

Merging For A Better Company

For years Mark Honeywell and W.R. Sweatt were fierce competitors with diametrically opposed personalities. On their first meeting they were none too fond of each other, choosing to adopt the stance of turn-of-the-century capitalists who looked on their business adversaries as arch rivals. And so it came as a surprise in the temperature control industry of the 1920s when the two men merged their companies.

At the heart of business for the staid and proper Mark Honeywell was the Honeywell Heat Generator, a device which used mercury to control hot water and steam heat. His business had been very good until World War I forced the price of mercury so high that the company could no longer turn a profit. A few months later Honeywell

and his wife and a young man named Willard Huff reorganized the company to form Honeywell Heating Specialties Company in Wabash, Indiana.

Meanwhile, the aggressive and blunt W.R. Sweatt was having troubles of his own with Minneapolis Heat Regulator Company. Following World War I many householders who had heated their homes with coal converted to oil. The regulators for coal-burning heating plants were quite simple, but the control for an oil burner was more complicated and required a new control technique. In the early 1920s, Minneapolis Heat Regulator Company designed new thermostats to meet the changing needs of its customers.

By 1927 both companies were on sound footing. Honeywell Heating Specialties had sales of more than \$1.5 million and 450 employees in the Wabash factory. Minneapolis Heat



W.R. Sweatt





Regulator had sales of \$3 million and 1,000 employees. But the two companies had patents which blocked each other from further growth. The only way for either of the two antagonists to grow was to merge.

Suitors had knocked at the Wabash door but Huff convinced Honeywell that a merger with Minneapolis was much better for the company. Honeywell was reluctant, in part because of his disdain for his competitor, but finally agreed to write Sweatt a letter to arrange a meeting in Chicago. Apparently that meeting was amicable, because they met again in New York some months later when WR's son, HW, returned from a European vacation.

At the second meeting, they set to work to resolve two issues: how each company would be valued and who would have what title after the merger.

After many hours of discussion WR, Sweatt suggested to Honeywell that the decision be left to HW and Willard Huff. He agreed and the two older men went to bed.

The terms their proteges worked out instantly made both Sweatt and Honeywell millionaires. Then the young men turned to the matter of titles. Sweatt wanted to be president and make Honeywell vice president, a proposal which did not sit well with the man from Wabash. Huff suggested that WR be chairman of the board and Honeywell be president, HW Sweatt vice president and general manager; Charles, his younger brother, vice president; and Huff, treasurer.

It was a proposal which appealed to all parties and cinched an agreement to form a public company which would prosper beyond the dreams of any of the participants.

W. O. Honeywell

All the employees of Minneapolis Heat Regulator Company gathered for a photo in 1923.



Birth Of A Salesman

In the 1920s and 1930s the door-to-door salesman, in his high, stiff collar and plaid suit, freshly shined shoes and neatly combed hair, was a part of everyday life for the American housewife. She could count on at least one member of the brotherhood of salesmen to ring her doorbell almost every day. The men who called on her from the Minneapolis-Honeywell Regulator Company came armed with lessons they had learned from the company's sales manual, and a few tricks they put together themselves.

Salesmen, the instruction book told them, were to throw away their cigars or spit out their tobacco before approaching the door. They were to make sure they were clean-shaven every morning, with clean teeth and clean hands, clothes pressed and brushed and shoes shined.

"It is always best to remove your hat immediately when the door is opened and keep it off during the interview," the manual's author told his students, with a wink. "Even in cold weather this should be done and is often a suggestion to the woman to invite you in from the cold."

While the manual gave the salesmen a few pointers, some of the more creative Honeywell sales men used it only as a primer and perfected some tricks of their own. One of them was Adolph Hildenbrandt, a crack salesman from Philadelphia noted for his aggressive sales efforts. Adolph never knocked on a door without peeping in the window first to see if there were guests inside. If there were, and he couldn't sell to the lady of the house, he'd try to sell to the guests.

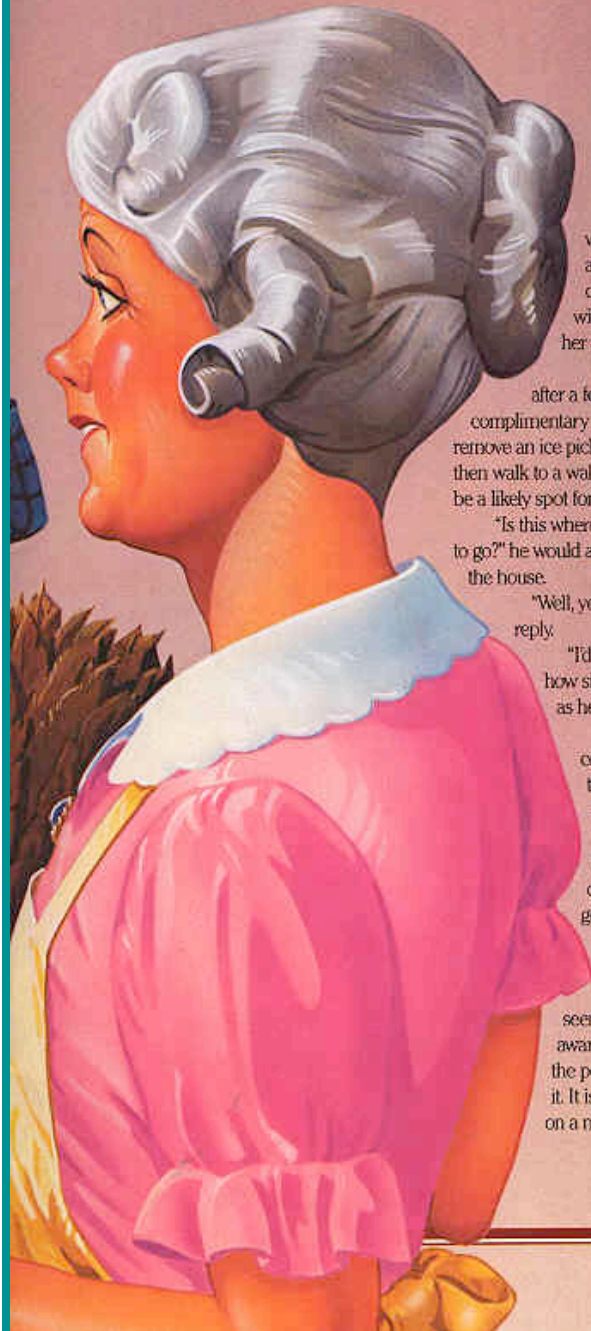
On one call he pestered a man in one of the biggest office buildings in town so badly that the man threatened to throw Adolph and his thermostat out if he showed his face again. Not one to be easily dissuaded, Adolph returned still again, and true to his word, the man threw him out.

With a wry smile Adolph picked himself up, brushed himself off and marched back into the man's office. "If you don't buy I'll sue you for assault and battery," Adolph proclaimed. His prospect surrendered, and bought.

Although Adolph was obviously effective with his craft, he couldn't hold a candle to Elmer Baesemann's extraordinary door-to-door sales technique.

Impromptu harmony during a sales convention in Minneapolis.





Baesemann was a handsome, impressive man with wavy grey hair who stood six feet tall and weighed about 200 pounds. His initial calls were always during the daytime, when he could charm the lady of the house without distractions. Then he would ask permission to visit her again at night when her husband was home.

On the second visit, after a few cheerful and complimentary remarks, he would remove an ice pick from his case then walk to a wall which appeared to be a likely spot for a thermostat.

"Is this where you would like it to go?" he would ask the man of the house.

"Well, yes," the man would reply.

"I'd like to demonstrate how simple it is to install the thermostat," Baesemann would say as he jabbed a hole right through the plaster.

Once the hole was in the wall the man of the house could see how easy it was to jam the wires for the thermostat through the plaster and cover the whole mess with a Honeywell thermostat.

Although the front office appreciated that the imposing Baesemann seldom walked out of a home without a sale, it was decided he didn't quite fit the gentleman image the Honeywell sales information manual was meant to foster.

Indeed, the art of selling had matured by the late 1920s. As the sales information book said, "If a prospect seems uninterested in your conversation, make him aware of your presence. Ask him to loan you his pencil, break the pencil intentionally, then ask him for his knife to sharpen it. It is hardly advisable to use the old method of stepping on a man's toes to make him concentrate on what you are saying."



In a 1935 sales contest at the Buffalo office, a salesman's wardrobe depended on his meeting quota.

H.W. Sweatt, A Restless Spirit

H.W. Sweatt



When Harold W. Sweatt took the reins of the company in 1934 he assumed the mantle of president at a crucial time. Minneapolis-Honeywell had to dig its way out of the Great Depression and would soon set to work to build a business as a defense contractor and enjoy meteoric growth following World War II. Sweatt, or HW as he became universally known, had the vision and the personality to successfully maintain a steady course for the company. Under his leadership, Minneapolis-Honeywell made the leap from a specialized firm in a small industry to a small company with world-wide potential.

He was a low-key man who fought hard to maintain a direct, informal atmosphere at Honeywell. To make his point, he had a story that he liked to tell on himself, perhaps with a little embellishment, because it showed that Honeywell was a place where even a snip of a girl can speak up to the chairman of the board.

Soon after HW had hired a secretary, at what he thought was a reasonable salary, he learned that she had been given a raise without anyone telling him first. Mystified, and more than

a little annoyed, he strode downstairs to personnel to get to the bottom of the matter.

Sweatt, a tall, slender man with a slight stoop, peered seriously and quizzically through his glasses at the young clerk in personnel. With a scowling face, he demanded to know why his secretary had been granted a raise. "It's company policy," the young woman replied. "The chairman's secretary should have been started at a higher wage category." "Who in hell sets company policy around here anyway?" Sweatt demanded in his high, flat voice. "I don't know," she replied, "but I know you don't."

Sometimes, like his father, he fired people, with much the same result. One day HW was passing by the loading dock when he came upon a man leaning against a post while he smoked a cigarette. HW took note of him but passed by without comment. A little later HW passed by the man again. This time HW had a comment for the loafer. "How much do you earn a day?" HW asked.

When the man told him HW dug into his pants pocket and brought out a wad of bills.

"You're fired," HW said as he peeled off a couple of bills and handed

them to the man. The man took the money with no reply.

When HW returned the next day he saw the same man leaning against the same post. "I thought I fired you yesterday," HW said to the man.

"You did," said the man. "But I work for a trucking company. I'm waiting for the truck to be loaded."

In spite of the occasional misfires, for more than 40 years HW cajoled, pleaded, wheedled and needled the people of Honeywell to stretch themselves, to grow to the best of their abilities. He once told company executives gathered for a sales meeting:

"If I had to choose I would prefer to settle for a little less perfection today and a little more imagination for tomorrow—recognizing that in pushing this spirit of restlessness we are bound to make more mistakes and sacrifice some immediate gains.

"Whatever else we may do, we must strive always to keep it fully alive—this spirit of restlessness. If we do this, if we refuse to become satisfied and content with the status quo and always strive to do better and, in the process, to do a little more imagining for tomorrow—we will preserve one of our most priceless and fundamental possessions."

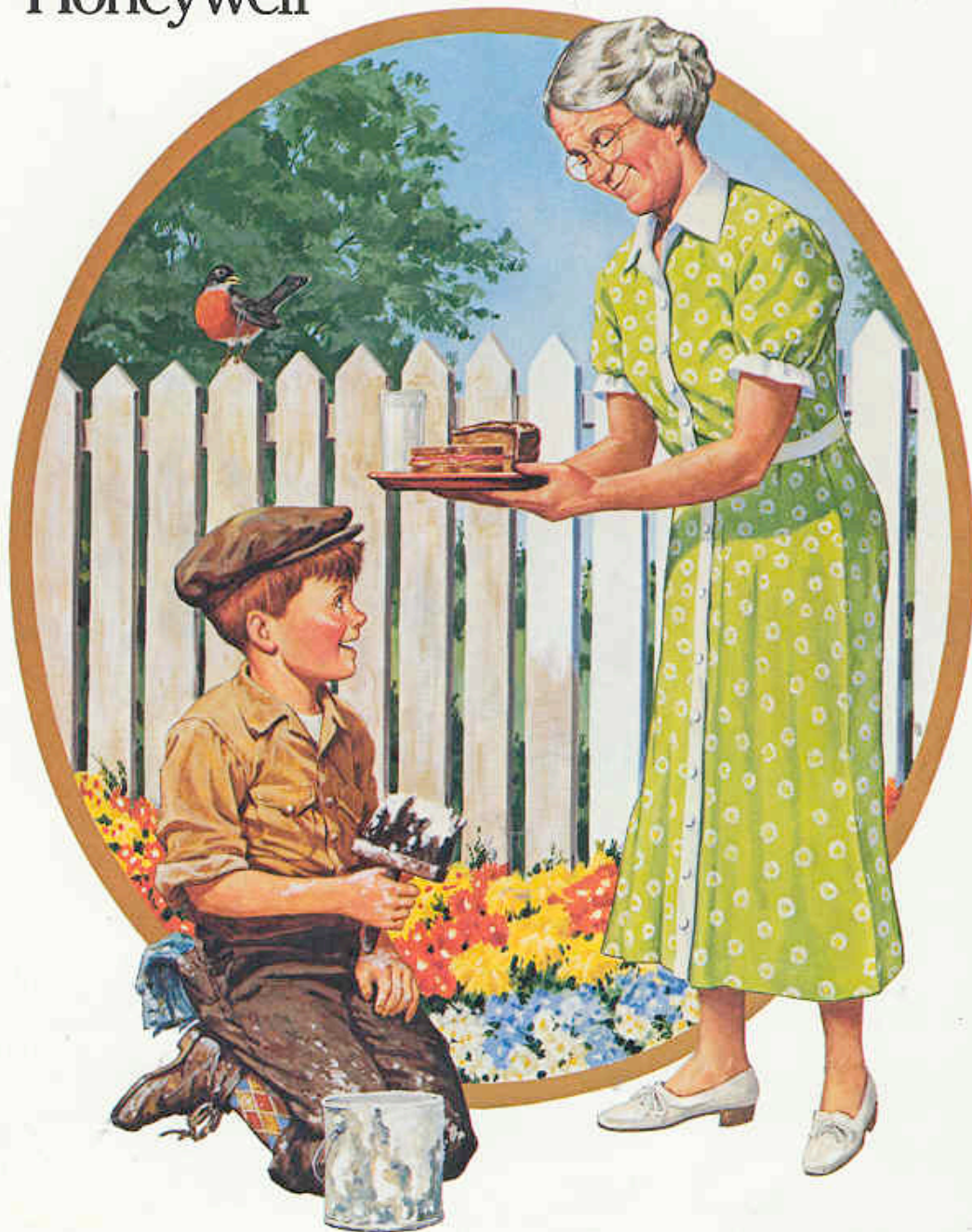


A group shot of the management of
Minneapolis Heat Regulator Company in 1923.

“Whatever else
we may do,
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strive always
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Tom Sawyer And Honeywell



For many of its employees, life at Honeywell is a family tradition with husbands and wives, brothers and sisters, aunts, and uncles and cousins sometimes working side-by-side. For some, such as Carl Kindvall, it is also the stuff of childhood memories.

It was a glorious sunny, summer day in the 1930s when Carl's father, Axel, who would work at Honeywell for 41 years, asked him if he wanted to paint the fence around WR. Sweatt's home a few blocks from the Honeywell factory in Minneapolis. Eager for some extra money, 12-year-old Carl appeared at the Sweatt home.

Like a young Tom Sawyer, Carl took his can of paint and his long-handled brush and headed for the fence. Standing on the corner he



surveyed the fence that seemed to stretch forever. All morning he labored, dipping the brush in the pail and carefully wiping off the excess paint on the rim so as not to leave any to a chance drip on the flowers as he stroked up and down, up and down. About mid-morning Mrs. Sweatt, a small woman



Carl Kindvall at his retirement party in 1982.

wearing a simple house dress, came out to the fence, walked around young Carl inspecting his work from every angle. She said nothing and young Carl kept at his work.

When the sun reached high noon Mrs. Sweatt returned with a kind smile and a plate of sandwiches and milk for the boy.

"Thank you, ma'am," he said with a touch to his cap.

At the end of the day Henry, the chauffeur, took the freckle-face boy wearing an argyle shirt and knickers home in a big, black limousine.

Bright and early every day that week young Carl returned to his work. All day he listened to the wet slap of the brush against the fence. With each stroke he told himself, "Don't drip paint on the flowers." Each day Mrs. Sweatt brought him a plate of

sandwiches and inspected his work, and each day Henry drove him home.

On Friday Mr. Sweatt came out and spoke to Carl. "My wife says you've done a good job," Mr. Sweatt told the smiling boy as he squinted into the sun. "Here's ten dollars."

Ten dollars was a lot of money during the Depression. Too much money to pay a boy, Axel Kindvall said as he ordered Carl to give the money back.

The next day, when Carl was back at the Sweatt home Mrs. Sweatt asked him whether he had been paid.

"Yes," Carl said, looking down at his scuffed shoes. "But my dad made me give it back because it was too much."

"How much did he give you?" the woman asked.

"Ten dollars," Carl replied.

"That tightwad!" she said as she went back in the house and returned with ten dollars. "Take this and keep anything Mr. Sweatt gives you."

The next day Mr. Sweatt came out again and paid Carl. When Mrs. Sweatt asked how much he had been given, Carl replied, "Ten dollars."

"I guess he isn't such a tightwad then, because I told him I had given you \$10 too," she said.

Carl's work for the family stood him in good stead. When he turned 18 in 1940 Carl joined his father and his uncle to work for Honeywell. He retired in 1982 after 42 years of service with the company.



The Sweatt home in Minneapolis.

ELECTRIC HEAT REGULATOR CO.

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MINN.

FIRST BEST

10 YEARS IN USE ALL OVER THE COUNTRY

HEATING PLANTS, STEAM AND GAS VALVES, ETC.

Do not forget that WE were Absolutely the First
Do not forget that WE are Absolutely the Best

As We were the Pioneers in the introduction of the first
So we are the Leaders in the Market with the Best
HEAT REGULATOR

1895

Whew! It's Hot!
and Boo! It's Cold!

are expressions never heard in homes equipped with the

MINNEAPOLIS HEAT REGULATOR

which maintains an even heat whether the outside temperature be ten below or forty above. Set thermostat for the degree of temperature you desire. It will automatically open and close dampers on a change of one degree maintaining even, healthful and economical heat.

Applied to Hot Water, Hot Air, Steam, Natural Gas, Street Steam Valves

With or Without TIME ATTACHMENT

With time attachment (illustrated) the point of temperature may be set to any lower degree. Set alarm hand of clock at any hour when you desire temperature change. The pointer will at that hour automatically move to 20°; the thermostat remaining in control at all times.

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Sold on a Positive Guarantee by the Wholesale and Retail Heating Trade and proven successful by a quarter century of market experience.

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William R. Sweatt, Secy.
144 High Street, Boston 404 Phoenix, Minneapolis

1908

MINNEAPOLIS-HONEYWELL
takes to the air

New radio advertising campaign booms automatic heat in series of 13 sensational broadcasts



Beginning Monday evening, September 16th, at 9 to 9:30 Eastern Daylight Saving Time, the Minneapolis Symphony Orchestra, Henri Verbrugge conductor, will be broadcast weekly for 13 weeks over a 22-station hook-up of the Columbia Broadcasting System.

The definite importance of this news cannot be over-emphasized.

For Minneapolis-Honeywell continues to forge ahead to promote the heating industry, automatic heat and automatic heat control to the American people and the American home.

As in its other advertising and sales activities, Minneapolis-Honeywell has obtained the best


The Minneapolis Symphony Orchestra is among the country's most famous symphony organizations; its conductor, Henri Verbrugge, is well known here and abroad. Each concert will be a veritable gem, characterized through with good taste and simplicity. The subject of each broadcast will be definitely connected with the Minneapolis-Honeywell national advertising, each theme being an intriguing and interesting question regarding automatic temperature control.

Now additional millions of home owners throughout the country will learn the convenience, comfort, health and economy of automatic heat. Now new millions of prospects will turn to the trade for advice and service. Minneapolis-Honeywell, as always, continues to lead the way to greater profits for you.

These programs will be broadcast over stations WABC, WJAB, WJAO, WKEP, WJEM, WJEG, WJES, WJEU, WJFA, WJIB, WJIC, WJID, WJIE, WJIF, WJIG, WJII, WJIK, WJIL, WJIM, WJIN, WJIO, WJIP, WJIQ, WJIR, WJIS, WJIT, WJIV, WJIX, WJIZ, WJJA, WJJB, WJJC, WJJD, WJJE, WJJF, WJJG, WJJI, WJJJ, WJJK, WJJL, WJJM, WJJN, WJJP, WJJQ, WJJR, WJJT, WJJU, WJJV, WJJW, WJJX, WJJY, WJZA, WJZB, WJZC, WJZD, WJZE, WJZF, WJZG, WJZH, WJZI, WJZJ, WJZK, WJZL, WJZM, WJZN, WJZO, WJZP, WJZQ, WJZR, WJZS, WJZT, WJZU, WJZV, WJZW, WJZX, WJZY.

MINNEAPOLIS-HONEYWELL
Regulator Company

1930



ARMY **E** **NAVY**

Outstanding Achievement

It is by the air — on land — on the sea and under the sea — positive news of our achievement by Minneapolis-Honeywell over working their success and availability in that it will give the customer control over their own heat... the reputation of automatic heat control in the production of the Minneapolis and WJJI, those of Minneapolis-Honeywell are central, and they are the central... This is the Minneapolis-Honeywell reputation to give the same reputation. It is a challenge to produce our product which will be the most and making statements (which) to meet the same demand.

MINNEAPOLIS-HONEYWELL
Regulator Company

1942

