The Best-Dressed Doll in the World: Nebraska’s Own Terri Lee

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Article Summary: Founded and run by women, the Terri Lee Company of Lincoln, Nebraska, was ahead of its time, introducing plastic dolls, including several black dolls, as early as 1947. With high-quality production standards and clever marketing materials that promoted Terri Lee as a companion and not just a doll, the toy caught the hearts and imaginations of little girls in a revolutionary way.

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Names: Maxine Runci, Drienne Runci, Violet Gradwohl, Harry Gradwohl, Terri Lee Gradwohl Schrepel, Jim Schrepel, Ben Myers, Jackie Ormes, Grace Hast, Brenda Putnam, Newt Bass, Roy Bitler, Kathryn Kay Fassel, Marvin James Miller

Place Names: Lincoln, Nebraska; Apple Valley, California

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Photographs / Images: Terri Lee dolls; Maxine and Drienne Runci; Gene Autry touring the doll factory in 1950 (3 views); Terri Lee dolls dressed in winter outfits; an early composition doll from 1946-47; a page from a Terri Lee catalog; an admission card to the Terri Lee Doll Hospital; Jerri Lee (introduced 1946); African American dolls (1947); Jackie Ormes; Patty-Jo (1947); a Jackie Ormes cartoon, “Patty-Jo ‘n’ Ginger,” (Pittsburgh Courier, June 26, 1948); the Gene Autry doll (1949); Terri Lee Schrepel and her daughters in a company catalog photo; dolls wearing Heart Fund costumes (2 views); the Linda Lee doll; the Terri Lee factory fire, Lincoln 1951; Connie Lynn Taylor with a doll wearing its mink coat; Violet Gradwohl; a Terri Lee doll in an ad for Peter Pan peanut butter; the Connie Lynn doll; Tiny Terri and Tiny Jerri; a doll clothing display; Terri Lee Shrepel and her daughter Connie Lynn
THE BEST-DRESSED DOLL IN THE WORLD:

Nebraska's Own Terri Lee

BY TINA KOEPPE
World War II had been over little more than a year when the Terri Lee doll entered the toy market in time for Christmas 1946. Invented and manufactured in Nebraska, the cherubic toddler doll and her elaborate wardrobe became an instant hit. Parents that lived through the deprivations of the Great Depression and wartime rationing wanted their children to have the best of everything, including beautiful toys.

The company, founded and run by women, was ahead of its time, introducing plastic dolls, including several black dolls as early as 1947. Thanks to high-quality production standards, and clever marketing materials that promoted Terri Lee as a companion and not just a doll, the family cottage industry expanded rapidly. By 1950, the Terri Lee doll became one of the most prized and coveted toys of the baby boomer generation.

The story of the Terri Lee Company is full of stunning successes and heartbreaking misfortunes. The Terri Lee doll occupies a sacred place in the childhood memories of many women who grew up in the 1940s and 1950s. More than just a doll, Terri Lee caught the hearts and imaginations of little girls in a revolutionary way. This is her story.

An exhibit, The Best-Dressed Doll in the World: Nebraska's Own Terri Lee, will open at the Nebraska History Museum in Lincoln on December 7, 2012, and will run until September 1, 2013. The exhibit will include over one hundred rare dolls, accessories, and photographs from the Terri Lee Company.
Maxine
The Terri Lee doll was born in the kitchen of a small house in Omaha, Nebraska, in 1946. Maxine Runci, a young sculptress from California, had stopped in Omaha to visit her parents at their childhood home on Chicago Street.¹

Maxine, the second oldest of Florence and Jacob Sunderman’s four children, had shown an early aptitude for art. After graduation from Technical High School, she attended Municipal University and worked at the Orchard and Wilhelm Department Store, where she was in charge of the doll hospital. Discovering that she loved repairing and working on dolls, she opened a doll hospital in her home, with her mother and sisters helping.²

Maxine desperately wanted to attend the Chicago Art Institute, but her father, a railroad worker, could not afford it. On July 12, 1936, the Omaha Bee-News published a cartoon drawn by twenty-one-year-old Maxine featuring Omaha’s seven county commissioners. An article that ran with the comic told about the aspiring young artist and how she worked at a department store to save money to attend the Chicago Art Institute.³

The cartoon and article drew the attention of Omaha’s wealthy art patrons. Within a week, they raised funds to pay for four years at the Chicago Art Institute. Maxine excelled in her studies and focused on painting and sculpting.⁴

After graduation Maxine moved to Los Angeles, where some of her siblings lived. In 1943 while sketching portraits of soldiers at the famous Hollywood Canteen, she met a handsome Marine named Edward Runci. When his turn came to be sketched, he asked Maxine out on a date. They were married that same year. Edward’s artistic skill matched Maxine’s and the young couple embarked on a happy and creative partnership. The Runcis are best known for their glamour and pinup calendar art (sometimes with Maxine modeling), but also made names for themselves as painters of celebrity portraits.⁵ The Runcis’ only child, a daughter named Drienne, was born July 9, 1944.

In early 1946, Maxine worked as a sculptor, creating heads for high-end department store mannequins. For months, she experimented with a design for a small mannequin that children could dress and play with. She designed a prototype that she planned to take to the annual American International Toy Fair in New York City.⁶ There had been no Toy Fair in 1945 due to World War II and retailers and manufacturers alike were reportedly eager to attend the 1946 fair.⁷ Maxine wanted to display her doll prototype at the fair, with the hopes of finding a toy company interested in working with her.

Maxine took the train from California to New York City. Her traveling companion was her nineteen-month-old daughter, Drienne. Maxine planned to drop Drienne off in Omaha for some quality time with grandma and grandpa while she continued solo to New York City.⁸

While staying with her parents, Maxine found inspiration in her daughter, Drienne. She worked at her parents’ kitchen table and sculpted a sixteen-inch clay version of the toddler, complete with chubby legs and little protruding tummy. She made a mold for the doll, created a plaster-of-Paris prototype, made a horsehair wig and painted a cherubic face on it. Maxine’s mother sewed a sunsuit for the doll. Please with the result, Maxine decided to also take this new creation, which she called her “toddler doll,” to the Toy Fair.⁹

Violet
During Maxine’s visit in Omaha, her mother’s half-sister, Violet Gradwohl, stopped by for a visit. “Aunt Dit,” as her nieces and nephews called her, took one look at Maxine’s doll and was immediately enchanted.¹⁰

Violet Lee Gradwohl, an exceptionally bright farm girl from Clarinda, Iowa, had reluctantly landed in Lincoln in 1919 to attend the University of Nebraska. The high school valedictorian had won a scholarship to Stanford, but her parents felt...
the school was too far away. Violet, who was a devout Methodist, actually wanted to be a missionary, but followed her parents' orders and registered for classes at the university. She briefly attended college, but left to take a secretarial job at the Lincoln Airplane and Flying School. She married a dentist, Dr. Harry Gradwohl, in 1926. In November 1927, Violet and Harry celebrated the birth of their only child, a daughter they christened "Harriet Wilma." As the little girl grew older, she decided she did not like her given name and instead preferred to be called "Terri Lee." Violet, a talented designer and seamstress, enjoyed creating beautiful clothes for her young daughter, often making doll clothes to match.

When Terri was five years old, she got tuberculosis, and the family moved to the small town of Crete for the fresh air and sunshine that the doctor said were needed for the girl's recovery. They lived in a log cabin with an outhouse. Harry Gradwohl drove to Lincoln every day to work at his dental office.

As an adult, Terri recalled that her mother loved fashion and was not afraid of attention. In a 1984 interview for the Lincoln Journal Star, Terri described her mother wearing "shorts and skimpy tops" in the quiet small town of Crete in the 1930s. Embarrassed, Terri said she asked her mother, "Why can't you be like other mothers and stay home and bake bread?"

The family moved back to Lincoln prior to the start of World War II. During the war, Violet worked as a Girl Scout counselor and repaired dolls for the Lincoln social welfare toy shop during a time of "make do and mend." During this time, Violet observed that many of the dolls she repaired did not seem designed for actual play. Glass eyes often became stuck and porcelain fingers snapped off. She also noticed that all the dolls had blue eyes. This bothered her, because her own daughter had brown eyes.

That afternoon in March 1946, when Maxine showed "Aunt Dit" the toddler doll, Violet was so excited that she asked if she could accompany Maxine to the Toy Fair. The two women traveled to New York City, but were turned away because they did not qualify as manufacturers. They met a sympathetic doll manufacturer representative, Inez Holland, who offered to display Maxine's dolls in her booth. Despite some criticism for being "funny looking" the toddler doll received a lot of interest from retailers.

The 1946 fair saw a record attendance of eight thousand buyers and seven hundred exhibitors. Encouraged, Maxine and Violet took the train back to Lincoln. Somewhere between New York and Nebraska, the two women hatched a plan to begin producing and selling dolls themselves. They deliberated on a name. They wanted something catchy. They decided to name the doll "Terri Lee" in honor of Violet's daughter and Violet's maiden name. The doll would have brown eyes, just like the real Terri Lee.

Despite having no business experience, Violet Gradwohl jumped into the new endeavor without hesitation. Now in her mid-forties and suffering from an empty nest (the real Terri Lee had just left the family home and married a young serviceman named Robert W. Taylor), Violet was ready for a new adventure.

The women decided that Maxine, the creative force, would return to Los Angeles to prepare a mold for production. From Lincoln, Violet would handle the business and marketing. Returning home to Lincoln, Violet incorporated the firm as Terri Lee Inc. Harry Gradwohl financed the business with an $11,000 loan.

Even though the war had ended, the United States was still rationing some materials. Undaunted by the limitations and the risk of starting a new business in this climate, Violet began to hire workers, though she did not have a place for them to work. The first factory was in the Gradwohls' kitchen at 1340 South Twentieth Street.

Ben, Violet's Hairdresser

Violet asked her hairdresser, Ben Myers, to perfect a wig for the dolls. Ben and his wife, Norma, owned and operated a beauty school and salon called Ben your Hairdresser at 211 South Thirteenth. Violet commissioned the experienced stylists from Ben's shop to create wigs for the dolls.
Groups of women gathered in basements around town to make wigs. Other women drove to pick up fabric, notions, and patterns to sew doll clothing in their homes. In a college town like Lincoln, many young veterans of World War II used GI Bill money to attend college. Wives of these veterans eagerly took positions in the small factory and as home seamstresses for the Terri Lee Company.

The summer of 1946 was an exciting one. Violet's first granddaughter, Connie Lynn, was born in June. A few months later, in August, the first Terri Lee doll was ready for the market. Ben Myers's beauty shop even became the first retail outlet, with forty Terri Lee dolls displayed in each of his large shop windows.

Montgomery Ward featured a blonde Terri Lee doll in their 1946 Christmas catalog. Priced at $11.50, more than eight thousand Terri Lees were sold by the end of the year, making the Terri Lee Doll Company an instant success. Unprepared, but undaunted, Violet ramped up production and hired more workers to fill orders.

The first Terri Lee dolls manufactured before early 1947 were made of a composition material.

**Admission Card**

TO

Terri Lee Doll Hospital, Apple Valley, Calif.

If your Terri gets sick, put this card and fee in an envelope, attach it securely to the outside of the package, and mail to the above address. Be sure your name and address is printed plainly on the card and package. Send your doll UNDRESSSED so the Doctor can put her right to bed.

☐ Please make my dollie like new again. Clean, repaint, and give her a new assembly rubber band. Give her a new (Color __________) Wig, too. The $3.50 fee is enclosed.

☐ Just put her together again with a new assembly rubber band. Here is the $1.00 handling fee.

☐ Repair her broken _______________ FREE, because the plastic body of my “Terri Lee” doll is guaranteed for life.

Return her to me, Postpaid, at:

Name ________________________________

Address ________________________________

City ___________ Zone ______ State ______

(Note: Terri Lee’s plastic body is guaranteed for life (under normal usage) against breakage. The Guarantee does not apply to wigs.)

Buyers of Terri Lee dolls received an admission card to the “Doll Hospital” in case their doll ever needed repair.
Composition required the use of sawdust; however, because the United States was still recovering from the shortages of World War II, Violet had a hard time finding enough for large quantities of dolls. She asked her brother, Forrest Lee, to send boxcar loads of corn cobs from his farm in Iowa, which were ground up and used as a substitute.

The composition material made of ground corn cobs proved to be problematic. Within a short time, the corn’s moisture content caused the paint to peel off the doll bodies. Violet began to think about new materials to use for her dolls.

**Fashions**

A large part of the appeal of Terri Lee dolls was the elaborate and extremely high quality wardrobe available for them. The styles of clothing mimicked those available for little girls in the late 1940s/1950s. Dolls had everything from party dresses, hats, and coats to swimsuits and pajamas. The clothing was created to withstand hand washing and ironing. Metal snaps, high quality lace, satin ribbons, and real buttonholes are hallmarks of Terri Lee fashions.

**Marketing Genius**

In 1946, Violet Gradwohl knew that economic conditions in the United States were improving and families were growing. She needed a fantastic marketing campaign to promote the Terri Lee doll to children and their parents.

When Terri Lee dolls left the factory, they carried a lifetime guarantee and a blank admission certificate to the Terri Lee Doll Hospital. As a firm commitment to her dolls, Violet provided a doll hospital in Lincoln. The repair of any broken parts was free. To have a doll cleaned, restrung, repainted, and re-wigged in a choice of color cost $3.50. Because of the difficulty in removing the wigs, a new head was usually substituted. When broken and peeling composition dolls were sent to the doll hospital, they were replaced with the newest plastic model doll and both the old doll and new doll were shipped back to the owners. Little girls, referred to as “Little Mothers” in Terri Lee marketing material, were asked to send their dolls undressed, so that the “doctor could put them right to bed.”

Little Mothers received birthday cards and could join the Terri Lee Friendship Club, receive Fashion Parade magazines, and subscribe to the Monthly Magazine that featured news about new doll fashions, coloring pages, stories, and contests. Advertisements for both print media and radio were carefully designed and scripted. Violet coordinated some of the prints on Terri Lee’s costumes to match Steiff animals, adding tiny stuffed monkeys, poodles, and Scotties to her line.

**Terri Lee’s Adopted Brother: Jerri Lee, 1946**

When the success of the Terri Lee seemed assured, Violet added new dolls to the Terri Lee family. The first addition was a boy doll named Jerri Lee. Production on Terri Lee’s “adopted brother” began before the end of
Jackie Ormes, creator of the Patty-Jo n’ Ginger cartoon. Ormes wanted to create a non-stereotypical black doll. From Nancy Goldstein, Jackie Ormes, the First African American Woman Cartoonist. Used by permission.

1946. Jerri Lee was made from the same mold as Terri Lee, but he had a short wig made of curled Celanese fiber. By 1947, Jerri Lee’s hair was made of soft, curled lambs’ wool. Jerri came with blonde, auburn, or bruneette hair and like his fashionable sister, he came with a wide variety of clothes and accessories.

Dolls of Color, 1946-47

Violet was fascinated with the 1945 establishment of the United Nations Charter. She began to create costumes from around the world and also expanded her line of dolls to include dolls of color. By early 1947, the company was manufacturing two Mexican dolls named Guadalupe and Calypso, an Eskimo doll named Nanook, and a pair of African American dolls called Bonnie Lou and Benjie. Made from the same mold as the Caucasian Terri Lee dolls, these new dolls were simply painted different colors and fitted with new wigs. The concept of creating dolls of color was visionary at a time when segregation still took place in many parts of the country.

Plastic Dolls, 1947

Before the end of 1946, Violet had started to experiment, sometimes in her kitchen, with plastic. Plastic was relatively new on the market and had the advantages of being mostly unbreakable, non-flammable (unlike celluloid) and water resistant (unlike composition). She joked with friends and family that she almost destroyed the kitchen thanks to these experiments. Violet hired more workers and began contracting with the Tip Top Products Company in Omaha to create injection-molded dolls. The first plastic Terri Lee dolls were made before the fall of 1947. Violet used several types of ethyl cellulose plastic, both Celcon and Ethocel, for the early plastic dolls. These dolls were painted in spray booths, using flesh-colored automobile varnish. Violet attempted to add colorants to the plastic prior to the injection in the molds, but the results were not to her satisfaction.

Patty-Jo, 1947

Jackie Ormes, known as the “first African American woman cartoonist,” wanted to create a doll based on one of her comic strip characters. Her popular single-panel comic, Patty-Jo n’ Ginger, ran in the Pittsburgh Courier. It featured a big sister-little sister setup, with the precocious, sassy, and socially/politically aware child named Patty-Jo as the only speaker and Ginger as the glamorous older sister who patiently tolerates Patty-Jo’s pranks and wisecracks.

Ormes felt that toy manufacturers ignored black customers and only created black dolls based on embarrassing racial stereotypes: mammys, pickaninnies, and shabbily dressed children. She observed little black girls playing with white dolls, looking like they were in training for careers caring for white children. Ormes began to experiment with designing paper dolls and then making prototypes out of cloth and clay. She wanted to make a black doll that looked like a little girl. In an interview she explained that she wanted, “No more rag Susies or Sambos . . . just kids!” and she began to

Patty-Jo, introduced in 1947. At times there were not enough artists trained to paint Patty-Jo’s face to Jackie Ormes’s specifications. The doll on the right, and possibly the one on the left as well, were painted by Ormes herself.

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shop around for a manufacturer who could turn her spunky Patty-Jo cartoon character into a doll. Ormes had high standards for workmanship and materials and wanted complete creative control on the final version of the dolls. She met with and rejected several doll manufacturers because they could not meet her standards.34

A writer for a toy trade publication told Ormes about a new doll company in Lincoln, Nebraska, that was creating high-quality dolls, including a black boy and girl doll with elaborate wardrobes. By August of 1947, Jackie had traveled from Chicago to Lincoln by train with a box of drawings and sculpted prototypes on her lap.

Violet and Jackie got along famously. The black Bonnie Lou doll was not the big seller that Violet had expected and she enthusiastically agreed to partner with Jackie Ormes on a new black doll. Jackie signed a contract with the Terri Lee Doll Company and the women began collaborating on the Patty-Jo doll.

Patty-Jo came along just as the Terri Lee Company perfected a plastic molding technique. Violet consulted with Ormes regarding the color of Patty-Jo's "skin." Originally the company tried to color the plastic to achieve the brown skin color. However, Jackie thought the colored plastic looked like watery Coca-Cola, so it was decided to spray the color on the bodies. Spraying on the color allowed for unintentional variety on the depth of color.

Jackie made multiple trips to Lincoln to teach the artists how to get the Patty-Jo face right and finalize the wig styling. At times, there were not enough artists sufficiently trained to paint Patty-Jo to Ormes's specifications. Sometimes dolls with blank faces were sent to Ormes in Chicago, where she painted the faces herself.35

A contract signed in August 1947 specified that Jackie was to receive 2 1/2 percent royalties on each Patty-Jo doll sold wholesale. She would be allowed to market and sell the dolls herself through mail order. She would receive three dollars for each doll she sold in this manner.36 Jackie advertised the Patty-Jo doll in publications such as Ebony magazine, and sold dolls out of her Chicago apartment. The Patty-Jo doll was on the shelves in time for Christmas 1947. In December 1947, the wholesale price of Patty-Jo was $7.00 and the retail price was $11.95.

Gene Autry, 1949

Fascinated by cowboy culture, Hollywood, and horses, Violet was a big fan of the famous singing cowboy, Gene Autry. Autry sang "Back in the Saddle Again" but is most famous for his version of "Rudolph the Red-Nosed Reindeer." In 1949, Autry authorized Violet to produce a doll based on his likeness. The Gene Autry doll was made from the same sixteen-inch mold as the other Terri Lee dolls, but had painted hair and decal eyes.37

When the singing cowboy arrived in Lincoln on January 12, 1950, for an appearance at the University of Nebraska, he toured the factory and spent time with Violet and her family.38

The doll sold poorly, but is treasured today by collectors. Violet felt that perhaps children did not want to play with dolls that looked like adults. Less than two years after his introduction, the Gene Autry doll was put out of production. The western costumes, however, proved popular, and reappeared in the 1954 catalog. The royalty on the costumes was raised from 5 to 10 percent in January 1954. Though Violet felt this was a drain on profits, she overlooked it because she valued her friendship with Autry.39
Family Rift

In the early months of the company, Maxine Runci's name remained on the company letterhead and she was still kept informed on developments in the company. Business at the Terri Lee Company was evolving quickly and soon Maxine found herself completely left out of decisions. She discovered that Violet was being credited as the inventor of the Terri Lee doll. A trust fund promised for Drienne never materialized. In a 2012 telephone interview from her home in France, Maxine's daughter Drienne said that her mother didn't consider copyrighting her creation or challenging her aunt until it was too late. She never imagined that her more assertive aunt would take credit or neglect to share the financial profits of the company. The rift caused by this situation carried on for decades and divided family members.

Maxine continued her life as a working artist. She taught private art classes, took commissions for portraits, and even dabbled in architecture, designing several homes for her family in California. While her marriage, family, and creative life were fulfilling, she was aware of the popularity of the Terri Lee dolls and felt betrayed that she was not enjoying any of the benefits or credit for her invention.

In 1950, Violet asked her daughter Terri to work part-time for the company as a clothing designer. Terri had two daughters now; a second daughter named Linda had been born in 1948.

Introduced in 1949, the Gene Autry doll sold poorly and was pulled from production two years later. The western costumes, however, proved popular.
She had divorced her first husband and gotten remarried to Jim Schrepel. Working as a stay-at-home mom and sometimes as a swimming teacher at the YWCA, Terri had no experience as a designer. She soon came to enjoy designing the clothes and reportedly was as much of a stickler for details as her mother.43

Support for Charity

Some of the Terri Lee fashions reflect Violet's earlier volunteer work and her desire to support her favorite charities. In the fall of 1948, Terri Lee was adopted by the Girl Scouts of America and had her own Girl Scout and Brownie uniforms. Blue Bird and Camp Fire outfits were also available. A small percentage of all sales of the outfits went to these organizations.

Terri Lee had a communion dress and several nuns' habits, including a white Dominican nun habit authorized by the Catholic Church and authentic even to the correct rosary.

Every February between 1950 and 1956, the Terri Lee Company produced at least one special red and white outfit a year to support the Heart Fund. The Heart Fund, a campaign started by the American Heart Association, raised funds to help children with rheumatic fever. Thanks to widespread use of antibiotics, rheumatic fever has become rare in Western countries, but in the 1950's, it was the leading cause of death and disability in children between the ages of five and fifteen.44 Five percent of the sales of each year's new heart fund costume was donated to the American Heart Association.
**The Lincoln Factory Days**

As demand for the dolls increased, the Terri Lee factory relocated to larger spaces two more times, first to the State Securities Building at 132 South Thirteenth Street. Violet then secured a factory space at 2012 O Street in 1951, renting out the top two floors of the Singer Auto Parts Building.

Violet hired managers and factory workers to keep up with the huge demand for dolls. One important new hire was a woman named Grace Hast. Violet had worked with Grace during her days in the Girl Scouts. She knew that Grace possessed great organizational and managerial skills and convinced her to move to Lincoln to help with the expanding company. Grace began to help with every aspect of the company, from production to bookwork. She was especially interested in helping disabled people, resulting in the hire of workers with disabilities. With Grace as Violet’s right-hand woman and silent partner, the company began to function even more efficiently.45

By 1950, dolls were made of a plastic called Tenite II. This plastic was sturdier and could even be colored prior to molding. Dolls arrived at the factory in parts and were put together using acetone to melt the parts together. A pressure tank holding five parts at a time was used to bind the doll parts together. Then the bodies were sanded to remove excess glue and the seams buffed smooth. The doll, head, arms, and legs were strung together using a heavy rubber band.

Once the parts were assembled, blush was air-brushed on the knees, hands, and cheeks. Then, the heads were sent to the face painters who painted freehand using a special lead-free automobile lacquer for safety purposes.

Although the face painters had general guidelines, they were allowed to customize the dolls slightly, adding different numbers of eyelashes, eyes glancing in different directions, and a variety in width and shape of eyebrows. Violet enjoyed seeing the subtle difference in faces, feeling each artist projected her own personality. Face painters earned a dime for each head they painted.46

**Vinyl Dolls and Linda Baby, 1951**

In 1951, Violet began experimenting with making vinyl dolls. She also wanted to make a realistic newborn baby doll. For this project, she worked with Brenda Putnam, a classically trained sculptor who specialized in children as her subject matter. Putnam was on the verge of retirement in 1951 and had just created major controversy for designing an anatomically correct baby doll.47

This doll, named Linda Lee after Violet’s oldest granddaughter, had curled toes and graceful hands and was such a change from previous baby dolls that some critics described her as “froglike.”48

When the Linda Lee doll came out in 1952, “made of the realest soft skin plastic you ever saw,” she developed problems right away. The brochure for Linda Lee said that she could be bathed in a bathtub and that she would float. However, the metal washers and cotter pins that held the doll’s arms and legs on rusted and caused the entire body of the doll to discolor. The “rose petal vinyl” used to create lifelike softness was manufactured using an oil that became chemically unstable and sticky over time. Manufacturing problems arose when the tiny fingers would not fill with vinyl in the injection mold process and sometimes bubbles formed in the molding process and caused fingers to break off afterwards. Many Linda Lee dolls did not pass final inspection and were discarded. Attempts to color the vinyl met with unsatisfactory results.49
Violet tried to use vinyl as early as 1950 on some Terri Lee dolls and encountered similar problems. Customers who bought these vinyl dolls often sprinkled them with talcum powder in an attempt to combat the stickiness.

The 1951 Terri Lee Factory Fire

By mid 1951, the Terri Lee Company had 190 employees working day and night shifts. Nearly three thousand dolls were being sold a week. In a November 1951 interview, Violet commented that it would be necessary for the company to find "larger quarters."50

Near midnight on a bitterly cold and snowy Saturday night, December 15, 1951, Lincoln motorcycle officer James Hampton answered a burglar alarm at the Terri Lee factory and discovered that the building was on fire.51 Minutes later, when the first fire truck arrived, smoke was pouring from the top floor of 2012 O Street. Fire officials theorized that the fire had set off the ADT system, resulting in the burglary alarm.52

Two women who worked as face painters were in the factory that night. Esther Farleigh was one of them. She later recalled, "Thank heavens we weren't in it when it caught on fire because it apparently was burning when we were in it, but we didn't know it."53 She and her co-worker heard some strange noises and decided to take a break and go across the street to get sandwiches. They left their coats behind. While on their break, they noticed fire engines pulling up on the street and saw the factory burning.

Ten-year-old Wally Smith was at Twentieth and O the night of the fire. His father's used car lot, Wally's Used Cars, was located next to the Terri Lee factory.

"My dad was called. At the time, we lived at Twenty-third and P Street. My dad and older brother hurried to move cars off the lot, but some of the older cars wouldn't start in the cold and ended up getting scorched. It was a pretty spectacular fire... hotter than hell."54

The Terri Lee factory fire, December 15, 1951, would lead to the company's relocation from Lincoln, Nebraska, to Apple Valley, California. Photo courtesy of Lincoln Fire and Rescue
In newspaper interviews, much attention was given to a $250 mink doll coat that was destroyed in the blaze. Here, Terri Lee’s daughter Connie Lynn Taylor, is shown with such a coat. NSHS RG6812-56

A cause of the fire was never determined, but many of the adhesives and solvents used at the factory were highly flammable. The building was a total loss and was torn down ten days later.

The fire destroyed business records, expensive equipment, unfilled orders and most distressingly, approximately 150 dolls that had been sent to the Terri Lee Hospital for repairs. Immediately following the fire, the company received numerous letters and telegrams from Little Mothers asking about their dolls. The dolls were considered to be the greatest casualty of the fire, due to the value attached to them by their young owners.

At the time, the Terri Lee factory fire was one of the largest in Lincoln’s history. In newspaper interviews, much attention was given to a $250 mink doll coat that was destroyed in the blaze.

A total of seven businesses suffered losses totaling $291,500. The Terri Lee Company was insured for $75,000, but damages reportedly exceeded this amount. Violet suffered a nervous breakdown and exposure from standing in the frigid temperatures the night of the fire, and was admitted to St. Elizabeth Hospital. She briefly considered getting out of the doll business, but by this time she started to receive stacks of mail from children, merchants, and parents from across the country who assured her that they would wait as long as necessary to get their orders filled. Violet gathered her strength and got back to work.

After the fire, the workers who made clothing were able to continue working from home. Roy Bitler, the plant manager, announced at the company Christmas dinner that year that the factory would reopen in January. New sewing machines had already been ordered. “We fully intend to stay in Lincoln to expand our business,” Bitler reported to a newspaper reporter on December 20, 1951.

Nine days later, an article in the Lincoln Journal reported that Violet planned to travel to Los Angeles to look at factory space and equipment. She told a journalist, “It is impossible to find suitable quarters in Lincoln in which to operate a doll factory.”

While Violet shopped for a new factory space in California, the sewing operation continued in Lincoln, with fifty seamstresses working to create clothing for the “best dressed doll in the world.”

Terri Lee Moves to Apple Valley, 1952

Violet’s younger sister, Fontiene Duda, lived in Long Beach, California, in the 1940s. While visiting, Violet may have seen advertisements for a new resort community called Apple Valley. The founding fathers of Apple Valley, oil executives Newt Bass and his partner Bud Westlund, purchased 6,300 acres of high desert land during the early 1940s, with the intention of developing a cattle ranch. Instead they turned it into a real estate development known as Apple Valley Ranchos, a huge success that made both men millions of dollars.

Ninety-three miles from Los Angeles, the western-style town of Apple Valley had relaxed dress rules, miles of horseback trails, and a rodeo arena. It became a popular retreat for celebrities, such as June Allyson, Dick Powell, and Alan Ladd, who stayed at the local Apple Valley Inn. The perfect, uninhabited backdrop became a popular filming location for western movies.

Violet’s love of horses and luxury made Apple Valley an attractive place to visit. During a stay at the Apple Valley Inn, she met Newt Bass and he encouraged her to relocate her doll factory to Apple Valley. New industry was badly needed at this time. The airbase in nearby Victorville, California, was
filled with air force dependents eager for employment. Newt and Violet eventually went on to raise thoroughbred racehorses together.

On March 8, 1952, Violet announced plans to open a new Terri Lee Doll factory in Apple Valley. She had a three-thousand-square-foot plant built and painted her favorite color, pink. The factory had a swimming pool where workers could take a quick dip before work. Locals described the building as "the pink cake."

A grand opening was held on May 9, 1952. By summer of that year, the doll-making operation was moved to California. The main office headquarters, managed by Grace Hast, remained in Lincoln until February 1953.

Lincoln staff faced a tough decision, whether to move to California or not. Even though the doll-making side of the business moved to California, administration, sewing, and wigging continued in Lincoln. Violet's son-in-law, Jim Schrepel, managed the Lincoln plant while Grace Hast managed the corporate office.

Violet enjoyed the rebirth of her doll factory in Apple Valley. New fashions found their way to market as sales climbed. A 1952 partnership with Peter Pan Peanut Butter Company resulted in color ads for Woman's Day magazine that featured Terri Lee dolls. Fashion shows were organized in the Midwest and California, where little girls modeled dresses and carried Terri Lee dolls dressed in identical outfits.

The black doll from 1947, Bonnie Lou, returned to the line in 1952. Violet continued to experiment with Linda Baby and began to use plastic instead of vinyl. The company attempted to create a black Linda doll called "Little Co-Co," but problems with colorant prevented the doll from going into production. The company produced a version of the Linda doll with closed eyes called "So Sleepy." Lighter weight plastic was used for the new dolls.

In California, Violet suggested that face painters start marking their dolls with a dab of paint at the back of the neck or on the crossbar where the stringing hook fastened. This way, when dolls were returned to the doll hospital, they could be given to the original face painter for repainting.

During 1952, the factory produced more than 100,000 dolls and 500,000 outfits.

A year after the new factory opened, Violet bought a 244-acre ranch and hired her brother, Forrest Lee, to take care of it. The ranch was described in the media as, "another Terri Lee enterprise." She filled the ranch with beautiful things, including furniture that once belonged to silent screen star Rudolph Valentino. She reportedly owned a pair of pet monkeys during this time. Gene Autry visited the ranch and is believed to have filmed a TV show or movie on the property, but family members cannot recall the name.

In 1953 the business portion of the Terri Lee Company was relocated to California and Grace Hast decided to move with it.

Legal Troubles

Plant manager Roy Bitler relocated to California and helped set up the new Terri Lee factory in Apple Valley. Violet fired Roy Bitler in September 1952, alleging that he represented himself as able to do work he later proved incapable of doing. He filed a lawsuit seeking $81,451 in damages. He claimed the amount due to him for unpaid salary, bonuses, expenses, and damage to his reputation when he lost his job. He had signed a three-year contract to serve in his position at a salary of $150 a week and had been promised a $5,000 bonus each year providing that sales continued to rise. His contract also promised an additional bonus if sales exceeded $500,000 any year. His dismissal, according to the petition, claimed he was released without cause, at a time when sales were on target for reaching half a million dollars.

Bitler was awarded a $43,443 settlement. In 1956, Violet pleaded for a retrial and the high court reversed its decision, reducing the settlement due to Bitler to $9,398.60.
We love it 'cause it's so fresh!

Peter Pan
is just 60 seconds old
when you open the jar!

You'll notice the difference when you open the jar... and you'll love the difference when you taste Peter Pan. That's because creamy-smooth, easy-spread Peter Pan Peanut Butter is actually made within 60 seconds after it's made. It's extra good when you get it and extra good when you eat it.

If you agree that the freshest foods are the best foods, then you'll choose Peter Pan Peanut Butter.

Kids! Don't miss Sky King!

On TV, see Sky King every other week on NBC-TV. On radio, hear Sky King every Tuesday and Thursday, 6:30 p.m., on MBS.

America's favorite peanut butter... outsells all others.

A 1952 partnership with Peter Pan Peanut Butter Company resulted in color ads for Woman's Day magazine.

The company grew between 1952 and 1956. Violet hired hundreds of factory workers as well as managers and assistants. One employee hired in the early Apple Valley years, Kathryn Kay Fassel, had an ulterior motive for working at the Terri Lee Company. Following her brief tenure as Violet's assistant in 1953, she went to another manufacturer and began producing a Terri Lee clone. This copycat doll, called "Mary Jane," included details Violet despised, including sleeping eyes and a walking mechanism. The doll encroached on Terri Lee's business, as consumers began purchasing the similar looking and cheaper dolls. Violet took Fassel to court for copyright violation and won the dispute. The copycat dolls were removed from the market in 1954, but since only the head was determined to violate Violet's patent, the dolls quickly reappeared with a new head.

Despite the legal challenges that began to take up more of Violet's time, the Terri Lee Company continued to thrive. In a 1954 survey, Terri Lee was ranked fifth out of three hundred doll companies.

The Connie Lynn Doll, 1955

Violet doted on her two granddaughters and frequently invited them to visit her ranch in Apple Valley. She named one of her favorite racehorses after her oldest granddaughter, Connie Lynn. In 1955, she introduced a new doll named after the nine-year-old girl. This new baby-style doll had glass "sleeping eyes" and "real" eyelashes. The eyes caused problems early on, because humidity and moisture caused them to close and not open. The Connie Lynn doll was also heavy for her size and proved to be awkward for children to play with comfortably. Dozens of dolls were returned to the factory, some still in boxes.

Tiny Terri and Tiny Jerri

Introduced in November 1955, the Tiny Terri doll was another attempt by Violet to follow the doll-making trend of sleeping eyes and a walking mechanism that turned her head with each step.

The Connie Lynn doll, introduced in 1955. The doll's glass "sleeping eyes" caused problems early on, because humidity and moisture caused them to close and not open. NSHS 13244-282
In 1956, Tiny Terri's male counterpart, Tiny Jerri, appeared. In order to manufacture these new dolls, Violet felt that a new 20,000-square-foot factory addition was necessary. She applied for a federal Small Business Administration Loan to help cover the costs of the addition. She received the $230,000 loan in April 1957. This huge debt proved to be more than the company could pay back.

Despite clever and aggressive marketing, the Tiny Terri and Jerri dolls were not as popular as hoped. The fiber used for the wigs proved to be a big disappointment. The doll wigs looked fine when they were new, but proved to be impossible to restyle after being played with and combed by youthful owners.

**Trouble in Apple Valley**

By 1957, Violet was focused on her lifelong dream of breeding and racing thoroughbred Arabian horses. As she became more distracted with her horses and constant traveling, the financial situation at the Terri Lee Company began to suffer. Violet's husband, Harry Gradwohl, did not come to Apple Valley. The couple's marriage had suffered over the decade and they had married and divorced twice. Following a disagreement with Violet, the reliable Grace Hast resigned from the company in August 1958. Without the steady influence of Harry and Grace, Violet began to lose control of the factory.

In 1957, financial affairs of the Terri Lee Company were in serious condition. The enterprise was about a million dollars in debt. The loan from the Small Business Administration was delinquent, with a balance of approximately $230,000. The company owed $20,000 in back wages. In 1957 and 1958, several Terri Lee employees filed lawsuits complaining that they were not paid legal minimum wage or overtime.

The production manager had not been paid any salary for ten months, and $5,400 was due him. A bank was undertaking foreclosure proceedings to collect $4,500.

Faced with a desperate financial situation, Violet hired a financial advisor from Los Angeles named Marvin James Miller. It is unknown whether Violet was aware of Miller's criminal record, one that included embezzlement and falsification of records. She may have been aware that in 1955 Miller received an insurance settlement of $185,000 for a carpet business he owned that burned in a fire. Miller counseled Violet on her financial troubles, told her that she had lost $100,000 due to embezzlement, and even loaned her money. On November 13, 1958, Violet wrote Marvin James Miller a check for a thousand dollars in exchange for his "accounting services."

In mid-November that year, the stock in the doll plant was insured for $211,000. On November 12, 1958, Violet contacted her insurance agent and asked to have this insurance increased to $240,000. She indicated that this request grew out of a recent inventory check that showed that she was underinsured.

On November 14, 1958, a fire at the Terri Lee factory in Apple Valley caused over $100,000 in damage. An arson unit from San Bernardino investigated the fire and discovered that seven different fires had been set at widely separated places using some kind of accelerant. A local gas station attendant testified that he encountered Miller on the morning before the fire. Miller came to the gas station, claiming that a friend had run out of gas. He purchased four gallons of gasoline, which the gas station attendant put in a five-gallon
Franklin Floor Cleaner can. Investigators found the Franklin Floor Cleaner can in the burnt factory and discovered gasoline stains in Miller's car. Marvin James Miller was arrested, convicted of arson, and sentenced to prison in December 1959. The prosecution contended that he conspired with Violet to burn the factory because it was facing foreclosure by its creditors.\(^7\) Violet insisted on testifying on Miller's behalf, a decision that tarnished her reputation. Miller was paroled in 1962. After his trial, Violet received no insurance for the ruined factory and spent time unsuccessfully suing the insurance companies.\(^8\)

Unpaid loans still needed to be dealt with. Violet was forced to auction the remaining plant buildings, equipment, and her ranch. The auction was on April 29-30, 1960. Proceeds from the auction were less than $500,000, not even enough to cover the debts for property that had been appraised at three times that price.\(^9\)

**Talking Terri and Other Post Apple Valley Ventures**

Violet was still determined to continue her business and by September 9, 1960, she was working for Magna Enterprises, a toy and doll manufacturer. She briefly attempted to produce and distribute Terri Lee dolls through Magna, but the relationship deteriorated into lawsuits and then ended.

Once again, Violet attempted to resurrect the Terri Lee doll. The doll molds were the most valuable asset she owned. She authorized the Mar-Fan Company to use molds for a limited run of Terri Lee, Connie Lynn, and Tiny Terri dolls in 1961. In response to the trend of talking dolls, Mar-Fan
installed a speaker into the head of some of its Terri Lees and marketed Terri Lee phonographs and records. This doll had a port and a speaker installed in its head that could be attached to a record player. The dolls were not successful. Unlike other Terri Lee dolls, children could not get Talking Terri wet or style her hair wet because of the electronics inside its head. Children often forgot to unplug the dolls from the record player and would jerk the player off tables and break it.82

Disagreements between vendors and the absence of Violet's input effectively ended the production of Terri Lee dolls in 1962. Legal complications arose and Violet undertook a three-year court battle to get her molds back.83

Violet eventually moved to Virginia to be closer to her daughter. Terri Schrepel had become an expert in the field of water-based aerobics, something she had been interested in since she was a young child first learning to swim as part of her tuberculosis treatment. In the late 1960s Violet began to suffer from symptoms of a rare and debilitating neurodegenerative condition called Pick's disease.84 Violet spent the last two years of her life in a nursing facility. She died in 1972 in Manassas, Virginia, at the age of seventy-one.

In the early 1980s, doll collectors began to take a renewed interest in the Terri Lee doll. Several collectors begin to research the history of the doll company and began to organize doll clubs focusing on Terri Lee. A newsletter about Terri Lee was first published in 1981. Two doll collectors, Naomi Hencey of Michigan and Peggy Wiedman Casper of Omaha, Nebraska, wrote and published articles and books about Terri Lee dolls in the 1980s.85

In 1984, the Lincoln, Nebraska, doll club held a presentation and slide show about Terri Lee dolls. Jackie Ormes, the creator of Patti-Jo, came to Lincoln that year and met with collectors. Terri Lee Schrepel and her daughter Linda also attended.

Beginning in 1991, the Terri Lee collectors club began holding conventions around the country. In 1996 at a Terri Lee convention in Phoenix, Dale Noble, owner of Doll City, announced that he had
bought the Terri Lee molds and planned to make a new doll. Violet's surviving family members heard about this plan and filed a lawsuit to prevent the reproduction of Terri Lee dolls.

Violet's family came together to form "Terri Lee Associates LLC" and won the lawsuit. To commemorate the Terri Lee doll's fiftieth anniversary, Knickerbocker Toy Company, in partnership with Terri Lee Associates, presented a reproduction Terri Lee doll at the February 1999 Toy Fair in New York.

Terri Lee Schrepel passed away in the fall of 1998, never to see a reproduction of her namesake. In the final years of her life, Terri assisted in the formulation of a new business strategy by assigning the use of her name and rights to the dyes and molds to Terri Lee Associates. Members of Violet's family continue to operate the company and now produce a line of Terri Lee dolls made from the original molds.

In 2011, Violet's great-grandniece, Lindsey Duda contacted the Nebraska State Historical Society suggesting that the museum do an exhibit about Terri Lee dolls. With the assistance of Violet's family, a cadre of dedicated Terri Lee collectors, community members, and a generous local collector who decided to donate her entire 285-piece Terri Lee collection to the NSHS, an exhibit titled The Best-Dressed Doll in the World: Nebraska's Own Terri Lee will open on December 7, 2012, and will run until September 1, 2013. The exhibit will include over one hundred rare dolls, accessories, and photographs from the Terri Lee Company.

Notes

3 "Drawing Board View of Omaha's Seven City Commissioners," Omaha Bee-News, July 12, 1936.
4 Spencer interview.
6 Spencer interview.
8 Spencer interview.
9 Ibid.
10 Ibid.
12 Ibid.
13 Ibid.
14 Ibid.
16 Ibid.
17 Spencer interview.
18 "Record Turnout Marks Toy Fair."
19 Casper, 7.
20 Ibid.
21 Ibid., 9.
22 Ibid., 10.
23 Ibid., 18.
24 Ibid., 65.
Ibid.

Ibid., 9.

Naomi Hencsey, *Terri Lee Dolls From the 40s to the 60s* (Battle Creek, MI: November House, Inc. 1984), 4.

Ibid., 9.

Ibid., 22.

Boellstorff, "Two Recall Fairyland."

Casper, 15.


Ibid., 162.

Ibid., 105.

Goldstein, 170.

Casper, 74.

Ibid., 80.

Private collectors own photos of Gene Autry "playing golf" with dolls and touring Lincoln with the Gradwohl family.

Ibid., 80.

Spencer interview.

Ibid.

Ibid.

Boellstorff, "Two Recall Fairyland."


Casper, 18.


Casper, 92.

Ibid., 94.

Ibid., 100.

Ibid., 102.


Wally Smith, telephone interview by author, June 28, 2012. Wally is the owner of Weird Wally's Used Cars.


Casper, 112.


Casper, 113.

Boellstorff, "Two Recall Fairyland."

Casper, 123.


Casper, 140.


People v. Miller 185 Cal, App. 2d 59.


People v. Miller 185 Cal, App. 2d 67.

People v. Miller 185 Cal, App. 2d 68.

Ibid.

Ibid., 141.

Ibid., 143.

Ibid., 148.

Ibid., 147.

Spencer interview.

Collectors Terry Bukowski and Pat Rather wrote an informational timeline of the Terri Lee Company called *The Terri Lee Dateline*, which provides details of the renaissance of Terri Lee dolls from a collecting perspective.