

## THE HISTORY OF KIDD AND COMPANY

Kidd and Company began in the home of Albert Eugene Kidd in Chicago during the 1880's. He and his family wrapped lemon drops at the kitchen table and roasted peanuts as Albert explored private enterprise. Albert had worked as a bookkeeper for a syrup and extract manufacturer. After learning the business he left to go on his own. Albert modestly began his business, tinkering with various machinery. His first products included extracts, face powder, roasted peanuts and smelling salts, all of which he wrapped and packaged himself. His main buyer at that time was the Union News Co. that employed venders on the trains in Chicago. In 1895 the Kidd family business was established in a small Chicago store.

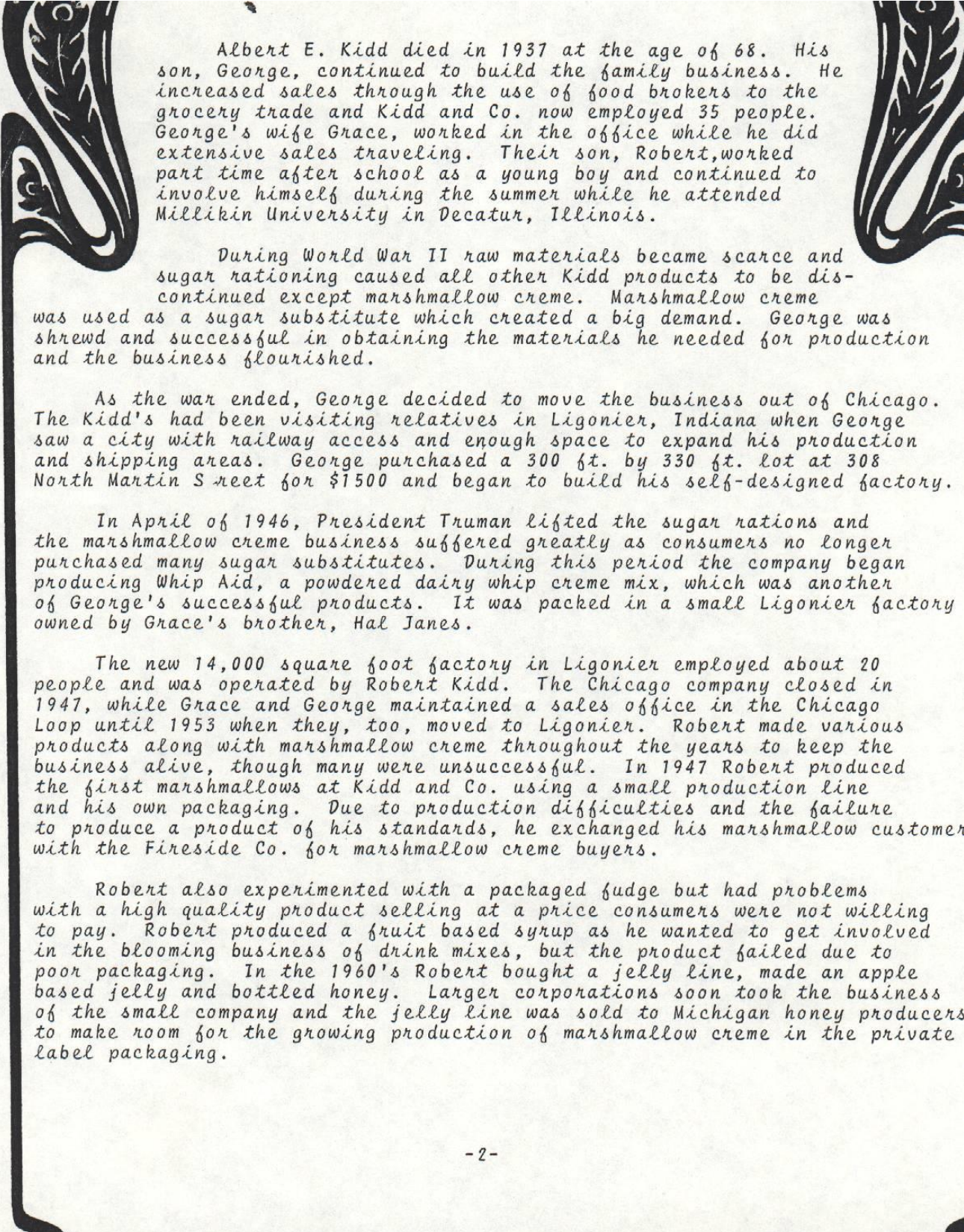
In 1913 Kidd and Co. moved to a larger location on 1011-15 South California Avenue to accommodate their increasing business. Albert and his oldest son, Gene, produced peanut butter at this time. His second son, George, an engineering student at the University of Illinois, built the original equipment. Albert installed and maintained most of the machinery in the factory as George became more involved in the family business. The private label industry was booming as the Kidd family marketed their peanut butter for various companies such as Sears and Roebuck. In 1921 Gene bought the peanut butter business from George until he sold it the Beechnut Company.

Around 1917 Kidd and Co. purchased marshmallow creme equipment from the American Marshmallow and Candy Co. The business again relocated to the first floor of a building at Van Buren and Green where they produced marshmallow creme, powdered pie filling and syrups. Kidd and Co. was still quite small employing 8 to 10 people. Albert had one partner, Adolph Kauffman, an expert in extracts, until George took his place in 1932. Having had experience in many and varied fields, George enabled the development of new products during the Great Depression.

George dabbled in a personal business adventure producing salad dressing. The Salad Products Co. manufactured private label salad dressing and was successful for several years employing 20 or more people and enabling George to improve his equipment. Problems with spoilage and competition from larger companies forced George out of business and the Salad Products Co. went bankrupt in 1938.

George was called on by other companies to demonstrate the production of salad dressing due to his reputation for producing a quality product. George's father-in-law, George J.L. Janes, had been an influence on the salad dressing production with his invention of egg emulsion. Janes was very active in the production of various food products and is known to have worked on the original formula of Miracle Whip. With the close of the Salad Products Co. George expanded Kidd and Co. and focused his attention on marshmallow creme while also producing a chocolate malted milk drink mix.





Albert E. Kidd died in 1937 at the age of 68. His son, George, continued to build the family business. He increased sales through the use of food brokers to the grocery trade and Kidd and Co. now employed 35 people. George's wife Grace, worked in the office while he did extensive sales traveling. Their son, Robert, worked part time after school as a young boy and continued to involve himself during the summer while he attended Millikin University in Decatur, Illinois.

During World War II raw materials became scarce and sugar rationing caused all other Kidd products to be discontinued except marshmallow creme. Marshmallow creme was used as a sugar substitute which created a big demand. George was shrewd and successful in obtaining the materials he needed for production and the business flourished.

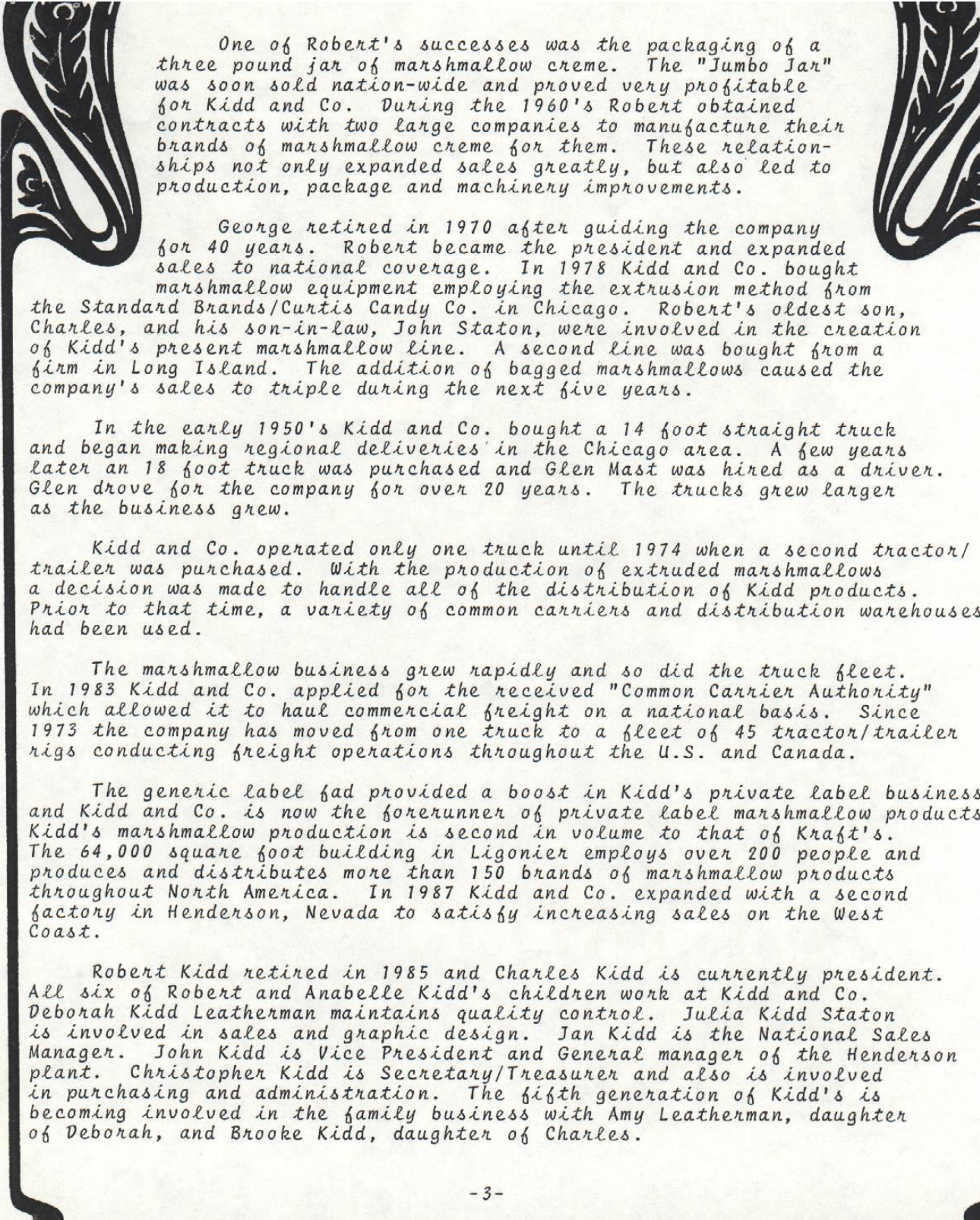
As the war ended, George decided to move the business out of Chicago. The Kidd's had been visiting relatives in Ligonier, Indiana when George saw a city with railway access and enough space to expand his production and shipping areas. George purchased a 300 ft. by 330 ft. lot at 308 North Martin Street for \$1500 and began to build his self-designed factory.

In April of 1946, President Truman lifted the sugar rations and the marshmallow creme business suffered greatly as consumers no longer purchased many sugar substitutes. During this period the company began producing Whip Aid, a powdered dairy whip creme mix, which was another of George's successful products. It was packed in a small Ligonier factory owned by Grace's brother, Hal Janes.

The new 14,000 square foot factory in Ligonier employed about 20 people and was operated by Robert Kidd. The Chicago company closed in 1947, while Grace and George maintained a sales office in the Chicago Loop until 1953 when they, too, moved to Ligonier. Robert made various products along with marshmallow creme throughout the years to keep the business alive, though many were unsuccessful. In 1947 Robert produced the first marshmallows at Kidd and Co. using a small production line and his own packaging. Due to production difficulties and the failure to produce a product of his standards, he exchanged his marshmallow customer with the Fireside Co. for marshmallow creme buyers.

Robert also experimented with a packaged fudge but had problems with a high quality product selling at a price consumers were not willing to pay. Robert produced a fruit based syrup as he wanted to get involved in the blooming business of drink mixes, but the product failed due to poor packaging. In the 1960's Robert bought a jelly line, made an apple based jelly and bottled honey. Larger corporations soon took the business of the small company and the jelly line was sold to Michigan honey producers to make room for the growing production of marshmallow creme in the private label packaging.





One of Robert's successes was the packaging of a three pound jar of marshmallow creme. The "Jumbo Jar" was soon sold nation-wide and proved very profitable for Kidd and Co. During the 1960's Robert obtained contracts with two large companies to manufacture their brands of marshmallow creme for them. These relationships not only expanded sales greatly, but also led to production, package and machinery improvements.

George retired in 1970 after guiding the company for 40 years. Robert became the president and expanded sales to national coverage. In 1978 Kidd and Co. bought marshmallow equipment employing the extrusion method from the Standard Brands/Curtis Candy Co. in Chicago. Robert's oldest son, Charles, and his son-in-law, John Staton, were involved in the creation of Kidd's present marshmallow line. A second line was bought from a firm in Long Island. The addition of bagged marshmallows caused the company's sales to triple during the next five years.

In the early 1950's Kidd and Co. bought a 14 foot straight truck and began making regional deliveries in the Chicago area. A few years later an 18 foot truck was purchased and Glen Mast was hired as a driver. Glen drove for the company for over 20 years. The trucks grew larger as the business grew.


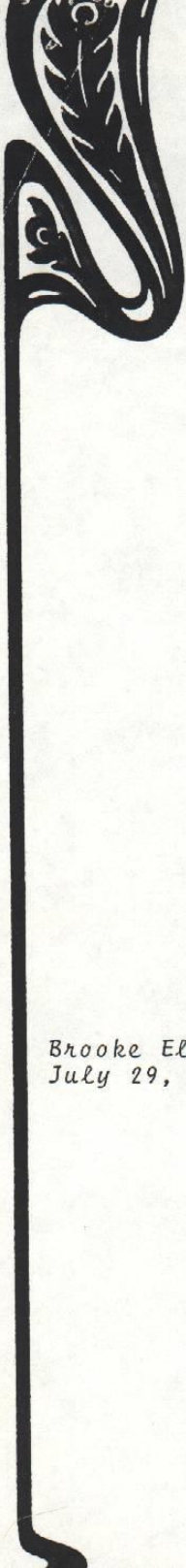
Kidd and Co. operated only one truck until 1974 when a second tractor/trailer was purchased. With the production of extruded marshmallows a decision was made to handle all of the distribution of Kidd products. Prior to that time, a variety of common carriers and distribution warehouses had been used.

The marshmallow business grew rapidly and so did the truck fleet. In 1983 Kidd and Co. applied for and received "Common Carrier Authority" which allowed it to haul commercial freight on a national basis. Since 1973 the company has moved from one truck to a fleet of 45 tractor/trailer rigs conducting freight operations throughout the U.S. and Canada.

The generic label fad provided a boost in Kidd's private label business and Kidd and Co. is now the forerunner of private label marshmallow products. Kidd's marshmallow production is second in volume to that of Kraft's. The 64,000 square foot building in Ligonier employs over 200 people and produces and distributes more than 150 brands of marshmallow products throughout North America. In 1987 Kidd and Co. expanded with a second factory in Henderson, Nevada to satisfy increasing sales on the West Coast.

Robert Kidd retired in 1985 and Charles Kidd is currently president. All six of Robert and Anabelle Kidd's children work at Kidd and Co. Deborah Kidd Leatherman maintains quality control. Julia Kidd Staton is involved in sales and graphic design. Jan Kidd is the National Sales Manager. John Kidd is Vice President and General manager of the Henderson plant. Christopher Kidd is Secretary/Treasurer and also is involved in purchasing and administration. The fifth generation of Kidd's is becoming involved in the family business with Amy Leatherman, daughter of Deborah, and Brooke Kidd, daughter of Charles.





*Kidd and Co. produces several specialty items along with regular and miniature marshmallows, coconut marshmallows, flavored and colorful Kiddbits, blue Smurf-mallows, two-toned Martianmallows and marshmallow eggs. Creative new products are always waiting to be developed and marketed. Kidd and Co. is proud of their close-knit business and plans to continue to produce quality products as Albert Kidd once did in his family kitchen.*

Brooke Ellen Kidd  
July 29, 1987