Article Title: The Sheldon Manufacturing Company of Nehawka


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Article Summary: The Sheldon Manufacturing Company of Nehawka, Nebraska, was an example of a small Nebraska business that sought to capitalize on the demand for a modestly priced and innovative product (a concrete mixer) that offered considerable labor savings to farmers and small contractors.

Cataloging Information:

Names: George C Sheldon, A G Schreiber, Florence T Sheldon, Ernest Giles

Place Names: Nehawka, Nebraska; Cass County, Nebraska; Weeping Water, Nebraska; Freeport, Illinois; Omaha, Nebraska; Ithaca, New York

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Photographs / Images: George C Sheldon’s first factory in an old carpenter shop behind the Nehawka post office, 1914; George Sheldon demonstrating one of his concrete mixers; Map showing locations and distribution points, probably 1920; Sheldon Manufacturing Company advertisement, “take the back-ache” out of concrete work; Interior of Sheldon Manufacturing Co, 1919; Advertisement for Sheldon Concrete mixer, 1914, $25.65; Photo of 20 men and eight office workers at the peak of Sheldon Manufacturing Company’s peak; Testimonial advertisement; post card advertisement presenting information on new models to old customers
An old carpenter shop behind the Nehawka post office served as George C. Sheldon's first factory. This 1914 photo portrays Sheldon with one of his mixers.

THE SHELDON MANUFACTURING COMPANY OF NEHAWKA

By Andrea I. Paul

In the fall of 1913 a small Nehawka crowd witnessed the first public exhibition of an invention created by one of the town's residents, George C. Sheldon. The homemade concrete mixer, demonstrated at the annual fall picnic, attracted a good deal of interest and favorable comment. The Nehawka News reporter recognized that the concrete mixer could do the work of high-priced mixers and it could be manufactured at a low cost. The newspaper suggested that Sheldon patent his mixer.¹

Actually George C. Sheldon had considered this step some months earlier, when in February 1913 he had written to a patent attorney with a description of his machine. He believed that his mixer would provide a low-cost alternative to the time-consuming and laborious practice of mixing concrete by hand for those who could not afford to pay up to $150 for the concrete mixers already on the market. Sheldon wrote that his mixer could be manufactured and sold for under $15.²

The Nehawka Batch Concrete Mixer, later called the Sheldon Concrete Mixer, was simply constructed. Sheldon described his invention as "a common barrel so mounted in a frame with the aid of castings of my design, as to be rotated to perform the mixing operation and tilted to allow dumping into a wheelbarrow or other receptacle."³ Sheldon planned to sell his...
Sheldon Manufacturing Company

machine directly to his intended consumer—the farmer—who could use the mixer for small jobs on the farm, such as foundations, floors, culverts, water tanks, troughs, well curbs, and platforms.

Ultimately Sheldon's invention allowed the small village of Nehawka to approach the status of a factory town. The Sheldon Concrete Mixer was sold in every state of the union and in several countries around the world. For a few years the Sheldon Manufacturing Company thrived. Its failure, culminating in its bankruptcy in 1923, was attributed to external financial problems, particularly the agricultural depression of the early 1920s.

Initially Sheldon planned to provide blueprints of his mixer free of charge to individual farmers and small contractors to enable them to construct the machine. All of the castings and attachments described in the blueprints would be manufactured and sold by Sheldon. Cost for the parts was first set at $11.50.

However, Sheldon soon found that customers were more interested in purchasing complete machines. By mid-May 1914 he had sold thirty-five mixers. He set the price at $19.00 for a hand-operated machine and $25.65 for a mixer with power attachments. Feeling somewhat optimistic, he wrote to an interested person, "These cheap concrete mixers are going to sell to farmers and small contractors like hot cakes as soon as they find out where to buy it—they will sell like Ford cars—maybe?"15

During the first two years of operation, Sheldon rented the cramped quarters of a carpenter shop behind the Nehawka post office, where he and his workers managed to turn out two mixers per day. By the fall of 1914 local residents had noticed the increase in business, as nearly 100 machines were shipped in September and October of that year. The Nehawka newspaper believed that larger quarters would be essential to accommodate the growing operation.4

Sheldon, however, felt that a cautious approach was best. He took a wait-and-see attitude and noted, "We thought it best not to go into much of a factory until we were sure that the machine would really sell in large enough numbers to pay to equip a very large factory." It was not until June 1916 that a new building was begun. A concrete and brick facility, 60 feet by 80 feet, located on the Missouri Pacific Railroad, was completed a few months later. From 1916-19 the Sheldon mixer was manufactured there. The Nehawka News reported that the new factory building was large enough to house every piece of machinery used in manufacturing and to store all the supplies required to construct the mixer. Eventually, however, even this building proved inadequate and a steel building, 64 feet by 108 feet, was erected as an extension in 1919.

At about the same time that George Sheldon first demonstrated his concrete mixer to his Nehawka neighbors, newspaper advertisements publicizing the Sheldon mixer appeared. Sheldon began by advertising in a few farm journals, and his strategy was to emphasize the words "Free Plans" in the copy. Potential customers were then invited to "Build Your Own Concrete Mixer," with the plans and parts to be supplied for a nominal fee by Sheldon.

As public response to his sales pitch and the product grew, Sheldon realized that advertising would be an important investment that could reap large benefits. By May 1914 he had turned over his advertising account to the Warfield Advertising Company of Omaha, but Sheldon’s opinions and suggestions influenced all promotions and publicity developed by Warfield. He stressed to Warfield that "value received" and "service" were the foundations upon which he wanted to build his business.9 Testimonial letters

George Sheldon demonstrating one of his concrete mixers.
Sheldon received attested to his success as farmers confirmed their satisfaction with the product. One Cass County farmer wrote, "The machine is just the thing for a small mixer of farmer’s size... I think that every farmer who has concreting to do will be well paid to see one of them work."10

Some years later, after Sheldon had sold over 13,000 mixers, he provided an explanation of his company’s success to the Nebraska Bureau of Securities, stating that the key was advertising and keeping the product’s name before the public.

The real value of our good will lies in the fact that for the past seven years we have literally spent several hundred thousands of dollars in establishing our name before the people and establishing the Sheldon barrel concrete mixer in the minds of innumerable thousands of farmers throughout this United States. We have put all of the money which the concern has earned back into the business, either in advertising or in permanent fixtures.11

Sheldon understood the potential of advertising in promoting his product to his preferred customer, the American farmer. Unfortunately, when this market turned cash poor in 1921, it was the beginning of the end for the Sheldon Manufacturing Company.

By 1920 George C. Sheldon could feel pleased about the progress and profits made by the Sheldon Manufacturing Company. The previous year the company had gross sales of approximately $250,000, and in 1920 the management was anticipating income of $500,000.12 This success led the Weeping Water Republican to report excitedly that George Sheldon had decided to incorporate the Sheldon Manufacturing Company, with the stock to be offered to the people of Nehawka and nearby communities. The paper stated enthusiastically that "the incorporation of this flourishing business and manufacturing industry will mean untold prosperity and growth of this village. It will add hundreds of homes to the population of Nehawka, and cause the commercial interests to expand in every direction."13

This map, probably from 1920, shows locations and distribution points. Note the publicity given to the Stover Manufacturing Company of Freeport, Illinois. Sheldon used Stover engines exclusively in the production of his power mixers. Sheldon mixers were used in all forty-eight states and twenty foreign countries, including Australia, China, Iceland, India, and Venezuela.
The Sheldon Manufacturing Company was incorporated on April 1, 1920, with authorized capital stock of $250,000. Two thousand five hundred shares with the par value of $100 per share were offered. Eighteen hundred shares were taken by prominent Nehawka residents, including a few Sheldon relatives, and 700 shares designated as treasury stock were offered to friends and customers.

Within a year business problems were evident. Sheldon's first annual report to company stockholders on January 1, 1921, described changes in business conditions and external problems that ultimately would lead to the failure of the Sheldon Manufacturing Company. Chief among these was a sudden decline in sales, attributed largely to railroad strikes, which placed the company more and more behind in meeting deliveries.

Sheldon explained that on January 1, 1920, the factory had been filling recent orders, with production meeting the demand. However, a great number of orders during the first quarter of the year soon exhausted the factory's stock of mixers. Materials needed to construct additional mixers did not arrive as freight embargoes and railroad strikes interrupted deliveries. By April 1920 the company had about 1,000 orders on its books and was up to ten weeks behind in filling them. With shipments delayed, orders were cancelled in large numbers.

After the company had filled the back orders in July, it geared up for the big demand for mixers which was expected in late summer and fall when farmers had a lull between the wheat and corn harvests. In the fall of 1920, however, buyers were few and far between. Compared to sales totalling $19,500 in November and December of 1919, the same months of 1920 yielded only $4,700 in sales. During the first half of 1920, 3,176 mixers had been sold but only 595 during the last six months of the year. Sheldon concluded that 1920 had been a year of "high ambitions and

The Sheldon Manufacturing Company’s advertisements were directed at farmers, who could use the Sheldon mixer to “take the back-ache” out of their concrete work. Pamphlets provided by Sheldon and cement manufacturers, such as the Universal Portland Cement Company, gave instructions on constructing with concrete.
blasted hopes," and the company showed a deficit of $4,164.

The rapid decline in agricultural prices after World War I hurt farmers severely and also affected manufacturers like Sheldon who wished to supply them with equipment. Sheldon recognized the impact of the depressed farm economy in Nebraska and other rural areas, noting, "The prices of farmer's products have fallen below cost of production... Farmers... are buying only bare necessities."15 "Bare necessities" did not include the Sheldon mixer.

With the farm market temporarily dormant, Sheldon was forced to find other products in order to widen his market, products that he hoped would appeal to contractors and farmers looking for a bargain. In 1921 the company expanded its line to include saw rigs, turntable mixers, shovel loaders, hog catchers, and the Sheldon Trusty Hog Crate. The company also encouraged its old customers to discover new ways to use their Sheldon mixers - to mix chemicals, coffee, animal feed, flavoring extract, and, in that age of prohibition, home brew.16 In spite of these suggestions, the company's 1921 business was only forty-nine percent of that in 1920.17

At this point Sheldon's creditors started demanding payment on his accounts. Much of his correspondence during this period was with creditors, asking for extensions in meeting payments and refinancing loans whenever possible. He explained that the company was doing all it could to reduce overhead by cutting its inventory of stock and raw materials and paying cash for all items purchased. Advertising, previously the largest expense, was now cut drastically.

In May 1922 Sheldon wrote that the company was practically breaking even, but that no surplus was available to pay off past indebtedness.18 A month later, he proposed that the Stover Manufacturing Company of Freeport, Illinois, take over the sale of the mixers.19 The Stover engine had been used exclusively in producing the Sheldon mixer, and it had shared the spotlight in many of the company's advertisements. On November 29, 1922, the Stover Company became the exclusive sales representative for the entire line of Sheldon mixers, leaving Sheldon to concentrate on the manufacturing end of the business. One farm journal reported that this arrangement was effected for the mutual benefit of each company. The Stover Company would
have an opportunity to increase sales through its already numerous connections, and the Sheldon Company would be able to operate more efficiently without concern about high sales and advertising expenses. 20

This readjustment only forestalled the inevitable. On May 11, 1923, the Sheldon Manufacturing Company filed a petition of voluntary bankruptcy. The petition listed the assets of the company at $68,778.89, while the liabilities amounted to $73,324.12. Among the largest creditors of the company were Sheldon’s wife, Florence T. Sheldon, the Warfield Advertising Company, and numerous publications used for advertising. 21

The bankruptcy sale was held on July 6, and the plant was sold to A.G. Schreiber of Omaha for $11,000. (The property recently had been appraised at $26,000.) The Nehawka Enterprise reported that Schreiber represented a group of five investors who planned to form a stock company for the manufacture of mixers and saw rigs. George Sheldon was to remain with the firm as sales manager. 22 By August 2 the company, under new management, was again turning out concrete mixers. 23

Eight days later new articles of incorporation were filed for the Sheldon Manufacturing Company. Included among the five directors were Sheldon and Schreiber. 24

The restructured company was short-lived. In 1925 Sheldon exercised his option to buy shares of stock held by three of the directors, giving him sixty-three shares; Florence T. Sheldon retained thirty-two shares; and Ernest Giles, one share. 25

Despite the reorganization, the Sheldon Manufacturing Company was never able to recover the business it had once enjoyed. The physical appearance of the factory changed when the steel building which had been added in 1919 was sold to two of the Omaha directors and moved there. By 1934 it was decided that the company’s interests required the sale of various pieces of machinery and equipment. In the late 1930s the company struggled to find new uses for its products and for the factory. Local newspapers reported in 1937 that poisoned grain to fight grasshoppers was being mixed and sacked at the factory, using one of the large Sheldon concrete mixers. 26

In 1941 the Sheldon Manufacturing Company was formally dissolved though Sheldon retained the building and some of the equipment. In March 1943 heavy machine tools from the factory were leased to a government contractor in Texas for use in manufacturing aircraft parts. The tools were to be returned at the end of the war. 27

Although large-scale production of Sheldon mixers had ended in the 1920s, Sheldon continued to produce mixers as a cottage industry well into the 1950s. He assembled the mixers one at a time as orders were received even though his income came primarily from his work as a Kelvinator dealer, from a bottled gas dealership, and from farm property. He also did a fairly steady business repairing concrete mixers and providing parts. 28

In 1946 Sheldon announced that his factory and equipment were to be leased to Omaha businessmen who wished to continue the manufacture of Sheldon mixers. This plan failed. One final opportunity presented itself in January 1965 when a representative of Agway Incorporated of Ithaca, New York, wrote to Sheldon inquiring about his line of small concrete mixers. As Agway wished to sell such machines, Sheldon was excited about the possibility of revitalizing the business though he conceded that, at age seventy-eight, he might be able only to assist or instruct, rather than lead, new employees. 29 With George C. Sheldon’s death on March 27, 1965, all plans to revive the business died as well.

The Sheldon Manufacturing Com-

At its peak the Sheldon Manufacturing Company employed twenty men in the factory and eight office workers. Sheldon (upper left) and his employees posed for this picture when business was good.
Testimonials from satisfied customers were effective advertisements. In this case the Sheldon mixer had been put to the test and had performed admirably.

Company was an example of a small Nebraska business that sought to capitalize on the demand for a modestly priced and innovative product that offered considerable labor savings to farmers and small contractors. Unfortunately the company faced forces in the marketplace that it could not control as transportation problems and outside suppliers interrupted its delivery schedule. The inability to fill orders in early 1920 when demand for its product was high cost the company dearly. When it was once again able to provide a steady supply of Sheldon Concrete Mixers, the company’s principal customers, suffering from a depressed farm economy, could no longer afford to buy them. By the time the Sheldon Company began to diversify its product line, recovery proved impossible.

NOTES

The records of the Sheldon Manufacturing Company were donated to the Nebraska State Historical Society in 1981 by Mrs. Ruth (Sheldon) Thacker. The records cover all aspects of the company’s business for the years 1913-1965 and include correspondence, administrative files, financial records, advertising materials, blueprints, and photographs. These materials are available to researchers at the State Archives and at the Society’s Photograph Department.

1Nehawka News, September 26, 1913, 1:4.
2George C. Sheldon to Benjamin and Bassett, February 3, 1913. Sheldon Manufacturing Company Records, Nebraska State Historical Society. (Unless otherwise noted, all citations are to Sheldon company records.)
3Sheldon to Harvey King, May 15, 1914.
4Sheldon to Hathaway Ice Cream Company, August 13, 1914.
5Nehawka News, September 6, 1917, 1:4-5.
6Sheldon to C.E. Martin, September 17, 1914.
7Nehawka News, September 6, 1917, 1:4-5.
8Sheldon to Warfield Advertising Company, October 28, 1914.
9Charles M. Bates to Sheldon, December 31, 1913.
10Sheldon to Nebraska Bureau of Securities, June 23, 1920.
12Weeping Water Republican, March 18, 1920, 3:3-4. (Nehawka newspapers for 1920 are missing.)
13Sheldon Manufacturing Company, President’s Report, January 1, 1921.
Another method of reaching the public was through post card advertising, which presented information on new models to old customers.

16Sheldon to Bacon-Taplin Company, January 16, 1922.
17C.F. Chase to Speers-Jevne, November 22, 1921.
18Sheldon to Bradstreet’s, March 2, 1922.
19Sheldon to Iowa Lithographing Company, May 26, 1922.
20Sheldon to Stover Manufacturing Company, June 1, 1922.
22Debtor’s Petition.
23Nehawka Enterprise, July 12, 1923.
25Articles of Incorporation.
26Administrative and Legal Records.
27Clippings.
28Administrative and Legal Records.
29Glenn Thacker (son-in-law) to author, November 10, 1986.
30Sheldon to Agway Incorporated and to Glenn and Ruth Thacker, January 25, 1965.