

They're Not Building Mousetraps, But They're Making Hay

Emerson's Theory of Rewards For Better Mousetrap Makers Holding True in Local Tests

See Story on Page 1, Also Here are the case histories of four growing Portland area industries that were started by Portland people in the past 10 years.

Case history No. 1, Tektronix, Inc.—Howard Vollum built his first cathode ray oscilloscope while a physics student at Reed college in 1933. An oscilloscope is a device for measuring the speed and amplitude of any action that can be translated into electrical current.

The coming of the electronic age after World War II found Vollum getting in on the ground floor. He and Jack Murdock, who had been in the electrical appliance and radio business, incorporated as Tektronix in January, 1946, and started building the devices in a garage. Minority stockholders came into the firm and expanded the work force during 1946.

Initial sales were to research laboratories, such as Bell Telephone and the national bureau of standards. By 1947 the firm moved to its own building at 712 S. E. Hawthorne boulevard, where 50 employees were turning out oscilloscopes that would measure impulses ranging from one-one hundred millionth of a second to three seconds.

New Plant Occupied
Big companies that made oscilloscopes bought the Tektronix product for use in their own plants, because it was better. Business grew, and in 1951 the firm moved to a new plant on the Sunset highway. A \$200,000 building was added in 1954, the first of such annual expansions that have continued since then.

This year Tektronix will move into a new \$1,000,000 plant in an industrial park owned by its employees' retirement trust. More than 1400 persons now are on the payroll, and Tektronix products are marketed throughout the world. From its original use as a laboratory instrument,

the oscilloscope now has a wide and ever-growing market as a test instrument in production and maintenance of many types of electronic equipment.

Tektronix is more than just an assembly plant, putting together parts that are made elsewhere. A few components are purchased, but most of the parts of the oscilloscopes are fabricated right in the plant.

Air Freight Used
Even though most customers are far away from Portland, transportation costs are not a major item. That's because shipping costs are small in relation to the unit value of the product. Many deliveries, in fact, are made by air freight.

Case history No. 2, Western Wood Manufacturing company—Ray H. Krueger had \$1500 in savings and an order for 12,000 sickle handles when he quit his job as sample maker at B. P. John Furniture company in 1946 to start a production woodworking plant. The plant, with a crew of two, started in the basement of an old building at S. W. 2d avenue and Main street, and kept going on small orders for six months.

The banks turned him down when Krueger needed capital to finance a move to a small building on S. W. Macadam avenue, but he got the money when a local store for which he was making unfinished furniture cosigned the note. For the next five years, Krueger plugged along with a crew of 10 to 15, depending on business.

Firm Adds Building
Then the firm jumped into the big time when it landed a contract to make a line of wooden housewares—hamburger presses, knife holders and spice racks, which were marketed through a separate sales organization, Western Woods, headed by T. G. Merkley.

Krueger incorporated in 1953, with the sales company coming in as a stockholder, moved into a new plant and two years later added another building.

The company now has 65 employees and makes more than 200 different items—ranging from counter displays

to water skis—for the national market. Like the hamburger presses that caught on to give the young company its first big boost, all products are made of wood.

More expansion is in the offing. Krueger currently is working on plans for a new line of products that could easily double the plant and boost the company past the \$1,000,000 annual sales mark.

Case history No. 3, Jayvee Brand, Inc.—An idea for a pinless diaper made a going concern of the cut-and-sew infants' wear business of John Emery and W. W. (Bill) Van Orsdel. The two, both of whom had been in the selling field for some time, started making infants' and children's garments with a couple of sewing machines in a basement on Sandy boulevard in 1947. For the first few years it was a hand-to-mouth operation, with Van Orsdel selling an order and Emery getting it out. Then a Seattle girl gave them the idea for a pinless diaper, and the firm's "Nancy Didee Pants" put it strongly into the infants' accessories field.

Now many other companies make a pinless diaper, but Jayvee Brand was first on the market, and this gave its entire line an entry into stores throughout the country. Freight rates have just about pinched them out of the eastern market, but they still sell some stores in the Midwest as well as through the Pacific coast.

Rumba Pants Popular
"You have to get out hot and fast in this business," Emery said, explaining the importance of having an item a little better or a little different to get the edge on competition. He displayed a ruffled pair of "rumba pants" that made a big hit with the two-year-old set this season.

The firm's future lies in the Pacific Northwest and northern California markets. Emery said, pointing out "easterners still are getting a lot of business on the west coast."

Jayvee Brand has moved its plant six times, each time to larger quarters, and now has 12,000 square feet in a building at 1920 S. E. Grand avenue. Eighty modern machines turn out some 200 items in four major lines—baby pants, bibs, children's underwear and children's rainwear.

Case history No. 4, Package Containers, Inc.—Stanley Mead started making cellophane packaging materials in the basement of a Milwaukie building in 1947. Formerly super-

intendent of a packaging plant in Los Angeles, Mead saw an opportunity in the Northwest market.

This firm, too, had a "gimmick" that sparked its expansion. It was the now-famous "toter bag," a brand-new idea when Mead started putting paper handles on ordinary paper sacks about 1949.

Product Sold Nationally
With the toter bag as an exclusive item on its list, the firm grew as the supermarket age brought rapid increase in use of food prepackaging materials. In a large plant at the east end of the Sellwood bridge, Package Containers now makes and prints five basic packaging items out of paper, cellophane and polyethylene. About one-third of the output is sold regionally, the rest nationally.

Since last summer, when it purchased a large plant at Salinas, Cal., to supply the California market, Package Containers has been among the select group of Oregon firms with a branch plant elsewhere.

NAM Man Sees Peak

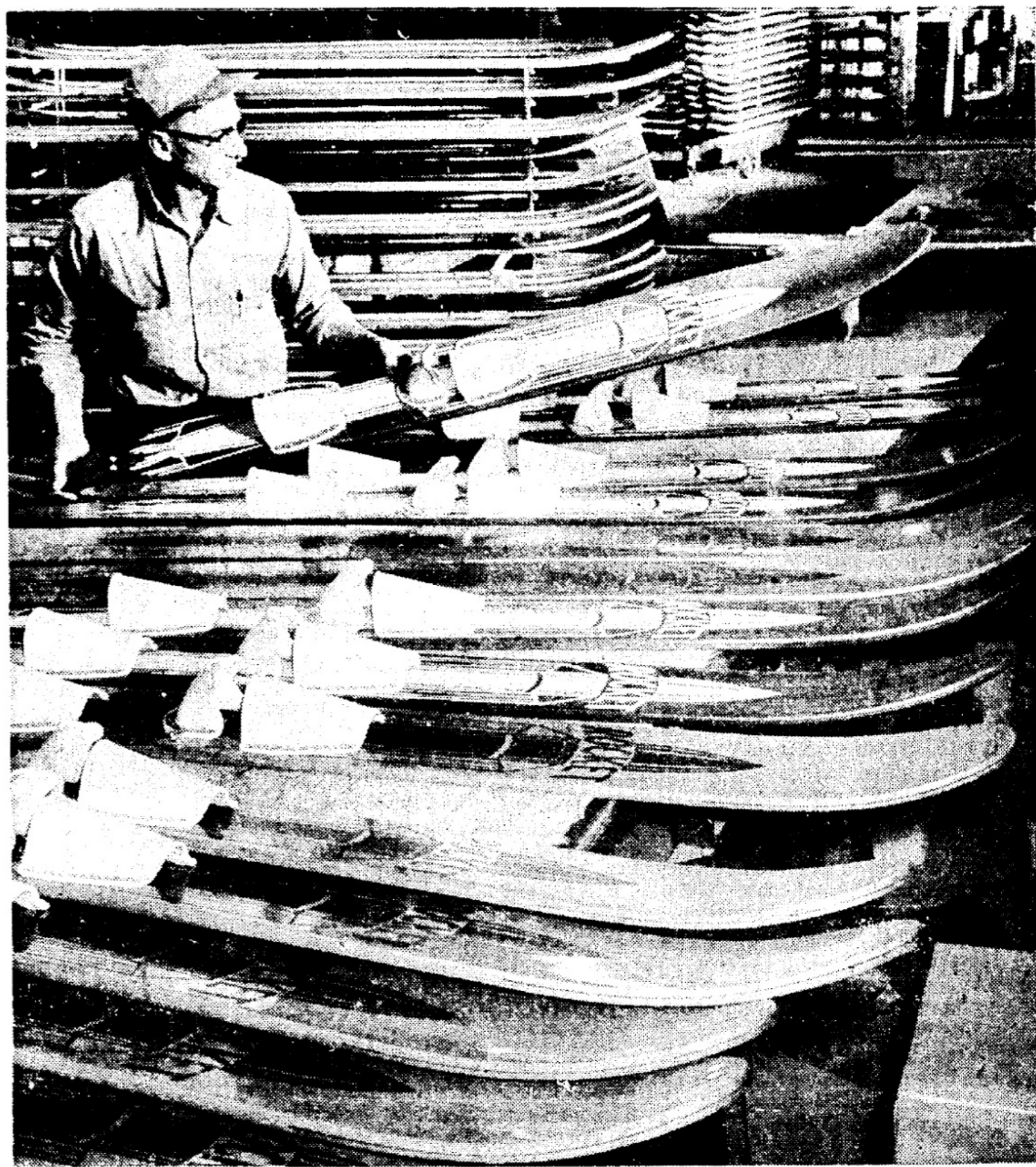
In spite of pessimism in recent months, 1957 may well turn out to have been the biggest year in history from the standpoint of economic activity, it was declared by Milton C. Lightner, president of the National Association of Manufacturers, in a year-end statement issued locally by the Portland office of NAM.

"There is no doubt that the figures, when all in, will show it to have been a record year from the standpoint of gross national product, which is our total output of goods and services, as well as from the standpoint of personal income and consumer spending," Lightner said.

Product Rises
The NAM president estimated gross national product at a record \$436,100,000,000, up 5 per cent over 1956. He said personal income registered a gain of 5 per cent and consumer spending was up about 5½ per cent.

The pernicious, creeping wage-price inflation which has been dogging us may be coming to a halt, he declared.

"If present economic levels hold, we can consolidate our economic gains."



Charlie Blum, assembly foreman at Western Wood Manufacturing company, checks finished water ski, one of line of specialized wood products marketed nationally by company which started in home workshop. Hamburger presses were firm's first big marketing hit. Now well established, the firm had touch-and-go beginning. Oregonian staff photos by DeLay.



Anne Glaze, a secretary at Package Containers company, displays the "Home Toter" bag, product the Portland firm started making in a basement shop, now marketed nationally by the millions. Company has developed and marketed many other products for packaging.

Paul Belles, shipping supervisor at Tektronix, Inc., checks rack of completed cathode ray oscilloscopes. Howard Vollum, president of firm now employing 1500 at Beaverton plant, made his first oscilloscope as a student at Reed college.



At Jayvee Brand, Inc., a firm which started with pinless diaper pants and expanded to specialized items for children,

Edith Neal checks plastic bibs ready for shipment. In background LaVola Saylor operates machine sewing on bib necks.

