the character of our investments, the income of which has shrunk very little, and which we could have sold on the first of October and realized on the market on that date at least an average of 85% of every dollar which we owned. The accountant stated that few if any business organizations in this town could make as good a showing.

The whole trouble of our present situation has been and is that all together too many people have the idea that the smart thing to do in this world is to get something for nothing, and that honest labor and honest production is a back number. That is the idea back

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of the people who play the stock market, and who used to say to us as employees of the Library many times what fools we were to work for the small salaries we were getting, when so much larger sums were to be had outside than anything we could earn in serving the public. Personally I resent the campaign of vilification that is being directed against public service and public service employees, coming largely from the people who were exploiting the public only a few years ago, and who looked upon us who were working for the public for meagre salaries because we liked the work, as pikers.

With best regards for the New Year,

Sincerely yours,

Samuel H. Ranck

Miss Ida M. Tarbell
120 East 19th St
New York City.

P.S.
I am leaving for Chicago, and did not have time to get the copy of the resolution to enclose herewith, so will send that later after I return. S.H.R.

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