

The Man Behind the Chocolate Bar: Milton S. Hershey 1857-1945

In the early 1900's, Milton S. Hershey made one of the great American fortunes through dogged persistence and the courage to pursue a dream. Though he was modest and unassuming in appearance — not the sort of person you would pick out in a crowd, it was said — Mr. Hershey was a shrewd and determined businessman. He had a genius for timing and an instinctive ability to choose loyal and able people to help him.

A great entrepreneur and philanthropist, "he measured success, not in dollars, but in terms of a good product to pass on to the public, and still more in the usefulness of those dollars for the benefit of his fellow men".

I Was a Poor Boy Myself Once

The memories of what it was like to have been a poor boy stayed with Milton Hershey throughout his life. They influenced him strongly when he later founded a school for orphans.

Milton S. Hershey was born shortly before the American Civil War on a farm in Central Pennsylvania. Like most of the people whom he knew, he was the descendant of people, who had come to Pennsylvania from Switzerland and Germany in the 1700's. He grew up speaking the "Pennsylvania Dutch" dialect

The Homestead, Milton Hershey's birthplace, 1897.



and inherited from these people characteristics such as a zest for hard work, diligence and thriftiness.

His father, Henry Hershey, was an inquisitive man who loved to read books. He was never successful at making alive, however, and moved his family several times during Milton's childhood as he tried running a fruit farm and nursery and other things. Milton's mother, who was strong-minded and exceedingly frugal, was frustrated and disappointed by her husband's failures. As a result, the two drifted apart and Henry Hershey spent long periods away from home, trying his luck in New York and even Colorado.

Both the Hershey and Snavely families were originally Mennonite. Though Milton's mother was a staunch member of the Reformed Mennonite Church and wore plain clothes and a bonnet throughout her life, formal religion was never a part of Milton Hershey's life. When he was asked once what his religion was, he is said to have replied, "The Golden Rule."

As to schooling, Mr. Hershey had very little. He attended several schools as his family moved from their original home in Derry Township to Lancaster County, but his mother does not seem to have emphasized learning. In fact, since she felt that books were her husband's undoing, she may have been afraid they would ruin her son, too. Although Hershey became successful without the benefit of a good education, the fact that, later on, he insisted the boys in his school have a "sound education" gives the impression that he felt the lack of it in himself.



The First Million Is The Hardest

At first it seemed that Milton Hershey had no more talent for business than his father. He failed at numerous ventures before he finally succeeded at making caramel candy. By then he was almost forty years old

Milton first went to work as an apprentice to the editor of a small, Germanlanguage newspaper in Lancaster. He was clumsy, though, and hated the work. Soon he got himself fired by dropping his straw hat into the printing press.

Next, his mother found him an apprenticeship with Joe Royer, a candy and ice cream maker in Lancaster. It was here that he learned the basics of candymaking.

But Milton was ambitious, and in 1876, decided to move to Philadelphia where celebrations of the 100th anniversary of the Declaration of Independence were taking place. Hoping to cash in on the money that people would bring to the Centennial, he set himself up in the candy and confectioner's business. Hershey borrowed considerable sums of money from his Uncle Abraham Snavely and printed elaborate business cards and stationary to advertise himself. He brought his mother and his Aunt Mattie to Philadelphia to help him. But though they all worked terribly hard, Milton was never able to make enough money to pay either his suppliers or his debts.

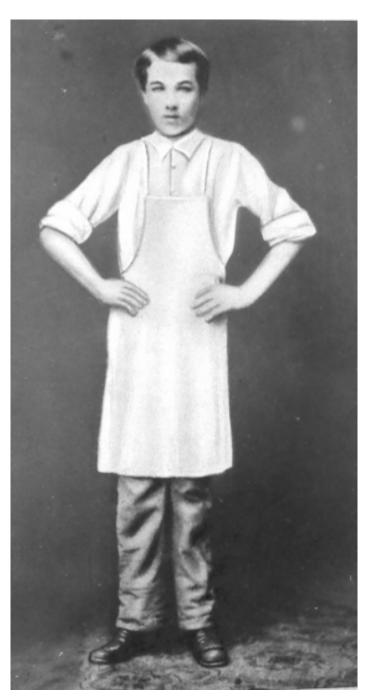
Hershey was persistent, however, and having failed in Philadelphia, went off to seek his fortune in Denver, New York, Chicago and even New Orleans. He had no more success in any of these places but he did come back with one important thing: the knowledge, learned from a candymaker in Denver, that fresh milk makes good candy.

This was the secret that would make his fortune but for the moment, in 1886, he was penniless. He went back to Lancaster but did not even have the money to have his possessions shipped after him. When he walked out to his uncle's farm, he found himself shunned as a irresponsible drifter by most of his relatives.

This time, though, fortune finally smiled on Mr. Hershey. William Henry Lebkicher, who had worked for Hershey in Philadelphia, stored his things and helped him pay the shipping charges, becoming the first in a long line of men who were devoted to Milton Hershey and on whom he depended, Aunt Mattie and his mother began once again to help him and Milton started his experiments which led to the recipe for "Hershey's Crystal A", a "melt in your mouth" caramel candy made with milk.

A large order from an English candy importer led Hershey to ask the Lancaster National Bank for a loan. The bank's cashier was so impressed by Hershey that he lent him the money, backing the loan with his own signature. When the Englishman actually paid for the goods with a check for 500 English pounds, Hershey was so excited that he ran down the street to the bank with his apron on.

From that time on, Hershey was extremely successful, and by 1894 he was considered one of Lancaster's most substantial citizens.



Milton Hershey as an apprentice candymaker, ca. 1873

The Millionaire's Life

The success of his caramel business enabled Mr. Hershey, for the first time in his life, to spend money for his own pleasure. While he was never ostentatious, he clearly had a longing and a taste for beauty and elegance. He always enjoyed being able to spend money when and how he pleased. "It's my money," he would say in later years if anyone raised a question.

One of the first things he did was buy a spacious piece of property in Lancaster, where he and his mother moved. He remodeled the house, taking great interest in its furnishings and filling it with exotic birds, plants and mementoes of his travels. Hershey's love of gardens, which was to be so evident in the town of Hershey, was clear from the start as he closely supervised the landscaping of the grounds.

As with fashionable among other well-to-do Americans of the time, Mr. Hershey began to travel to Mexico, Europe, England, the Continent, and Egypt. Always curious and always picking up ideas from what he saw, he visited museums, shops, and tourist attractions, walked the streets, watched the people, and is said to have kissed the Blarney Stone and gambled in Monte Carlo.

In 1898, Milton Hershey, by now over forty, astounded everyone by marrying Catherine Sweeney, a beautiful Irish Catholic girl from New York State. She brought gaiety, wit, and warmth into his life. By all reports their life together was very happy.

The Hersheys lived first in Lancaster, but when the town and chocolate factory at Hershey begin to grow after 1903, they planned a house there. High point, now the headquarters of Hershey Foods Corporation, was built on a rise overlooking the factory. Finished in 1908, its furnishings — Oriental rugs, lamps, plants and stuffed chairs — reflected the styles of the time as well as the Hersheys' enjoyment of the many comforts they could now afford.



High Point, the Hershey's home

In the early years at High Point the Hersheys seemed to have entertained friends often, as well as to have traveled extensively. Sadly, Mrs. Hershey was struck by a debilitating disease and died prematurely in 1915.

She had shared her husband's passion for gardens, making a lasting contribution to the town of Hershey through her interest in landscaping and the preservation of trees. After her death, her husband dedicated a rose garden at High Point to her memory.



Catherine Hershey



Mr. & Mrs. Hershey at the time they founded the Industrial School



Milk Trucks in front of the Hershey Chocolate Company

I'm Going to Make Chocolate

Caramels gave Mr. Hershey his first million, but chocolate gave him his real fortune. His first taste of it came on a visit to the 1893 World's Columbian Exposition in Chicago, where he became fascinated by a set of German chocolate-making machinery. Hershey bought the equipment and had it installed in Lancaster where he began producing his own chocolate — 114 varieties in all.

By the late 1800's, Hershey, who was now aware of the growing market for chocolate, was convinced that his future lay in producing it rather than caramels. In 1900, he sold his Lancaster Caramel Company to competitors for \$1 million (a sum which was worth considerably more than now) and began to devote all his energies to making chocolate.

His search for the perfect site to build a complete chocolate factory led Hershey back to Derry Township. He had already repurchased the house where he had been born for his father. Now he was convinced that the Central Pennsylvania countryside would provide everything he needed for a factory: a plentiful water supply, fresh milk and industrious workers.

When his wife heard that Hershey intended to build in Derry Township, she told him he ought to have his head examined. Most of his associates agreed because they felt the site was too remote. Hershey's mind was firmly made up, however. Ground was broken in 1903 and by 1905 the new factory was completed.

Hershey and a few chosen employees worked side by side, and into the night, until just the right blend of ingredients was found for milk chocolate. As one of these men recalled later, "Nobody told Mr. Hershey how to make milk chocolate. He just found out the hard way." Personal involvement in the work at hand was typical of Mr. Hershey and was certainly one factor which earned him the devotion and admiration of many employees.

In the end, Milton Hershey's great contribution to the American food industry was the organization of the mass production of milk chocolate. Must of the machinery necessary for mass production was either developed or adapted in Hershey's factory. He did not begin with the clear intention of making chocolate bars and for several years produced many varieties of fancy candies. When he did make the brilliant business decision to concentrate on the Hershey bar, through, and one or two other basic chocolate products such as cocoa and chocolate coatings, his name became the nationwide symbol for quality chocolate in a phenomenally short time.

One reason Hershey's milk chocolate became so well known was that clever promotion was a strong point of the chocolate company from the start. Hershey bought the first automobile in Lancaster, in 1900, and used it to advertise while it delivered his goods. Later promotional materials emphasized the nutritious qualities of chocolate against a background of green fields, cows, and wholesome country milk.

Hershey had other qualities as well, which made him a good businessman. He was imaginative: the Hershey Kiss, for example, appears to have been his own idea. He had the skill of choosing able assistants and of keeping their devotion. He had a broad grasp of markets and of their possibilities and, furthermore, he was daring. Once he had made a decision, he put his entire force behind it, whether it was making chocolate, producing his own sugar in Cuba or, wrongly as it turned out, trying to stabilize the price of cocoa beans. On the whole, he was respected for honesty, for driving hard bargains and for having a first-class product to sell.

Business Is A Matter of Human Service

Mr. Hershey was a doer, not a philosopher. He never wrote and seldom talked about his beliefs. Nevertheless, he obviously thought a lot about such matters as success and the value and purposes of money. He seems gradually to have developed, from his experience, a set of principles which he followed consistently.

He believed wealth should be used for the benefit of others and practiced what he preached. That he also understood (along with many other great businessmen) that good works are also good business did not lessen the depth or scope of his interest in other people's welfare.

Mr. Hershey used his chocolate fortune primarily for two projects: the town of Hershey and his Industrial School. Although the question was raised of whether he was well-advised to tie up his fortune in the manner he chose, no one ever questioned his sincerity.

Plans for building the town went hand in hand with building the factory. Since Hershey started his company in the middle of farmland, not in a town, it was clear from the start that he would have to provide a place for at least some of his workers, as well as his managerial staff, to live.

With the help of Harry Herr, an engineer whom Hershey persuaded to come from Lancaster, plans were drawn for a pleasant tree-lined community which provided for all the needs of its inhabitants. A bank, hotel, school, churches, parks, golf courses and a zoo followed each other in rapid succession. With characteristic forethought, Mr. Hershey developed a trolley system so that people did not feel compelled to live in Hershey and had away to get to work from nearby towns.

Some people were suspicious of Mr. Hershey's motives in founding the town and feared that he would take advantage of people who lived there, as had happened in other "company towns." Workers, for example, vetoed Hershey's idea of forming a cooperative store because they thought they would somehow be cheated. But though Mr. Hershey could certainly be autocratic and was criticized for deciding what was important, often without consulting the town's inhabitants, his concern for his workers' welfare was genuine.

Although the town was well established by its 10th anniversary in 1913, Hershey had a second building boom in the 1930's. During the Depression, Mr. Hershey kept men at work building the Hotel, the community building with two elegant theatres, Senior Hall for the boys' school, a windowless, air-conditioned office building for the factory, and the Arena. The last two were excellent examples of



Mr. Hershey's innovative approach. The controlled environment of the office building was way ahead of its time and the arena was, at that time, the largest such structure made of poured concrete and unsupported by columns. It was Mr. Hershey's boast that no one was laid off in Hershey during the depression years.

Though he took justifiable pride in the care he took of his workers, Mr. Hershey could not keep the labor union movement across the country from influencing his town. In 1937, the first strike was called against the Chocolate Company, creating divisions and bitterness that lasted for years. Perhaps it was all the more bitter because some people inevitably resented Mr. Hershey's benevolence.

Meanwhile, before Mrs. Hershey's death, she and her husband had founded the Hershey Industrial School, now known as the Milton Hershey School. Saddened because they had no children of their own, and anxious to put their growing fortune to good use, Milton and Catherine Hershey founded this school for orphaned boys in 1909.

The School's Deed of Trust stipulated that: "All orphans admitted to the School shall be fed with plain, wholesome food; plainly, neatly, and comfortably clothed, without distinctive dress; and fitly lodged. Due regard shall be paid to their health; their physical training shall be attended to, and they shall have suitable and proper exercise and recreation. They shall be instructed in the several branches of a sound education. . . . The main object in view is to train young men to useful trades and occupations, so that they can earn their own livelihood."

Behind the founding of the school were Mr. Hershey's own childhood memories of hard times and his hope that he could spare some children the pains he had experienced. Here again, though some criticized, the school became the principal recipient of Hershey's fortune and continues to be so today.

His Deeds are His Monument

When Milton Hershey died in 1945 at 88 years of age, a chocolate bar had carried his name around the world and made him a legend. Poor boy turned millionaire, he was loved and admired as well as envied and sometimes misunderstood.

Hershey had the genius to develop he chocolate industry in the right place at the right time. His personal convictions about the obligations of wealth and about the quality of life in the community he founded have made that community his living memorial.

¹Letter from Gordon Rentschler, Chairman of the Board, National City Bank of New York, to P.A. Staples, October 15, 1945.

