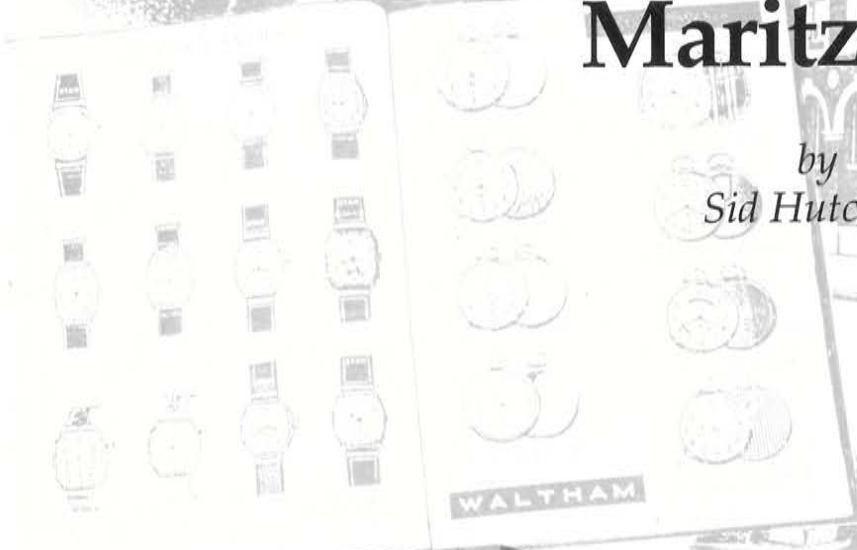
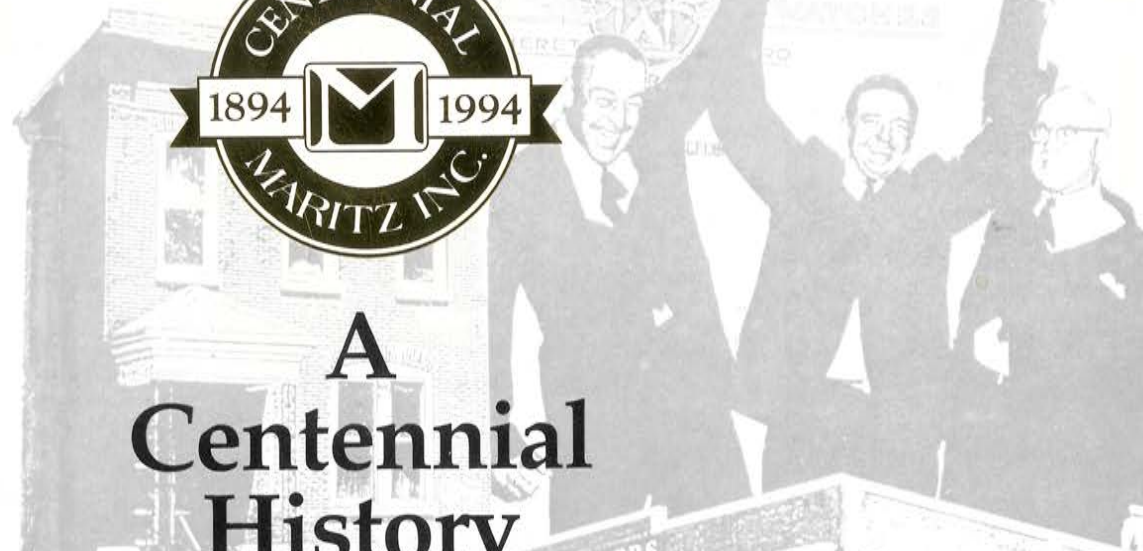


MARITZ WATCH AND MFG. CO.



A Centennial History Of Maritz Inc.

by Sid Hutchins





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by
Sid Hutchins



Bill Heuer, Art Director



Edward F. Maritz,
Founder, Maritz Inc.

"An institution is the lengthened shadow of one man."

- Ralph Waldo Emerson

Contents

Foreword

1 Perseverance – The Icarian Experience	2
2 The Founder: Edward F. Maritz	14
3 The Brothers Change Course	22
4 Maritz Sales Builders – The New Company	30
5 Diversification	42
6 The Co-Chief Execs Take The Helm	56
7 The Expansion Accelerates	62
8 Weathering The “Storm”	74
9 The Future Brightens	84
The Power Of One Hundred	88
Acknowledgments	90

This history is dedicated to the Maritz family
and to the talented, motivated Maritz people who,
together, have made Maritz Inc. one of America's
most successful and respected companies.

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First Edition
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CHIEF EXECUTIVE OFFICERS



1983-Present
William E. Maritz



1979-1983
James A. Maritz Jr. and William E. Maritz



1894-1929
Edward F. Maritz



1929-1979
James A. Maritz Sr.

Foreword

This writer clearly recalls saying to anybody who would listen, on numerous occasions, "It's a shame that a corporation that will be 100 years old in 1994 has no written history."

The gods, the muses or Bill Maritz must have listened to my criticism, because the task was assigned to me in the spring of 1993.

So what follows is an effort to capture facts and events in as accurate a manner as I could, in a chronological sequence that might loosely be called a company history.

Any student of this company soon discovers five overarching themes:

1. The histories of the family and the company are certainly interwoven – at times absolutely vulcanized. To tell the history of one without the other would be futile.
2. At Maritz, there is an almost religious fervor about providing exceptional service and quality work. It may have had to do with the beginnings as a quality Midwestern jewelry company. The entire company was founded on the pristine business reputation of one man, Edward F. Maritz. To this day the company goes to extreme lengths to serve clients and their participants in an exceptional way.
3. The company has been reluctant to promote or advertise. Exceptional performance and word of mouth have established the reputation of Maritz as the industry leader.



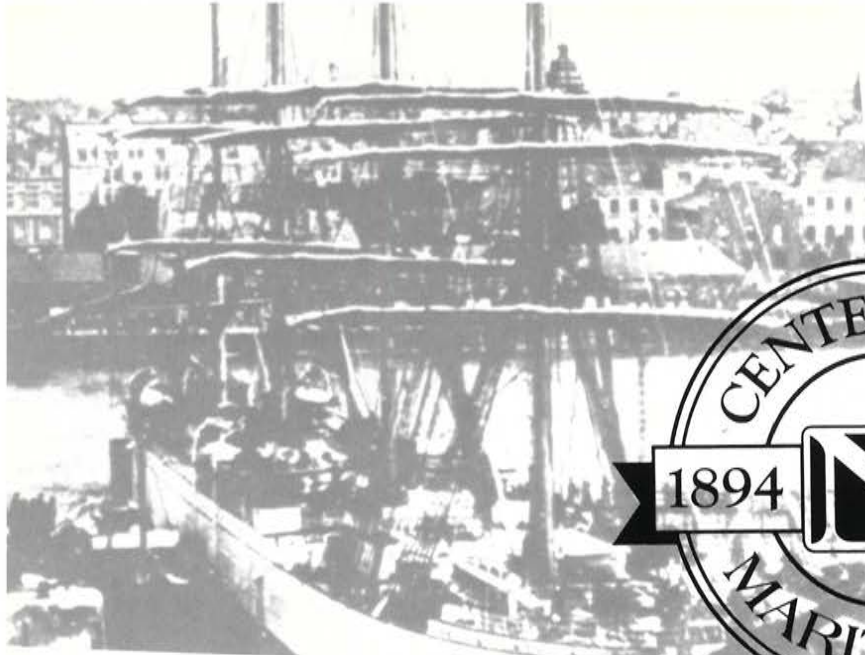
4. As it grew into a multimillion-dollar corporation, the company became a major contributor to the community. Led by William E. Maritz, who has always been active in community and philanthropic endeavors, the company and Maritz people have been significant “givers” of money, in-kind services and personal involvement at levels much higher than at most other corporations.
5. Time and again the family and the company persevered in the face of crushing adversity. There is no logical reason that the company has survived to this day. As you will learn, the company should have folded two or three times in the past, yet a strain of resolute, self-confident tenacity runs through the family and the organization like a steel cable . . . flexible yet tough.

The founder’s father gives a clue in a curious tract he wrote when trying to lift the spirits of a community of depressed utopians in a failing organization to which he belonged in the 1850s. At the conclusion of the paper, he says, “Therefore I offer a toast. To Perseverance!” When you read the history of Edouard Maritz, you will soon understand how heroically persistent the man was. He passed on that attitude to his son . . . the company founder . . . who in turn, passed that same tradition on to his heirs. And they certainly have persevered!

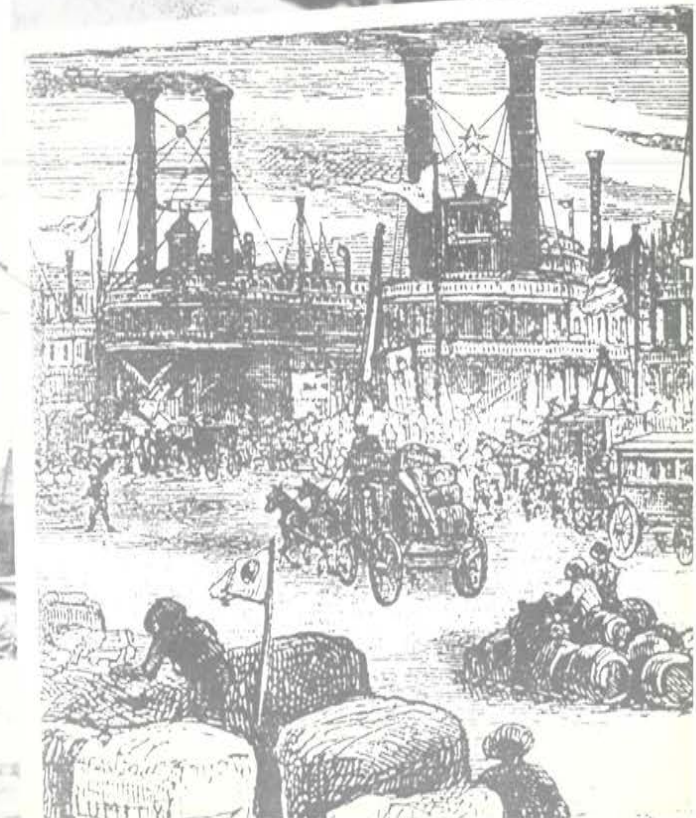
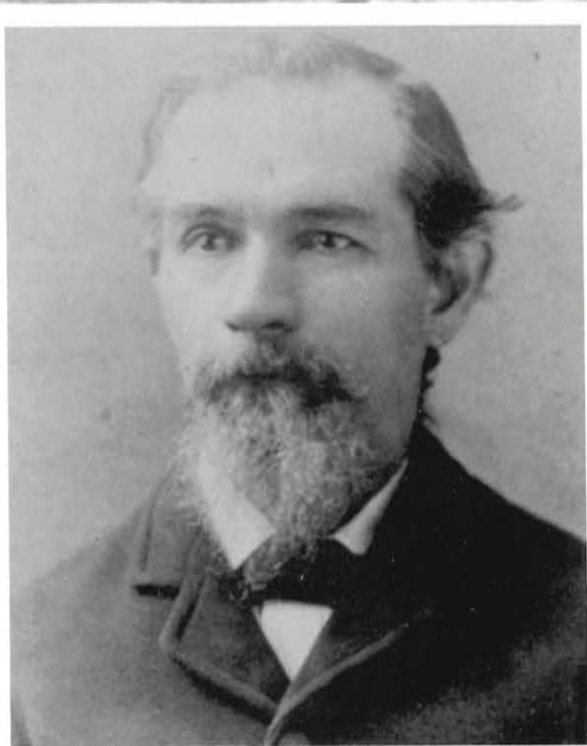
Sid Hutchins

Campus of Maritz Inc., Fenton, Missouri, 1994.





1. Perseverance — The Icarian Experience



In 1894, when Edward Ferdinand Maritz started his jewelry manufacturing company, St. Louis was a booming city in a prosperous nation. As a manufacturing and transportation hub, the city enjoyed East-West commerce and migration, interlaced with North-South barge and riverboat commerce on the Missouri and Mississippi rivers. St. Louis was, at that time, the fourth-largest manufacturing center in the United States; 27 railroads served the city. There were 25 shoe factories, nine daily newspapers and 19 lodges of the Knights of Pythias. The new City Hall and fabulous Union Station were also completed in 1894, and St. Louis boasted the largest mule market in the world! That same year, Robinson Danforth started his grain commission company in St. Louis, later named Ralston Purina. It was a time of optimism and tremendous growth in this Midwestern city called "The Gateway to the West."

It was the Victorian period. Many Americans were amassing great wealth, and gold and jewelry were symbols of that wealth. Given this rich commercial background, it was an opportune time for Edward F. Maritz to start a new jewelry manufacturing business. But, to truly understand how such a company could come into existence and then grow to the current size, scope and leadership position that Maritz commands today, one must first look back along the continuum of time to follow a small emigrant family from Bern, Switzerland.

This "family" consisted only of a brother and sister, Edouard and Caroline Maritz. They were both in their mid-teens when they moved to the canton (state) of Bern, and later immigrated to the U.S.A. Whether their parents were dead or stayed behind is unknown.

Their parents were Johann Friedrich Maritz (born April 12, 1795, in Paris) and Maria Henriette Aeschlimann (born in Bern, Switzerland – date unknown). We know that Edouard, Caroline and their brothers and sisters were born in Besancon, France. An elder sister Henriette was born in 1827. An elder brother Friedrich Wilhelm Maritz was born in 1828. There was another sister Eugenie, whose birthdate is unknown.

Later in U.S. census reports, Edouard listed both France and Switzerland as his country of origin, but that is understandable, because in 1850 he and his sister immigrated to the U.S. as citizens from Bern, Switzerland, his mother's country.



Union Station was built in 1894.

Courtesy of Mercantile Library



St. Louis City Hall was built in 1894. The 90-ft. center tower and two smaller towers were removed in 1936 because of corrosion.

How the two children specifically arranged to come to America, we don't know. So our story begins in 1850 when these two young people sailed from Le Havre, France, aboard the French ship Callender. The two youngsters were listed as wards of Theophile Heggi and his wife, Henriette. All four listed themselves as residents of Bern and sailed to America to join a utopian community recently formed by a popular group of the time, the Icarians.

To understand why the Icarians left Europe with little material wealth and meager prospects, one must understand the conditions in Europe at the time. There was a class war going on, and all but the upper classes hated their stations in life. This was the time that Karl Marx and other firebrands, including Etienne Cabet, founder of the Icarians, were writing books and papers attacking the inherent oppression of the European class society, and offering solutions – many harebrained . . . many violent. So-called Bread Riots were common in Europe, as people sought to break the bondage of poverty and change their lives. One such group was the Icarians.

Here is a description of the Icarians by Dale Richard Larsen, from his paper, written in the 1980s, "Contributions of Edouard E. Maritz and His Descendants to the City of Saint Louis, Missouri":

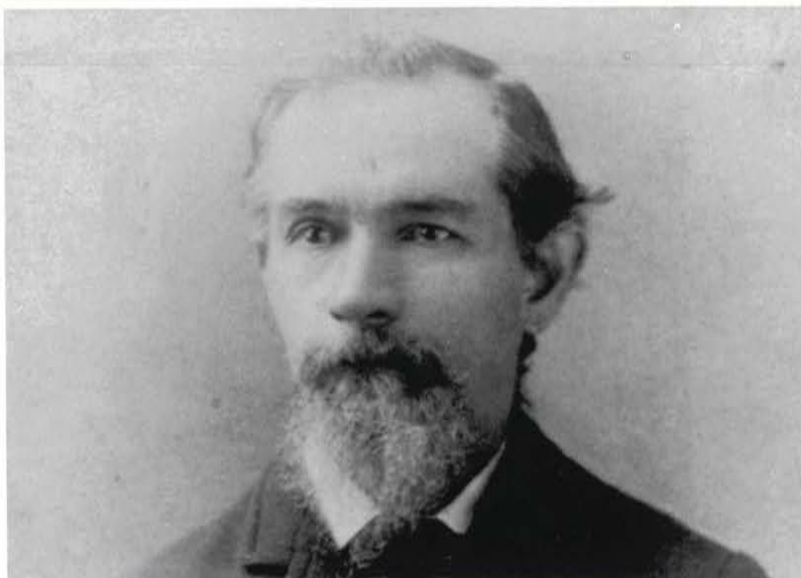
Edouard and his sister, Caroline Maritz, were orphans from Bern, Switzerland. Like many other Western-European workers who lived in the 1830s and 1840s, they felt the religious, economic and political unrest that swept across the old world and dreamed that they could find better lives for themselves in the new world. Their dreams were fostered by the utopian aspirations depicted by Etienne Cabet in his best-selling novel "Travels in Icaria."

Cabet was a sometime French political officeholder and moderate reformer whose book described a visionary land somewhere off the coast of Africa, where each person shared equally in the fruits of their communal labor and automated factory systems. The book caught the popular imagination until nearly 500,000

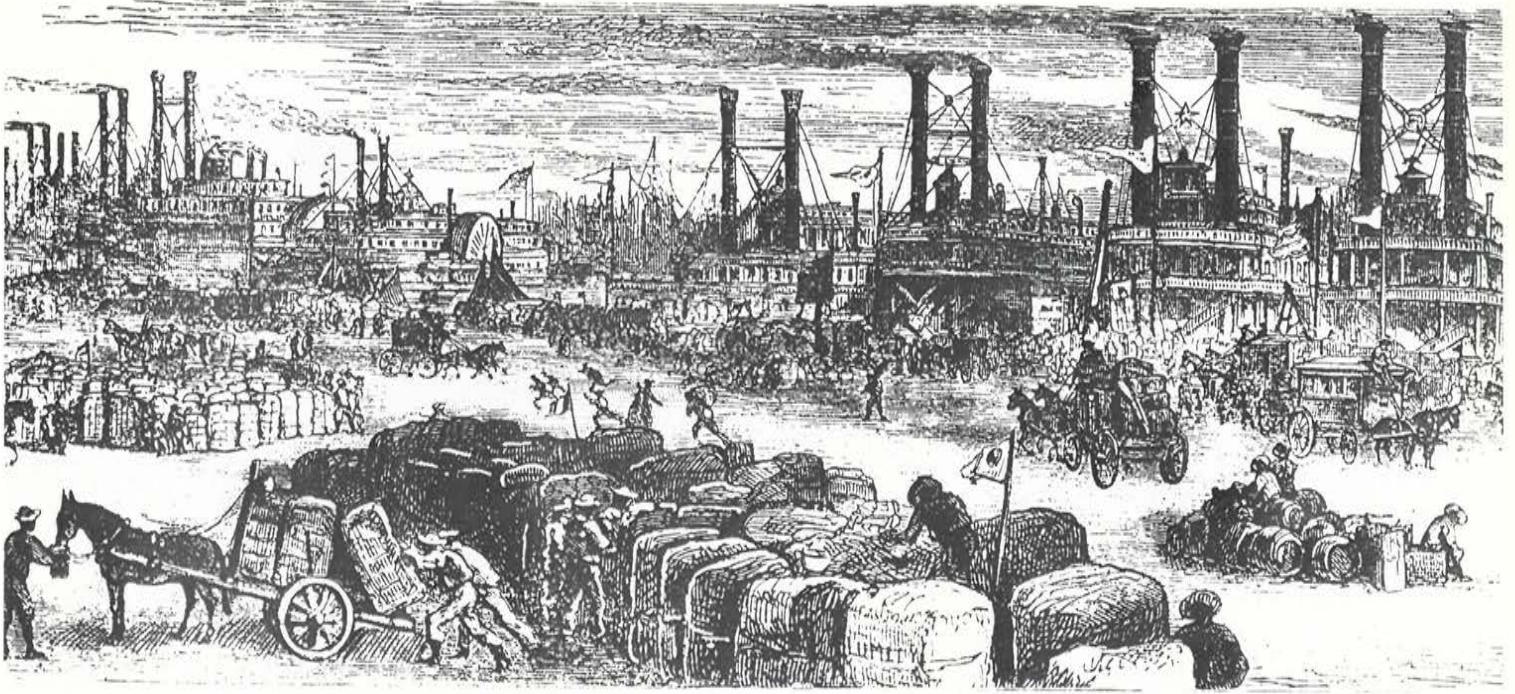


Courtesy of Western Illinois University Library

Etienne Cabet, French political leader and founder of the Icarian society.

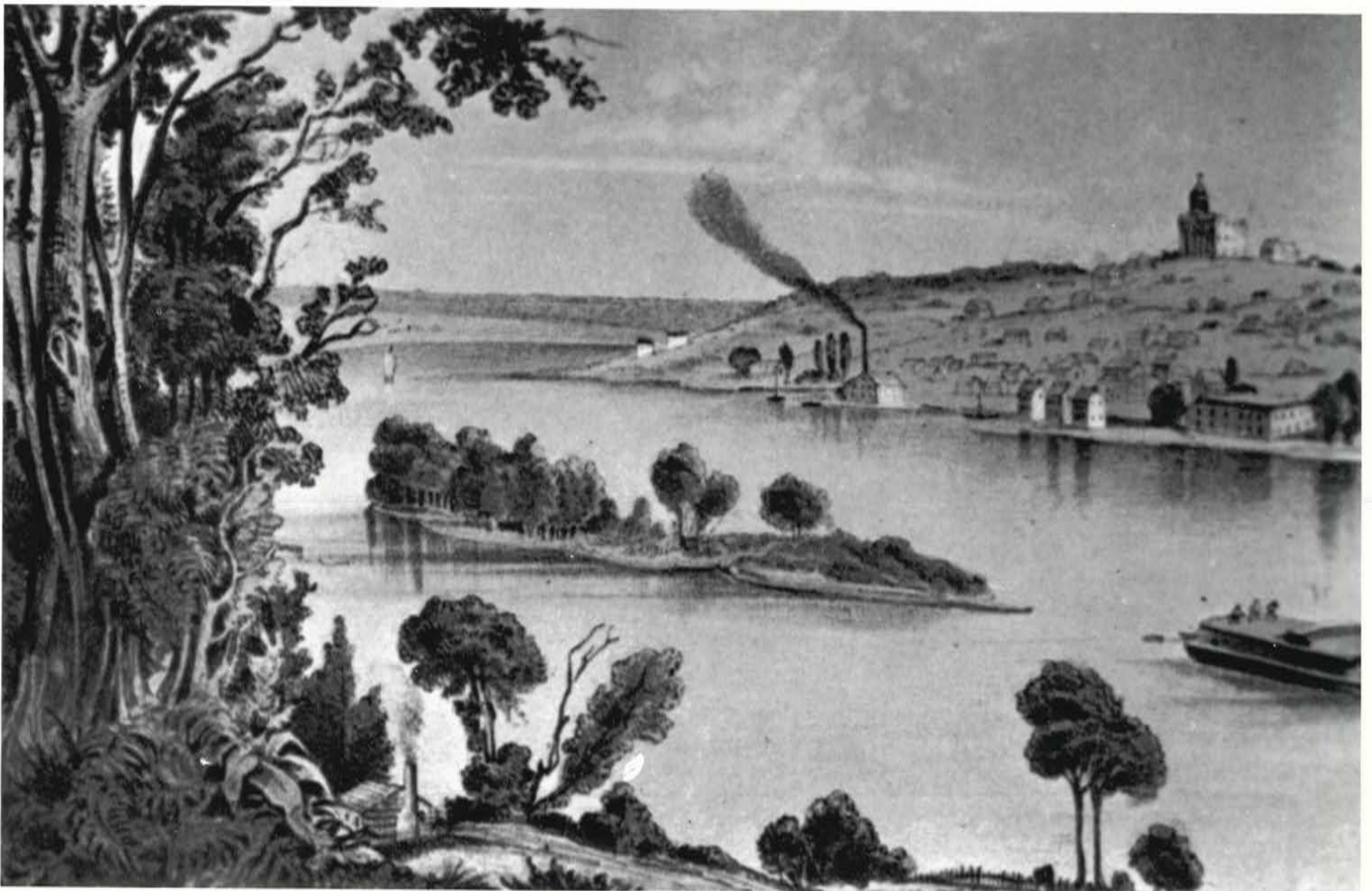


Edouard Maritz.



Scene of busy Port of New Orleans, circa 1849.

Courtesy of The Bettmann Archive



Early scene of Nauvoo landing.

Courtesy of Western Illinois University Library

persons called themselves "Icarians." By the end of 1848, Icaria on earth seemed more feasible than the mere dream of it.

In 1848 Cabet first experimented with an Icarian colony on the plains of Texas with 69 pilgrims from Europe. Bilked by an American land agent, the group had expected one million fertile acres, but arrived to find only 100,000 acres scattered all over an especially arid section of Texas. The colony failed miserably due to bad land, inclement weather, inexperience and terrible advanced planning by Cabet. He and his followers moved to New Orleans to regroup.

While in New Orleans, Cabet discovered that the Mormons had abandoned a sturdy settlement in an Illinois town on the Mississippi River named Nauvoo.

Over several years, the Mormons had suffered hatred and violence from their Illinois neighbors, culminating in mob murder of their leader, Joseph Smith, and his brother in nearby Carthage, Illinois. The Mormons abruptly moved away to the West, and after suffering a terrible trek westward, reached the great salt flats of Utah, founding what eventually was to become Salt Lake City.

A purchase arrangement for \$5,000 was made between the Icarians and the Mormons, and on March 20, 1849, the first Icarians arrived in Nauvoo from New Orleans. The colony thrived, and soon other emigrants from Western Europe sailed to join the Nauvoo community on the Mississippi.

One such early group included a Frenchman named Basile Pogu (pronounced *pōg*), a 36-year-old carpenter, his wife, two daughters and one son. One of the girls, Marguerite Celestine (who as an adult was called "Celeste"), was later to marry Edouard Maritz and eventually become the mother of the founder of Maritz Inc., Edward F. Maritz.

During the trip upstream on the Mississippi, an accident occurred in which Basile Pogu died. Here is an account as printed in the French newspaper *Le Populaire*, on December 14, 1849:

A cholera epidemic is raging in New Orleans. But due to their misery, persecution and impatience, 46 Icarians embarked Le Havre on September 25, 1849, on the vessel *Philena*, Captain Berry. The immigrants arrived in New Orleans on November 11. After a few days' rest in New Orleans, they sailed to St. Louis, arriving on the 23rd, and finally arrived in Nauvoo on the 27th, with the exception of Mr. Pogu, a carpenter, who in passing by a boat saw a young woman with a baby in her arms fall off a gang plank and into the water.* Mr. Pogu jumped into the river to save the woman and baby just as the steamboat hurriedly pulled away. No trace was found of his body.

*Other research determined that the woman who fell into the water, Mrs. Marguerite Duhoux, lived, but the baby died.

Mrs. Pogu and her children, out of necessity, continued on to Nauvoo, arriving November 27, 1849.

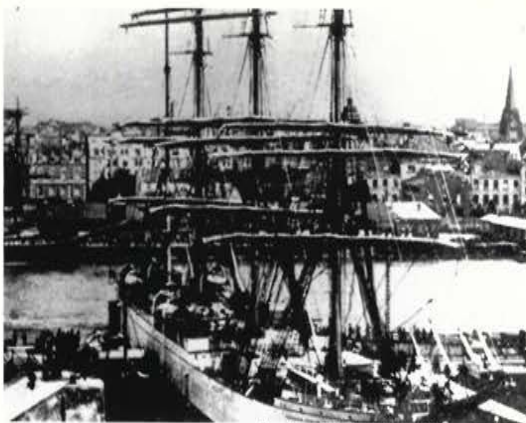


Courtesy of Western Illinois University Library

Joseph Smith, founder of the Mormon church.



Mrs. Basile Pogu, mother of Celeste Pogu and mother-in-law of Edouard Maritz.



Courtesy of Western Illinois University Library

Three-masted sailing ship of the type that brought Edouard and Caroline Maritz to America.

Less than four months later, the Callender sailed from Le Havre with Edouard and Caroline aboard. According to *Le Populaire*:

The Icarians departed from La Havre on the 9th of March [1850], on the vessel Callender, and arrived in New Orleans on April 30th after a prosperous journey of 52 days. These Icarians are:

Girod of Lons-le Saunier, wine grower, age 26; Heggi of Bern, Switzerland, tailor, age 31, and his wife; a 16-year-old girl [Caroline Maritz], and a 15-year-old boy [Edouard Maritz]; Hoffman, of Molhouse, machine metal worker, age 49, and his wife and 9-year-old child; Mahe, a farmer and ex-worker in Africa, age 37; Vogel, hatmaker, age 35, from Colmar.

At New Orleans they boarded the steamboat Columbus, which left for St. Louis on May 1st. They were stricken by a grave accident near Cairo, 60 miles south of St. Louis. The steam engine was running too hot, and the boiler exploded. The Columbus began to sink fast. General panic ensued when a second boat pulled alongside for the rescue. A struggle took place among the passengers to see who could get off the sinking boat first; 20 emigrants from Germany and Ireland were injured. None of the Icarians suffered.

When the Icarians finally arrived in St. Louis, they boarded the first steamboat that was headed north for Nauvoo. As the boat was pulling away from the docks, it was hit by a gust of wind that almost capsized the boat. Most of the Icarians' possessions were lost, including their plates, dishes, footwear, linen, etc., which had a considerable value.

Now destitute with few personal possessions remaining, Edouard and Caroline arrived in Nauvoo, May 24, 1850. They had survived a terrible journey. Newspapers of the period were full of the news of ships exploding, running aground or overturning on the rivers of America. Riverboats, steam engines and boilers were notoriously unsafe at the time, and there were few protective laws.

So the Maritz youngsters began their lives as did so many beleaguered immigrants before and after them. They were poor, but they were strong people with tremendous grit, determination and a willingness to work beyond any notion of the amount of labor we expect from ourselves today. They had no choice. They had only their strength and skills, but they also had an abiding faith in the future of this new, free land of America.

As if the trials of the journey to Nauvoo had not been rigorous enough, a tornado hit the town the day after they arrived, destroying most of the Mormon Temple, which the new inhabitants had been using as a meeting hall. The plucky Icarians, however, used the remaining stepped walls as a makeshift amphitheater in which they performed concerts and plays. Edouard played several woodwind instruments in the orchestra, and Caroline was considered quite a fine actress.



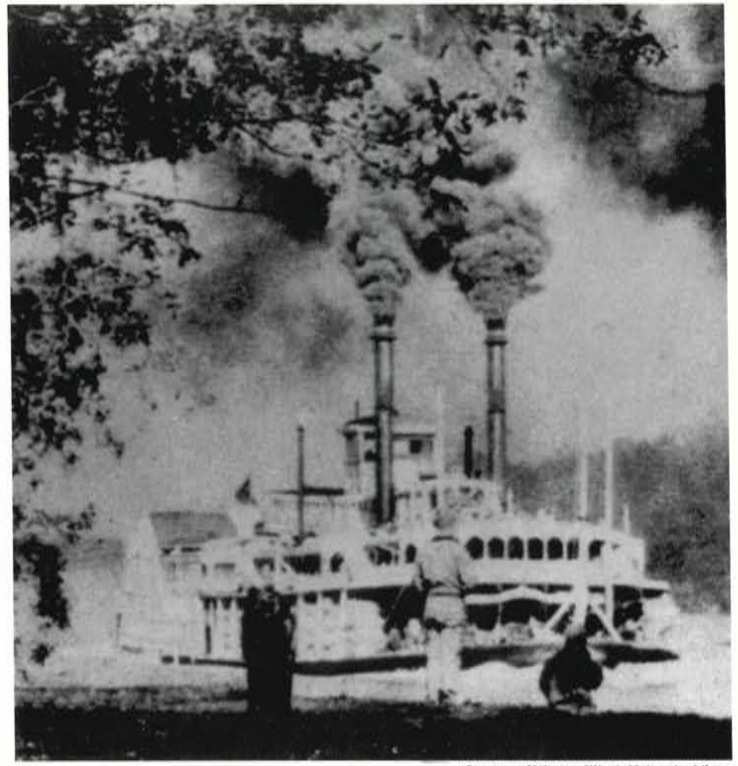
Courtesy of Western Illinois University Library

Nauvoo, circa 1848.



Courtesy of Western Illinois University Library

Stormy Atlantic crossing challenges the crew of a sailing ship, circa 1850.



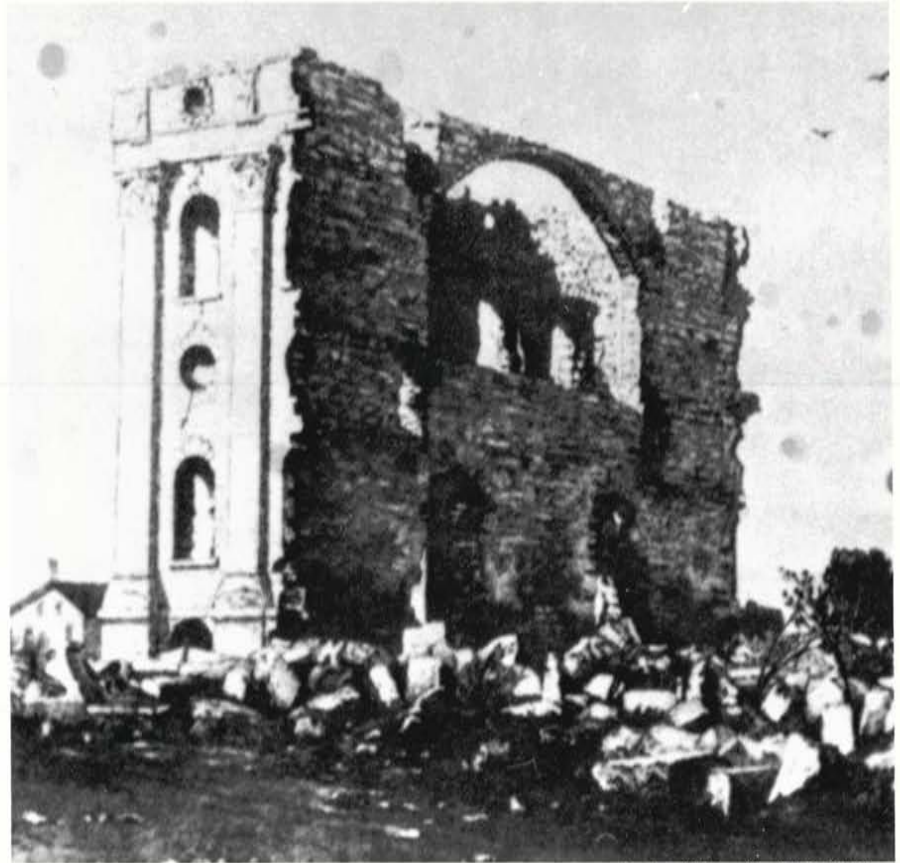
Courtesy of Western Illinois University Library

Mississippi steamboat belches black smoke as she carries a full load of passengers, goods and supplies up the Mississippi.



Courtesy of Western Illinois University Library

Mormon Temple in Nauvoo, circa 1849.



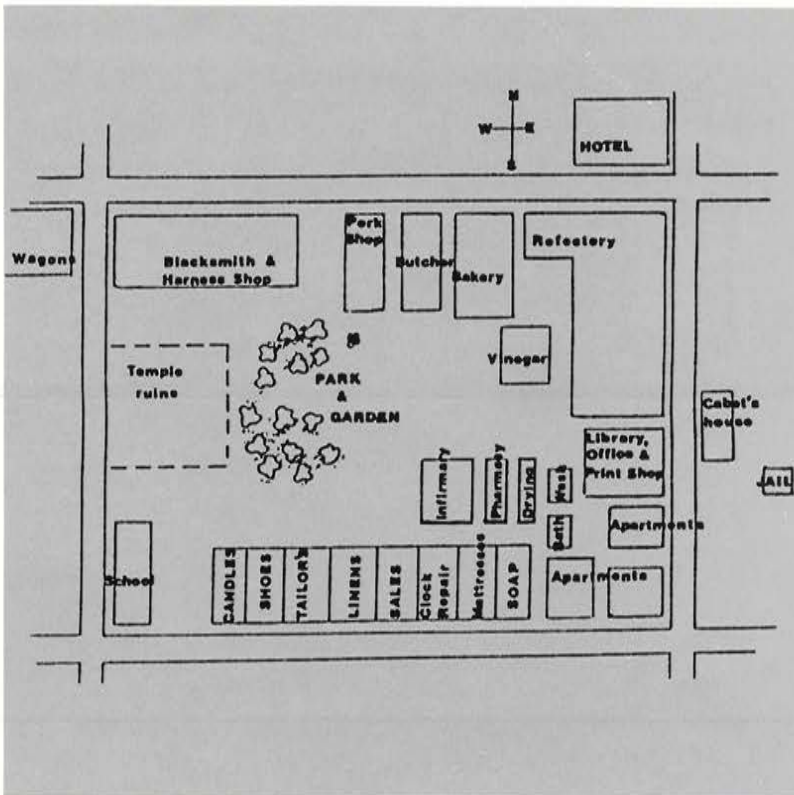
Courtesy of Western Illinois University Library

Ruins of the Mormon Temple after a tornado struck Nauvoo in May 1850.



Icarian apartment houses Edouard Maritz helped build in Nauvoo.

Courtesy of Western Illinois University Library



Ground plan of Icarian community in Nauvoo.



Courtesy of Western Illinois University Library

Tombstone of Etienne Cabet, located in New St. Marcus Cemetery, St. Louis.

In Nauvoo, Edouard was given the job of carpenter and joiner. Caroline, like all Icarian women, was assigned work as cook, cleaner and laundress. Utopian towns were communal; there was no private property, no currency, no commercial competition. Family values were strong. Everyone pitched in to complete any project in the town. Their motto was "All for each. Each for all."

In 1852 Caroline Maritz married Charles Jean Mesnier, who later became an architect helping to design the state capitol buildings of Iowa and Illinois, among many other structures.

Also in 1852 Cabet sent Edouard to help build another isolated Icarian community in Adams County, Iowa, 100 miles from the nearest town of St. Joseph, Missouri. (The location is now Corning, Iowa.) Edouard and a small work team from Nauvoo helped build houses and furniture for Icarians arriving to the settlement, which became the longest-lived Icarian community in the United States (1856-1895).

Although Edouard spent four years helping to build the new town, he was denied local Icarian voting rights in 1856, because he and his workmates were not considered part of the Iowa group. Embittered and angry, he and the team returned to Nauvoo, but found their hometown in dire trouble. According to Larsen:

Icaria, Nauvoo was out of control; it had serious money problems. Markets for colony products ran dry. Workers' productivity fell off, and donations from France diminished. In order to stabilize Icaria, Cabet tried to replace democratic government with authoritarian rule. Anger turned to violence. Cabet sent Edouard Maritz and three others to St. Louis to establish a government in exile.

Shortly thereafter, Cabet and 180 of his followers left almost an equal number of dissident Icarians behind and took up residence in a large building at 12th and Monroe in St. Louis. Just two days after their arrival, Cabet suddenly died, and 21-year-old Edouard Maritz was elected secretary of the St. Louis Icarian community.



Stone school and meeting house in Nauvoo.

Courtesy of Western Illinois University Library

In general, life as an Icarian in downtown St. Louis was relatively pleasant. To survive, the colonists worked at jobs as carpenters, tailors, mattress makers, shoe makers and printers. They also made ladies' dresses and shirts to order. They printed a newspaper called *Revue Icarienne*, with articles written in French, German and English. Some of these articles were written by Edouard Maritz.

In 1858 the colonists bought 28 acres of land, including a small resort with several buildings, called Cheltenham, located where Hampton and Lloyd Avenues are now, near the River Des Peres. The property included hot sulphur springs, which the Icarians sold as sulphur baths to tourists for 12 baths for four dollars. They opened a drug store and sold medicine and medical services to the general public.

The colonists had concerts, lectures and theater events every Sunday. Edouard and his sister, Caroline, were key performers in these programs. At one of these events, which took place on January 3, 1858, a local magistrate was summoned, and Edouard Maritz married his longtime girlfriend, Celeste Pogu. A detailed account of the event was published on January 15, 1858, in the *Revue Icarienne*.

Unfortunately all was not worth celebrating in Icaria, Cheltenham. Sickness plagued the community. Month after month, as many as 90 out of 140 colonists were listed in the *Revue Icarienne* as too sick to get out of bed. Their sickness was born of bad water. Ironically, Edouard Maritz, who was never on the sick list, was the commissioner of water.

So much sickness resulted in low productivity, and low productivity resulted in a lack of money to pay the mortgage and other debts. The Maritz family became disgusted and left the colony in 1860 for life in Louisiana.*

Edouard and Celeste, who was pregnant, arrived in Louisiana penniless, jobless, not speaking English well, and with a sick 1-year-old baby. Tragedy struck. The baby died. Somehow Celeste found strength to manage both her grief and her pregnancy, and was rewarded for her suffering with the birth of a baby girl they named Louisa (1861-1927). A year later on March 17, 1862, a son was born they named Edward F. Maritz.

In 1864 the Maritz family left Louisiana and moved back to St. Louis. Edouard constructed a frame home at 3015 McNair. Two more children were born: Henry (1868-?) and Paul (1870-1940).

For a few years, this marriage worked, but sometime in the 1870s, Celeste simply walked out, leaving Edouard and the four young children.

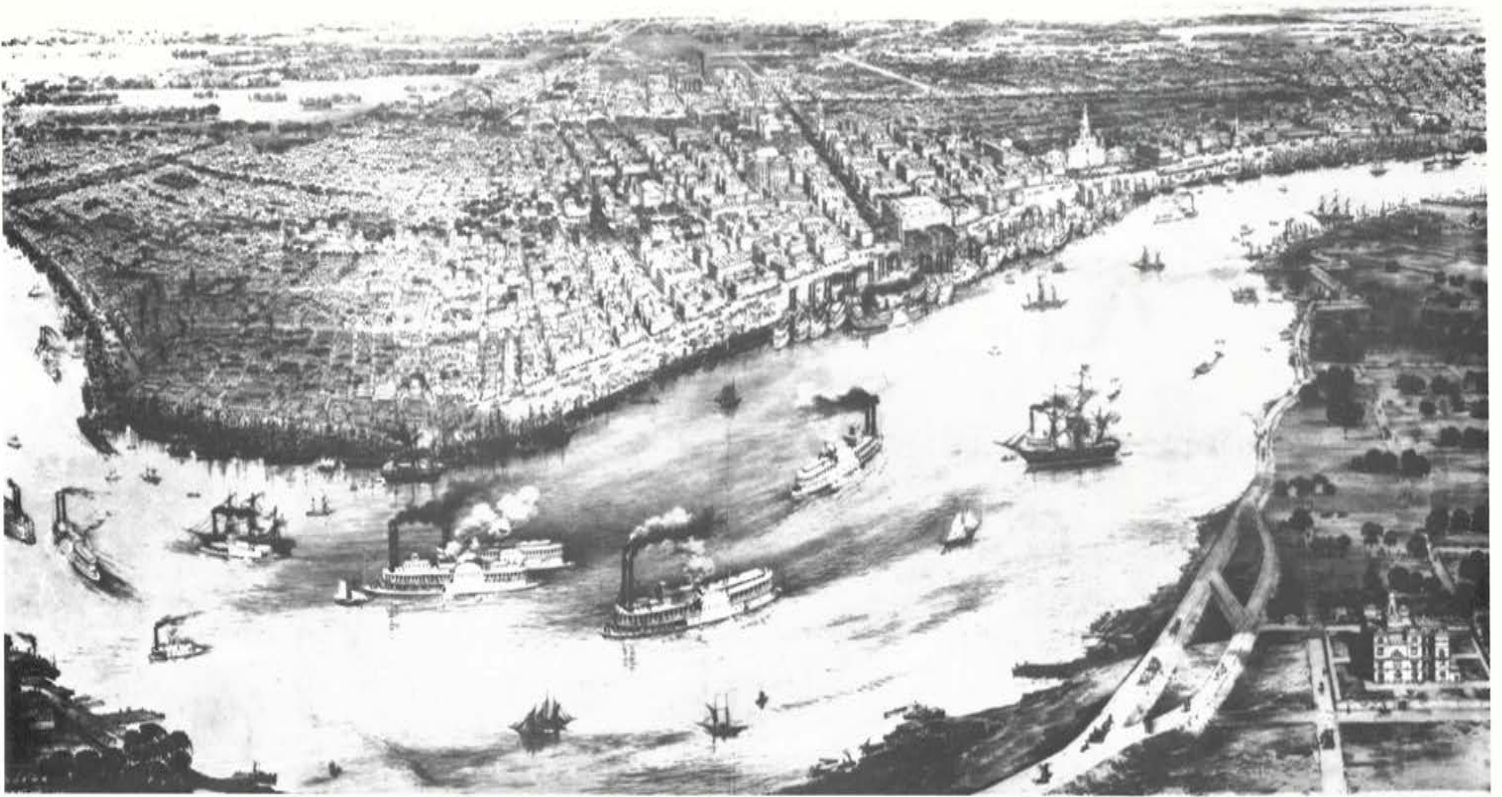
*It should be noted that all Icarian communities (Nauvoo, Iowa, St. Louis and a small branch in Cloverdale, California) failed, and the experiment was over by 1898.



Community newspaper published by the Icarians in French, English and German.



Celeste Maritz, wife of Edouard and mother of Edward F. Maritz, founder of the company.



Courtesy of The Bettmann Archive

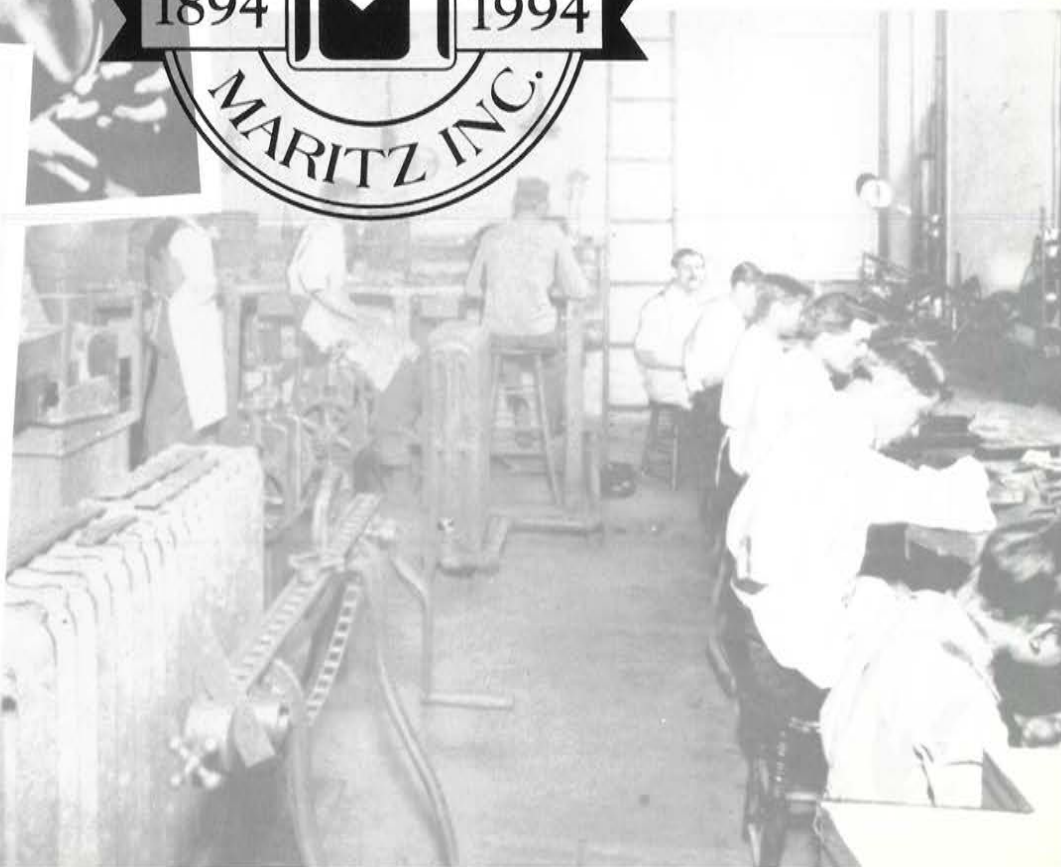
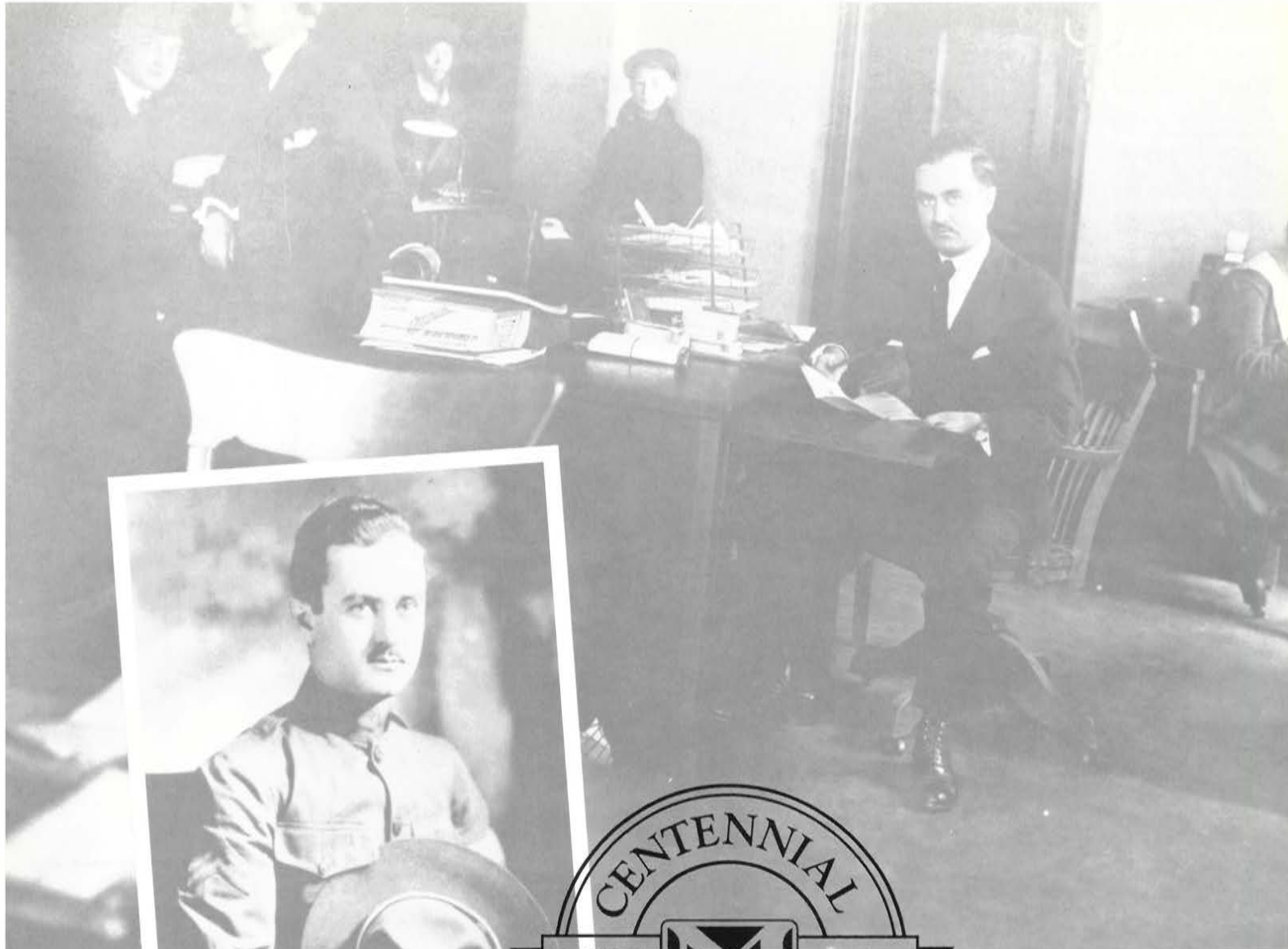
Artist's depiction of New Orleans in 1860, when Edouard and Celeste moved there just prior to the Civil War.

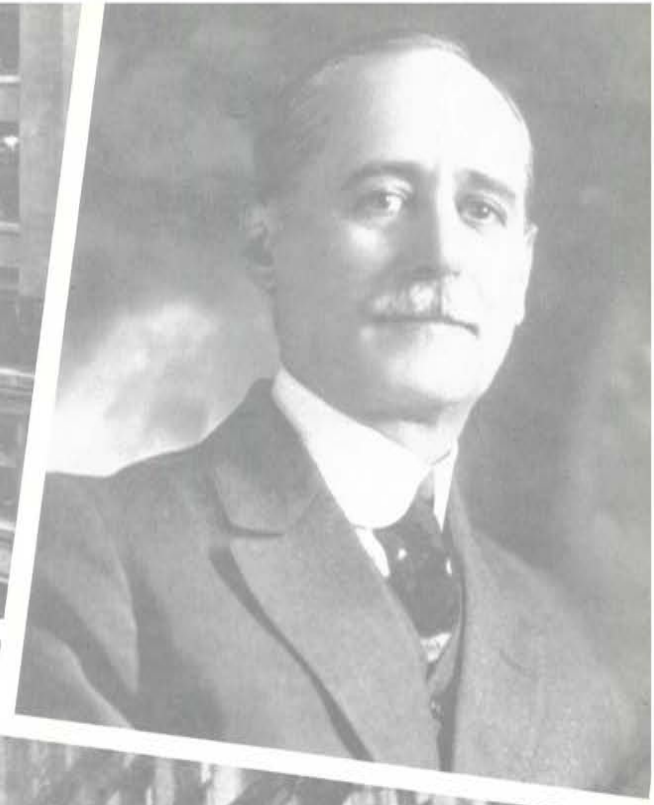


The father, Edouard, built his residence at 3015 McNair, in the Benton Park area of St. Louis.

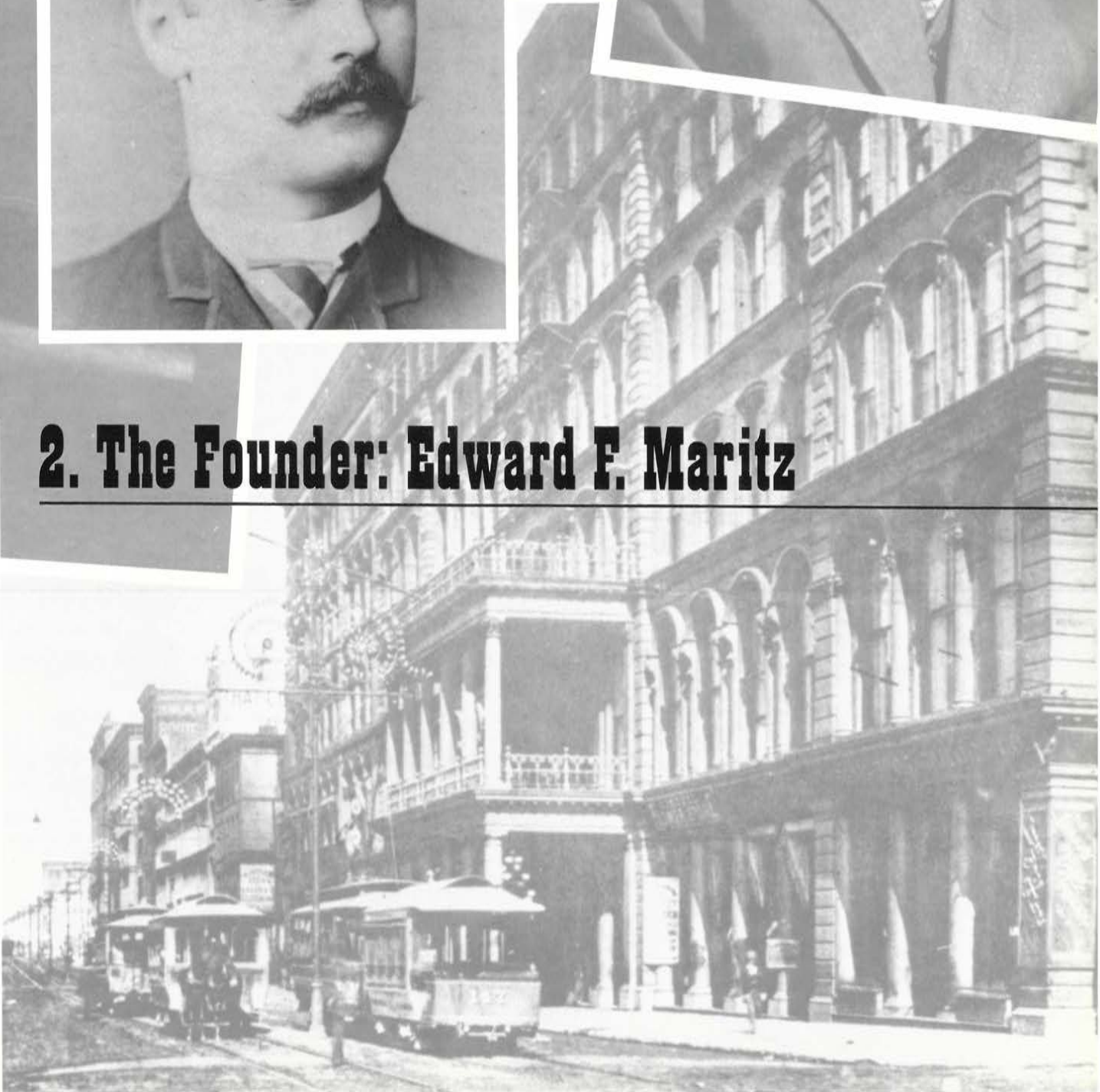


Edward F. Maritz and his elder sister, Louisa, as children in St. Louis.





2. The Founder: Edward F. Maritz





Edouard Maritz immigrated to the U.S. in 1850 from Switzerland.



Edward F. Maritz, founder of Maritz Inc. and son of Edouard and Celeste Maritz.



Paul Maritz.

During the next several years, Edouard Maritz made a living as a carpenter and moved within the city of St. Louis many times. His first house, which he built, still stands in the Benton Park area. It was during this period that his sons became interested in jewelry. Paul became a jewelry salesman. Edward, the eldest brother, suffered from a lifelong disability that forced him to sit most of the time. It is probable that knowing he must sit while he worked led him to select fine engraving as his vocation.

Edward attended St. Louis public schools, but at 15 he left school and worked at his craft for several years as an apprentice, then moved up to craftsman. Later, as a sought-after master engraver and jewelry maker, he became a valuable employee to several jewelry firms.

First he was employed by L. Bauman Jewelry Company, then he traveled to California and for six years learned diamond cutting and setting. He then returned to St. Louis and worked for Wild Bros. Jewelry Manufacturing. On his 29th birthday, St. Patrick's Day 1891, he appropriately married a pretty Irish girl named Fanny Gilfoy at St. Kevin's Catholic Church.

He and Fanny moved to Kansas City, where he worked for E. Jaccard Jewelry Company and then for Edwards and Sloane Jewelry Company as an engraver and diamond setter for a few years. They then returned to St. Louis.

In 1894, at the age of 31, with experience, talent, an excellent reputation and fine contacts, but little capital, Edward started a small firm, the E. Maritz Jewelry Manufacturing Company. He was a wholesaler and manufacturer of fine jewelry and engraved watches. His customers were jewelers in the St. Louis and Kansas City areas.

During these times, he and Fanny established a family of three sons: Raymond E. (1893-1973), James A. (February 21, 1895-September 20, 1981) and Lloyd P. (1899-1955).

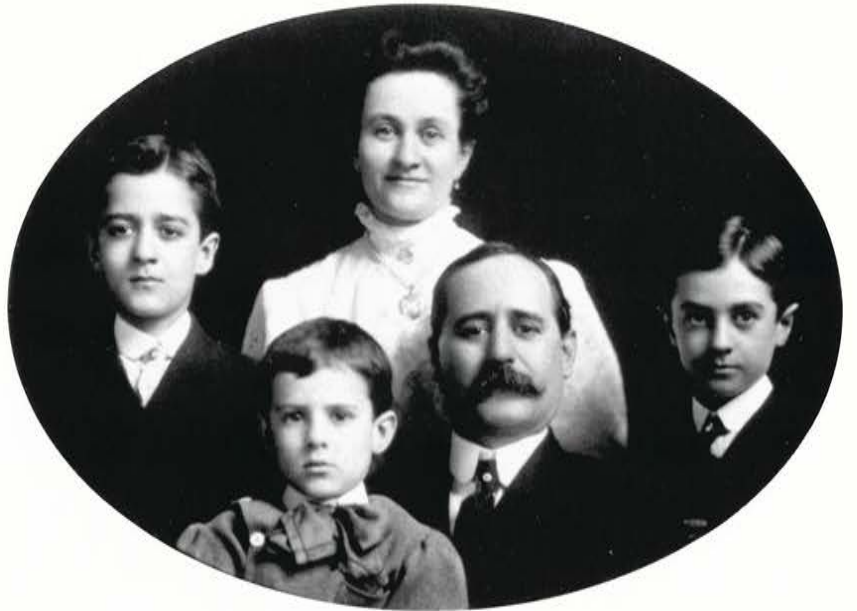
On June 5, 1898, Edouard's sister Caroline Maritz Mesnier, who had journeyed to America with him, died in St. Louis. She had lived in St. Louis all of her adult life and raised two sons: Theophile (?-1941) and Charles Jr. (1860-1950). The latter son, a teacher and principal, had a school located in Affton, Missouri, named after him.

Edward's home was located at 3213 Magnolia, in St. Louis near Tower Grove Park. He listed this residence as his first business address, where he performed jewelry setting, engraving and took business calls. By 1897 his business was located at 617 Washington Avenue in the Lindell Hotel block. The company quickly gained a quality reputation, which has been faithfully retained for a century.

In 1901 Edward bought the plant and equipment of his former employer Wild Bros. Jewelry Manufacturing, at 104 North 6th Street in St. Louis. Many of the machines were electric punching, burnishing, polishing and engraving units.



3213 Magnolia was the Maritz home and first business address in St. Louis.

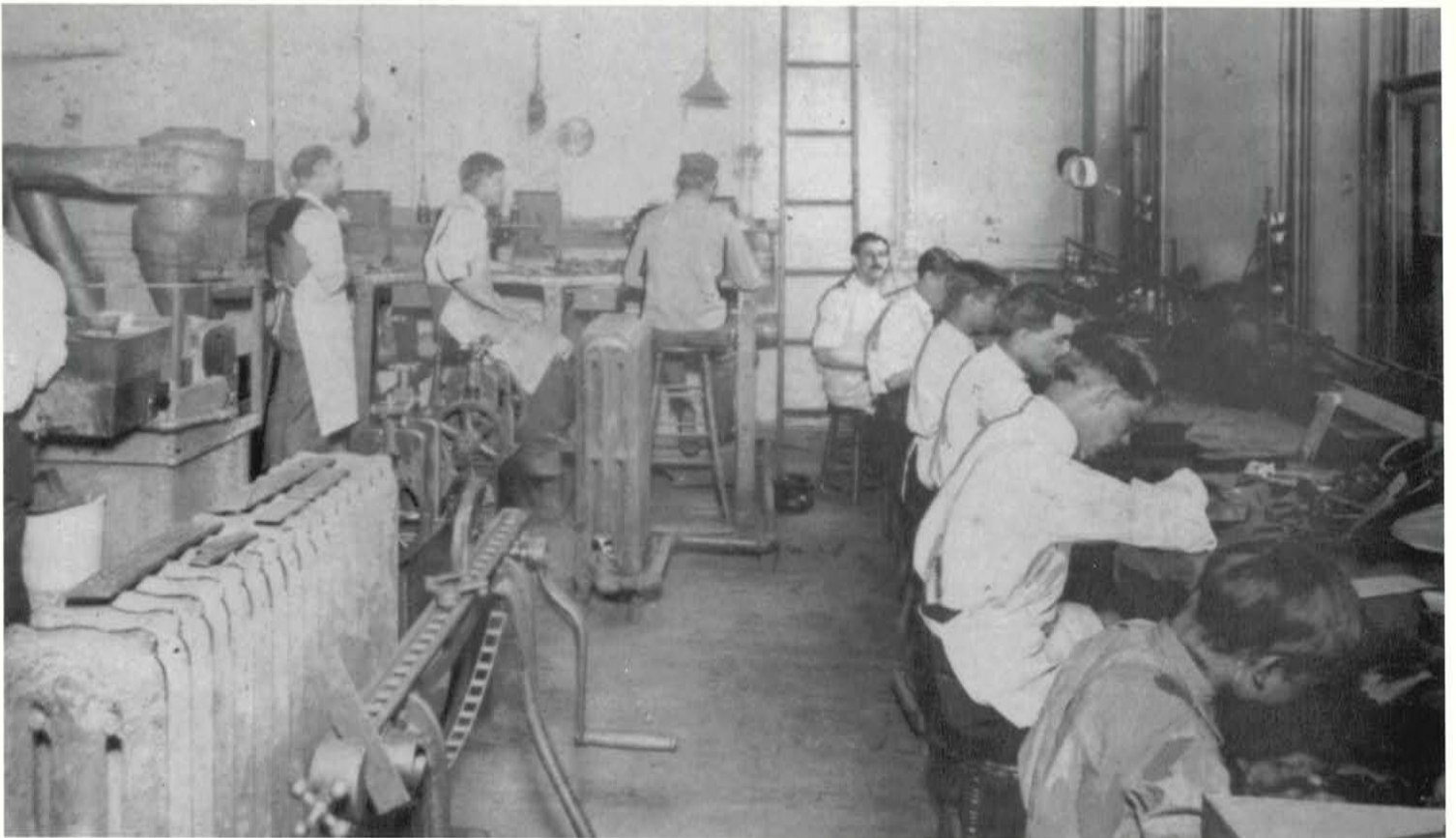


Edward and Fanny Maritz and sons (left to right) Raymond, Lloyd and James.



617 Washington Avenue in the Lindell Hotel building was the first downtown Maritz business address.

Courtesy of Mercantile Library



E. Maritz Jewelry Manufacturing Company plant in early 1900s.



Courtesy of St. Louis City Library

By 1905 Maritz was located in the four-story Nulsen Building at 217 North 6th Street (left side of street).



James A. Maritz served as a corporal in the Army during World War I.

In February 1905 he first incorporated for \$10,000*, and in May of that year, his company moved to the fourth floor of The Nulsen Building – what had been the city’s first four-story building – at 217 North 6th Street, at the southwest corner of 6th and Olive. During this period, Maritz added a diamond brokerage business to the manufacturing company.

*It should be noted that \$10,000 would amount to over \$500,000 in 1994 dollars, so Maritz was a solid, well-capitalized company by 1905.

In April 1909 the company increased capitalization to \$20,000. Curiously, for one year, the company changed its name to the Maritz-Kober Jewelry Manufacturing Company. At the end of that year, the name “Kober” was just as abruptly dropped. The reason has been lost in time, but a reasonable assumption is that during this period of fast expansion, Kober provided an infusion of needed capital for growth.

While son Edward was expanding his business, both his mother, Celeste, and father, Edouard, died. Here is the description by Larsen:

The year 1910 marks the passing of the torch from the first generation of the Maritz family to the second generation. Edouard E. Maritz died. He spent the last years of this life living alone at 2026 South 12th Street. Edouard’s wife, Celeste, daughter, Louisa, and sons Paul and Henry moved to San Francisco in 1910. Celeste died of an extended illness that year as well. Later Louisa married and moved to Berkeley, California, where she ran a business making sweaters. Paul worked as a jeweler and salesman of jewelry and watches, as well as a railroader, electrician, etc. Paul married and had two children, Madeline and Lucille, the latter of whom is still living in Carmel, California.

In 1911, at age 16, James A. Maritz joined the company as a clerk, and in 1916, at age 17, Lloyd also joined the company as a bookkeeper.

In 1913 James became the first company salesman in the Southwest United States. During World War I, James joined the Army as an enlisted man, and served for a short period until the Armistice in 1918.

Late in 1918 the company closed out most of the wholesale jewelry business and concentrated on the watch wholesale importing business, with branch offices in St. Louis, Chicago, Cleveland, Detroit and Los Angeles. Fifteen straight-commission salesmen traveled out of these five offices. There were five regular, full-time employees in St. Louis in addition to the three Maritz men.

In September 1920 the growing company increased capitalization to \$50,000. Esther Horstmann (Miss Esther) was hired on a trial basis by the company in October. For most of her remarkable career, she was secretary to “The Boss,” James A. Maritz. She continued to work for 61 years, establishing a longevity record that was exceeded only by The Boss himself.

Here is her description of work as it was done in 1920:

I did anything that had to be done . . . wound watches, sewed ribbons on watches, put on crowns, listed incoming jobs for the shop, did the billing, made up sample cases for salesmen to take on the road, and did bookkeeping, secretarial and stock work. There were only eight employees, and we pitched in wherever we were needed.

In 1920, the company was located on the fourth floor of the nine-story Columbia Building at 8th and Locust in St. Louis. Every morning, as regular as a Swiss clock, Edward F. Maritz would greet each employee as he or she came to work. He was described as stoic, tough and very ethical. Edward was also an excellent businessman.

On the 15th of January, 1921, James married Eugenia Uhri. Over the many years to follow, Eugenia would make significant contributions to the company. An accomplished musician and artist, she designed many early promotional pieces and also selected decorations and furniture for the Maritz offices.

James and Eugenia had three children: James A. Jr. (January 16, 1922-), Jean (June 27, 1926-) and William E. (November 10, 1928-).



Courtesy of The Missouri Historical Society

By 1920 the Maritz company had moved to the Columbia Building at 8th and Locust in St. Louis.



Maritz office scene in 1919. James Maritz is center; his father, Edward, faces left with arm on counter.

Also in 1921 Maritz began importing Swiss watch movements for insertion in Maritz-fashioned watch cases. Meret ladies' wristwatches, and Record and Cymrex men's pocket watches were all part of the original offering, as Maritz became one of the first significant importers of Swiss watch movements in America. Later, men's wristwatches were added to the line, a major coup for Maritz. In World War I, officers and pilots first wore wristwatches to synchronize the time of their battlefield attacks, so it soon became acceptable for men to wear wristwatches in America. James A. Maritz was one of the first men in St. Louis to catch the trend and wear the new man's wristwatch . . . and he sold them by the hundreds!

In October 1921 the company name was changed to the Maritz Watch and Manufacturing Company. The first company product catalog was produced at this time, offering silver hollowware, as well as several types of watches. Capitalization was increased to \$100,000, and there were 23 stockholders.

By 1923 many other American companies were getting into the booming wristwatch business. By then Maritz was a leading importer of wristwatch movements, which were inserted in gold cases, and wristbands were then added.

In 1925 James Sr. was the leading salesman for Maritz. To prompt sales he introduced a new concept for large corporations to offer fine watches and jewelry to their employees at a discount of 50 percent. Business growth was strong and continued until the Depression.

In 1929 devastating to the company was the death of the founder, Edward F. Maritz, on April 2. He was 67 years old and was buried at Calvary Cemetery in St. Louis. Before the company could completely recover, the financial crash occurred, and America entered its worst depression of all time.

Because of tremendous competition and the growth of many major domestic watch firms, the company added a subsidiary, Maritz Jewelry Company, late that year.



Catalog containing Swiss watches exclusively offered by Maritz.



Eugenia Uhri at her wedding to James Maritz in 1921.



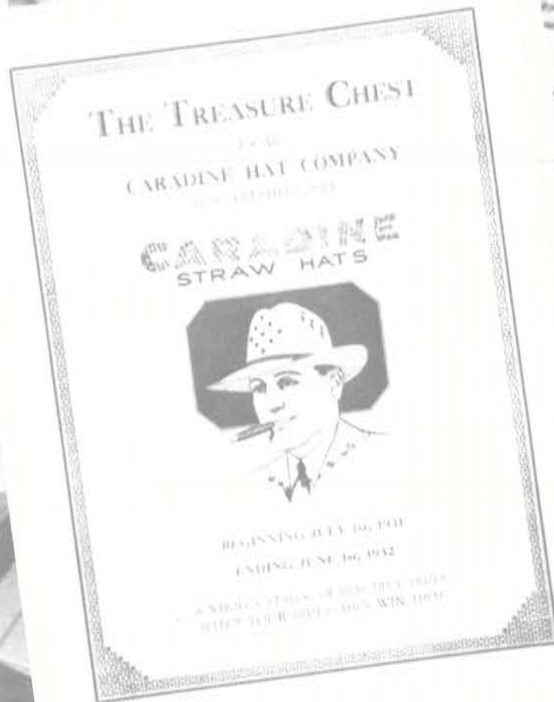
Eugenia Maritz with all three children: James Jr. (in foreground), William and Jean.



Edward F. Maritz, founder of the company, died April 2, 1929.



3. The Brothers Change Course





Courtesy of Mercantile Library

Depression scene in St. Louis, circa 1930.



First nationwide incentive program was for Caradine Hat Company in 1931.

Business plummeted and, by the end of 1929, only six employees remained, including James Sr. and Lloyd Sr. The company came very close to failure. Several payrolls were missed. The Maritz brothers had to sign over their homes to obtain business loans to meet payrolls, pay bills and keep the business afloat.

At this juncture James and Lloyd took a new path and, as a result, became pioneers in a new industry. To generate income, they began selling watches and engraved personalized jewelry to corporations as sales and service awards. The idea of noncash sales awards was a new one, and it caught hold. The concept literally saved the company.

In November 1930 Maritz Sales Builders, a newly created division of Maritz Watch and Manufacturing Company, printed its first incentive awards book, mostly in black and white with a few color inserts. Each succeeding year, the book was expanded. Business began to improve gradually for the struggling company, even in the face of the Depression. Local participants could come to the offices where a beautiful, glittering showroom had been built, and they could select their awards from the display.

In 1932 the company issued the same awards book as the year before but with significantly reduced prices. The copy on the cover read, "Priced in keeping with the times." The times were tough, but incentive program sales did pick up.

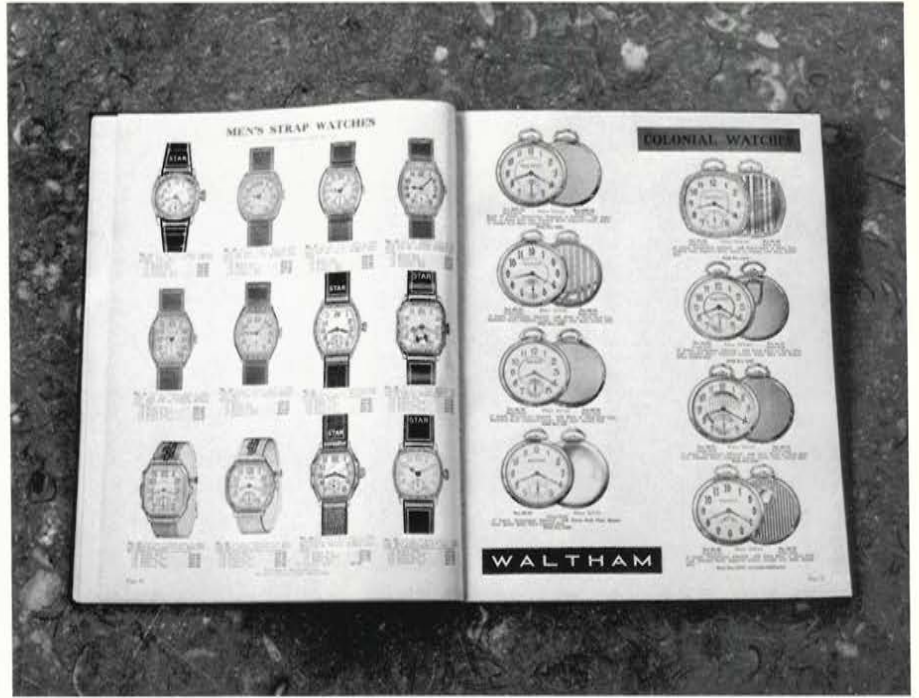
The first nationwide motivation client was Caradine Hat Company of St. Louis. That sale was followed by Chevrolet, Shell Oil, Ralston Purina and several other large accounts throughout the 1930s.

The major competitors at this time were Belnap & Thompson and Ross Coles of Chicago, and Cappel-MacDonald Company of Dayton, Ohio.

By 1940 Maritz' business was again growing nicely. The increase was so great, more space was needed, and Maritz moved to a place six times bigger – the six-story Kinloch Building at 10th and Locust. The company was housed on the second floor.

One successful account, sold in 1940, was the St. Louis Public Service Company. The program was eventually extended to 51 other transportation companies nationwide. This was the first safety program operated by Maritz.

Maritz business continued to grow until America entered World War II. The company had difficulty obtaining precious metals and stones for jewelry, and the incentive side of the business barely continued throughout the war. During this period the company expanded into the retail business, selling silver hollowware, luggage and small decorative accessories for the home from a large gifts showroom. Maritz also provided a retail premium coupon redemption service for specified Ralston Purina products.



First Maritz incentive catalog, 1930.



Maritz showroom in 1940, where local award participants and retail customers could obtain gifts.



Rings in Maritz gift boxes, circa 1938 (top) and 1948 (bottom).



Courtesy of Mercantile Library



Scenes of the Kinloch Building, 10th and Locust, Maritz headquarters from 1940 until 1950.



View of jewelry showroom, circa 1941.



James A. Maritz Sr. conducts Bernard Dickman, St. Louis' mayor, and others on a tour of new Maritz offices in 1940.

The elder sons of both Lloyd and James entered the service. James Jr. was an Army Infantry noncommissioned officer who saw action in Europe during the conflict. Lloyd Jr. served in the Navy with an underwater demolition team.

After the war the two sons, both in their twenties, returned from military service and joined the company. James Jr. started with the company April 1, 1946, and Lloyd Jr. shortly thereafter. At that time, the James Maritz Sr. family lived at 24 Carrswold Drive, Clayton, Missouri.

As the war ended, the motivation business picked up, but there were short supplies of merchandise for a few years. During this time Maritz went to extraordinary lengths to deliver what was ordered and expanded the stellar reputation of service, honesty and competence that it enjoys today.

Longtime employees Rita Reiss and Larry Schovanez both remember that Office Manager Bill Scott, while trying to drive down costs, required any employee wanting a new pencil to turn in a used stub to him first. If he didn't have any new pencils just then, he would add a plastic extender to the back of the stub and return it for further use.



Lloyd Sr. and Pelagie Maritz with their son, Lloyd Jr., and daughter, Margo, in 1943.



The first multimillion-dollar account was the 1948 Chevrolet S.A. (Satisfaction All-ways!) program. The Maritz team included: (left to right) Bill Scott, Ray Donner, Charles Danter, Bill Reinholdt, Walter Dahlgren, Oliver Dulle, Manley Hecht and John Compton. Rita Reiss, merchandise secretary, is in the background.



The first full-time artist employed at Maritz was Walter Dahlgren, who started work in 1947.



Wrap-up of presentation materials, immediately before a meeting with Chevrolet executives, in 1948.



James Maritz Sr. (right) and James Maritz Jr. in 1948.

February 12, 1948, James Maritz Jr. married Mary Ann Niemeyer at Westminster Presbyterian Church in St. Louis. The couple had one son, James A. III (February 4, 1951-), and a daughter, Cynthia Ann (November 19, 1953-).

In 1948 Maritz sold a major 90-day leadership incentive program, called "Satisfaction All-ways!" to Chevrolet for \$2.5 million in merchandise – a Maritz breakthrough in Detroit, and the largest automotive sale at that time. It was the first "program in a box" concept, in which auto dealers were offered a packaged selection of merchandise awards at one price level. They could then buy two packages, three . . . as many as they wanted, based on their expected car unit sales volumes. The sale of this profitable program had a significant impact on the Maritz organization. Maritz rented a huge annex of The Arena at Oakland Avenue as a merchandise warehouse just for the Chevrolet program.

On June 8, 1949, Rut Van Brunt joined Maritz as a salesman in Kansas City, Missouri.

Because Maritz had only one bookkeeping machine (a simple, mechanical calculator), all systems and operations had to be immediately enlarged, changed or added. During this period of explosive growth, the two senior brothers, James and Lloyd, developed major disagreements as to how the company was to be operated and expanded.

By 1950 the disagreements became more acute, and finally the brothers decided to split the business and go their separate ways.

It was proposed that James Sr. would first plan the division of the existing company into two relatively equal parts, and that Lloyd Sr. would then have first pick as to which half he would take.

Capital, equipment, personnel and the two businesses were separated in an equitable manner by James, who assumed Lloyd would choose the fast-growing motivation business, because Lloyd was so involved in the operation of that end of the company. James was sure that Lloyd would forgo the rather slow-moving but established jewelry business and leave it to him. He was prepared to accept that outcome.

But, Lloyd surprised everyone by selecting the jewelry business. James and his son were left with the sales incentive business. James Sr. became chairman of the new company, while James Jr. was named vice president and treasurer.



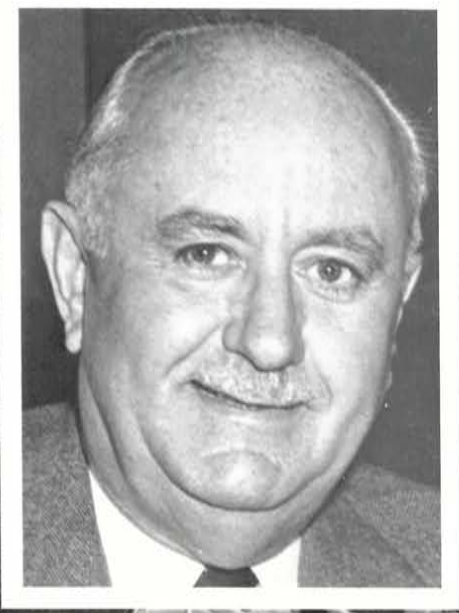
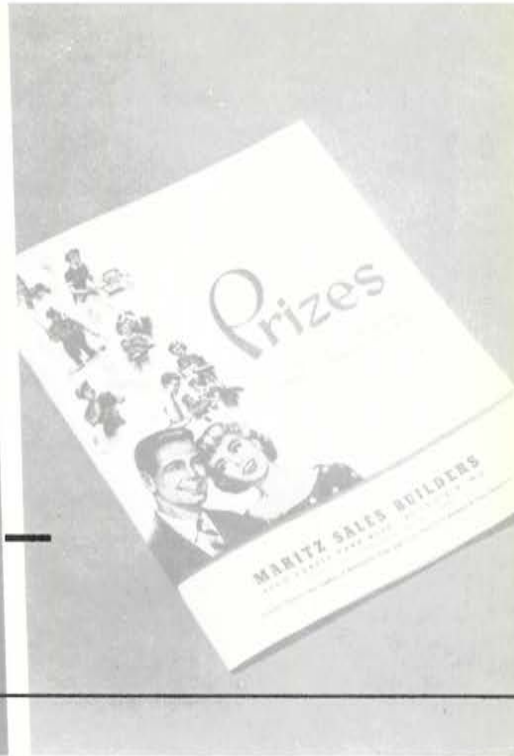
St. Louis Arena Annex (now demolished) where Chevrolet awards were warehoused and shipped in 1948.



Lloyd Maritz Sr., brother of James Maritz Sr.

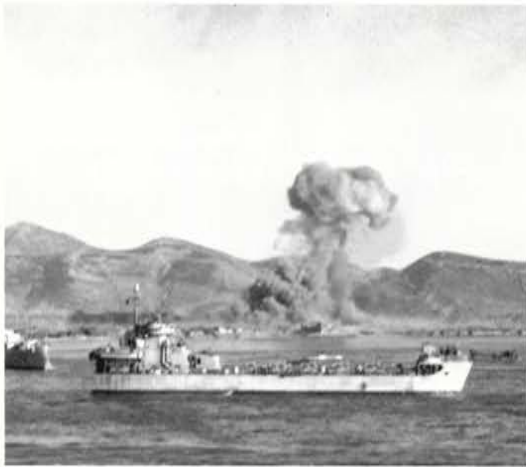


4. Maritz Sales Builders – The New Company





New Maritz 1950 headquarters at 4200 Forest Park Boulevard.



Rocket attack on North Korean installations by LSMR404. Lieutenant Junior Grade Bill Maritz was operations officer.



Bill Maritz in naval uniform, 1950.

It must have been exhilarating for James Sr. to launch a new incentive company in 1950. Following the war, Americans began building new families and homes at an unprecedented rate. The future was bright, and there was a huge, pent-up, nationwide demand for new furniture, appliances and many kinds of other merchandise.

To compete in that booming market, major corporations greatly expanded their sales budgets to capture a larger share. Many companies discovered the marketing power of incentive programs with appealing awards offered to their sales participants.

1950 The timing for the new company was excellent, and so, on January 10, the new company moved into the Artophone Building at 4200 Forest Park Boulevard. The building immediately to the west was the warehouse and shipping center.

That summer an important individual, Bill Burton, was hired by James Maritz. Aside from the Maritz family members, Bill is credited with the greatest contributions for establishing Maritz as the leader in the motivation industry.

Also that year, James' younger son, William E. (Bill) Maritz, graduated from Princeton and was commissioned an ensign in the U.S. Navy, serving during the Korean War on the rocket launcher LSMR404 off the coasts of both North and South Korea.

By late 1950 Maritz had 45 St. Louis-based employees.

1951 Maritz held the first sales conference at the Forest Park Hotel, St. Louis. Total attendance was 24. The theme was "Ideas For Action." There has been a conference every year since.

1952 James A. Maritz Jr. became executive vice president.

During the early '50s, both Maritz and its major competitor, Cappel-MacDonald, used outside travel agencies whenever trips were offered as awards in motivation programs. Thomas Cook Travel provided most of the support to Maritz during those days before Maritz started its own travel organization.

1953 Two men joined the company who were to have a major impact upon its future. On June 21 Bill Maritz completed his naval service, joined the firm, and later that year moved to New York as a salesman. Lou Cohen also joined the company . . . eventually to establish the Creative Services Division, which helped to differentiate Maritz expertise and client service levels for all time in the industry.

During the early 1950s, even though the brothers' business agreement seemed clear-cut, Lloyd continued to pursue incentive business as well as his jewelry endeavors. He entered the incentive business as Lloyd Maritz Enterprises. So, for approximately four years, there were two incentive companies with "Maritz" in their business names, headquartered in



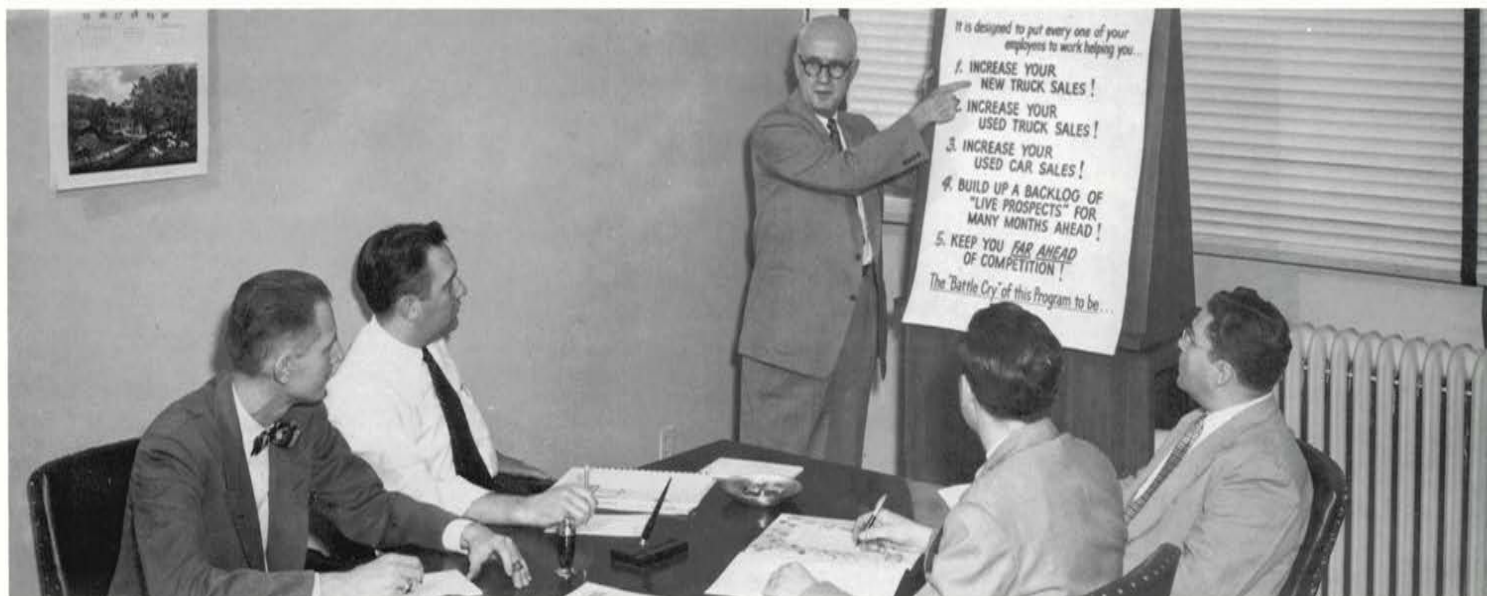
Interior scenes of Maritz headquarters at 4200 Forest Park Boulevard, circa 1952.



First Maritz sales conference at Forest Park Hotel in 1951. (Left side of table) George Groppenbacher, Hunter Derringer, Stan McNeely, Dick Bahr, Bill McLaughlin, Harry Davis and John Compton; (standing left to right) Dick Prather, Bill Burton, Fred Gould, Manley Hecht, Ray Donner; (seated at head table) Gordon Clark, James Maritz Jr., Rut Van Brunt, James Maritz Sr., Charlie Marsh; (right side of table) Bill Reinholdt, Bill Koopman, Charles Danter, an unknown salesman, Elmer Leuzinger, Joe Saller and Don Nickel.



Shown in 1951 are Miss Esther and Bill Koopman in a standard manager's office arrangement. Note the wooden "hold" box, golden metal ashtray, roto-button address finder, desk ink pen, chrome water carafe and rotary-dial phone. A large intercom is on the back table.



Bill Burton conducting a training class for Maritz salesmen, circa 1953.



Jean Maritz married Wells Hobler in November 1955.



1950 display of Maritz creative promotional materials.

St. Louis, causing significant confusion in the marketplace. It should be noted, however, that Lloyd Maritz was a strong supporter of the incentive business, and made significant contributions to the early development of Maritz Sales Builders.

1954 Maritz held its first sales conference outside St. Louis at Pippin's Place, Waynesville, Missouri.

In September Bill Sippy joined the Maritz Merchandise Division, and in November Bob Swearingen joined Maritz as a salesman in Indianapolis.

1955 There were 90 people employed at Maritz.

Half the pages of the award book were printed in color.

Bill MacGreevy, a partner in the law firm of Hocker, Goodwin & MacGreevy, began serving Maritz as general counsel.

Lloyd P. Maritz Sr. died March 3, 1955. His incentive company and the jewelry company ceased operations soon after.

William E. Maritz married Phyllis Mesker on December 10, 1955, at the St. Michael and St. George Episcopal Church in Clayton, Missouri. The couple had four children: Peter Edward (September 27, 1956-), William Stephen (February 10, 1958-), Philip Francis (October 4, 1960-) and Alice Margaret (Maritz Starek) (June 12, 1963-).

Three weeks earlier, Bill's sister, Jean, married Wells Hobler. They had three children: Peter Wells (January 15, 1957-), Leigh (Hobler Gerard) (April 1, 1959-) and Christopher Wells (August 27, 1965-).

During the mid-'50s several Maritz sales offices were added throughout the U.S. With the motivation business growing, the company leased four more buildings during the '50s and '60s around the original address on Forest Park Boulevard. The company slogan was "Motivating Men To Sell Your Product Is Our Business."

Late in 1955 Maritz sold its first large group travel program to American Motors. Holiday House Travel Center in Detroit was the travel supplier. Ken Heck was the Maritz salesman.

1957 Lou Cohen was promoted to corporate vice president, director of Creative Services.

Casey Korbecki joined the company in February. He started as assistant treasurer and was promoted to corporate treasurer that summer.

In the late '50s, Cappel-MacDonald bought Maritz' other two major competitors – Ross Coles and Belnap & Thompson – and changed its name to E.F. MacDonald Company, then the largest motivation company in the world. To have most of the major competitors suddenly combine as one much larger unit would have given most companies pause. But Maritz just viewed it as



Cover of Maritz prize book published in the early '50s.



Rheem "Better Living" program materials.

one more challenge to overcome, and kept on competing and expanding its market. MacDonald made an overture also to buy Maritz at this time but was flatly rebuffed without discussion by Maritz management.

Maritz printed the first full-color "prize book."

That same year the new Maritz Electronic Data Processing System went on line, a first in the incentive industry.

1958 The Rheem "Better Living" program offered a sophisticated rules structure that introduced the concept that distributors could and would contribute to the awards offered to their dealers. Relying heavily on Program Administration, the program also pioneered the use of the computer to produce personalized standings reports and Prize Point Checks. The program ran continuously for 20 years.

Maritz did \$5 million in total sales and purchased Holiday House Travel Center, a small travel agency located in Detroit. This acquisition allowed Maritz to offer group travel awards and add significantly more excitement to client motivation programs.

The name "Holiday House" was changed to "Maritz Travel Company." Travel account supervisors (now titled "travel directors") were called "men in the red coats," or "Red Coats." During the early years of Maritz Travel Company, most large travel movements were operated in chartered aircraft.

Bob Senseman joined Maritz April 20, in the Creative Services Division.

In May Maritz held the first sales conference outside the U.S.A. at the Sheraton British Colonial Hotel in Nassau.

Maritz produced its first (and only) talking catalog. One side of a 33 $\frac{1}{3}$ RPM record (slipped in the cover) "talked" participants through the catalog sections. The other side of the record was personalized with client rules. The line was "The book that speaks for itself."



Door to Maritz Travel Company offices in 1958 still showing the words "Holiday House Travel Center."

1959 Maritz introduced All-American Holidays. These were three-day, two-night stays at resorts throughout North America, priced at \$150 per couple per holiday. Although transportation was not included, the individual holiday awards were a hit among clients and participants alike.

In September Maritz established its own photo studio and began producing its own awards media, including the prize book. From that date, Maritz has been the only major incentive company to photograph and produce its own awards catalog in its own studio.

Maritz salesmen were retitled "account executives."

1960 James Maritz Jr. became president; Bill Maritz became executive vice president.

Maritz achieved \$11 million in total sales – doubling sales in only two years. Exceeding \$10 million in sales was considered a major milestone in 1960.

In March Duane Christensen joined the company as a project head in the Creative Services Division.

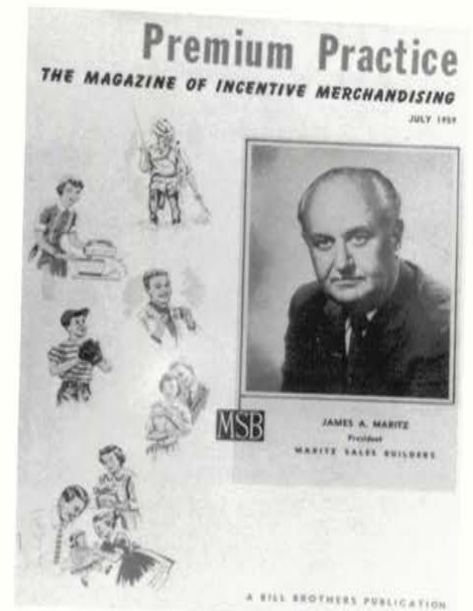
Bob Senseman became a corporate vice president of the Marketing Division.

1961 In June Duane Christensen became division manager of Creative Services.

The company name was changed to Maritz Inc. from Maritz Sales Builders.

Bill Maritz authored the first five-year plan. It included the objective of developing a new office site in St. Louis County. The plan was extremely ambitious, requiring an increase from \$12 million in 1961 to \$35 million in fiscal 1966 – a 290 percent increase!

That winter Bill Sippy was promoted to corporate vice president and by mid-1962 became director of the Maritz Merchandise Division.



James A. Maritz Sr. was featured in the July 1959 issue of Premium Practice magazine.



A scene of the new photo studio in 1959.

1962 Bob Senseman became general sales manager.

In the spring Maritz established "Mary O'Brien" as a friendly, special name that program participants could call for customer service. The name has endured at Maritz as a symbol of prompt, efficient service for over 30 years.

Lou Cohen helped develop a unique parts and service program for Buick dealers nationwide. The shared-funding concept and other unique elements were original, creative and highly successful for Buick and its dealers. Variations of that program structure are still operated today for many corporations throughout America.

Rut Van Brunt was promoted to vice president, director of Sales.

1963 In July Volume 1, Issue 1 of *Maritz Team News* was published. The first issue carried a special feature on the Merchandise Department headed by Merchandise Manager Bill Sippy.

The first woman artist, Carole Cohen (no relation to Lou), was hired by the company.

At this time the photo studio was located on the fourth floor of the 4210 building in St. Louis. For security reasons, employees and the public were prohibited from visiting, because they would have had to pass through the second and third floors, which housed all merchandise.

To accommodate photo production, Ralph Wunderlich, manager of the Photo Department, designed and implemented a basket-on-a-pulley system. The unlikely contraption was made of chicken wire on a wood frame, but it worked.

When a person needed a photo of merchandise, he or she would call Ralph and ask him to "let down the basket." In would go the work order and instructions or sketches. The basket would then be raised four stories to the studio. After the photo was taken and developed, the studio would call the requester, who would wait in the parking lot for the basket to be lowered from on high with the photo inside.

On a windy day the basket could swing 15 to 20 feet sideways, and sometimes it would hit the top of a parked car. Ralph says several cars were scratched on top, but nobody ever noticed. Now it can be told . . . 30 years later. This story proves we've always been on the cutting edge of technology.

The saga of the photo basket ended in 1964, when Maritz opened an efficient, new photo studio across the street in the rehabilitated, former Old Vienna Potato Chip building.

Jim Guccione was a pup photographer then and was attracted to a secretary from the Merchandise Department who often sent up photo requests. Eventually he married Betty Manchenheimer.



1962 Buick program promotion materials.



First issue of *Team News* in July 1963.



Carole Cohen, first woman artist hired by Maritz.



Jim Guccione lowers the photo department "work basket" from the fourth floor at 4210 Forest Park Boulevard to a coworker in the parking lot.



Rut Van Brunt (left), Bill Maritz and Bill Burton were enthusiastic when sales went "into orbit" during a Maritz marketing campaign in the early '60s.



Table grouping at May 1963 sales conference at Mountain Shadows, Scottsdale, Arizona. (Foreground left around table) Ron Hanzl, Manley Hecht, Delores Hecht, Bill Moses, Olive Moses, Jack Leggett, Jean Leggett and Wyot Woods.



"The Boss," James A. Maritz Sr., returns from an extended vacation/business trip to Europe in November 1963. Managers welcoming him back are (left to right) Lou Cohen, Rut Van Brunt, James Maritz Jr., Manley Hecht, Casey Korbecki, Dick Mersman, Jack Leggett, Ray Donner, Reaves Strobel, Duane Christensen, Bill Langan, Bill Sippy (face hidden), Bill Burton and Bill Maritz.

TOP IDEA of the MONTH



NOTHING LIKE A DAME?

It's obvious from the photograph above that Rogers and Hammerstein didn't do enough research when they composed "There's Nothing Like a Dame" for South Pacific. The lovely models (dames to Rogers and Hammerstein) who posed for a Maritz photographer with this result are

scribing the results of the successful sales motivation program.

Admittedly, at least from a male viewpoint, there's a lot that assaults the eye in the picture. More than meets the eye, however, went into its production.

When Jack Kincaid, Creative Services

Coca-Cola promotion in 1964.



(Top) Maritz account executives served as travel directors during the massive 1964 Ford Tractor program in New York. (Bottom) Ford attendees at dealer show in the Radio City Music Hall. Photo was shot from eighth floor of Time/Life Building, where our New York office was located.

By August the four area sales managers – Reaves Strobel, John Lamb, Al Hammer and Dick Mersman – had moved from the field to St. Louis in a plan to centralize and coordinate sales management. With one exception, the concept has been retained for over 30 years.

1964 On March 9 George Smith joined the company as an account executive in the New York office.

The March *Team News* reported its one and only marriage. The newlyweds were Jean and Bill Sippy, and the “news” was that there finally was a . . . Mrs. Sippy (pronounce it).

Midyear, after having managed Maritz Travel Company for six years, the former owner of Holiday House, Frank Abrams, abruptly left Maritz for a competitor in Michigan. He had also approached several Maritz Travel managers and employees to join him in the move, which threatened Maritz in two ways: first, the loss of key management and staff; and second, the establishment of a new travel arm at the largest competitor.

Rut Van Brunt was quickly sent to Detroit to take over the Travel Company and conduct damage control. Several huge travel programs had been sold and would operate that fall.

In the anxious weeks that followed, Rut was able to hold executives and most other key personnel. All major travel accounts were retained, and operations went off on schedule and in good order. A serious threat to Maritz’ growth had been overcome. Eventually Chuck Coleman was named as the president of Maritz Travel Company.

During four days in October, Maritz Travel Company handled the largest single travel program ever conducted in one week by one travel agency to that date. Over 6,000 Ford Tractor dealers from 50 countries were transported to New York for a worldwide conference at Radio City Music Hall during the World’s Fair. Most account executives donned blue Ford jackets and served as travel directors during this huge travel operation. Simultaneously with the Ford program, five other major client travel programs were handled successfully.

Land acquisition and construction began on a new Distribution Center in Fenton, Missouri. At that time there were over 60 Maritz account executives located in 26 cities in the United States.

The common award measurement unit was called a “Prize Point” and was generally valued at one-half cent.

An IBM 1401 mainframe computer was installed at Maritz. This powerful addition led to many service innovations.

1965 The Distribution Center opened in St. Louis County. It was the first structure on what eventually was to become a 260-acre headquarters campus.

1966 By the end of the fifth year of the initial five-year plan, Maritz had exceeded its ambitious 290 percent sales goal.

Industry pioneer Bill Burton retired on March 31, after 15 years of service. On April 1 of that year, a special college course funding program for Maritz employees was initiated and named The Bill Burton Education Fund.

Construction began on the Motivation building and an addition to the Distribution Center. At that time Maritz also added IBM 360 computers to its electronic data processing hardware.

1967 Maritz converted to magnetic tape drive for expanded storage capability.

On February 1 Bill Lewellen joined Maritz Sales Division as director, Research and Planning.



Sales campaign for Maritz account executives included a winners' drawing by James Maritz Sr. Rut Van Brunt (center) and Bill Maritz carefully monitored the drawing.



Maritz management at Fenton construction site in 1964. (Left to right) Bill Maritz, John Lamb, Rut Van Brunt, Duane Christensen, James A. Maritz Sr., Lou Cohen, Bob Thomann, James A. Maritz Jr., Bill Burton, Gene Courtney, Bob Senseman, Dick Mersman, Ray Donner, Bill Sippy and Jack Leggett.



New Maritz Distribution Center opened in 1965 in Fenton.



Bill Burton.

Maritz to Diversify — Five New Vice Presidents Named



Bob E. Senseman, at left, who joined Maritz in 1958, was named Vice President in 1960 and became General Sales Manager in 1962, will transfer from the Sales Division to become Vice President, Diversified Operations on January 1, 1968. He will be responsible for pursuing a course of action that will establish Maritz Inc. as a diversified company.

Carefully made plans to accelerate the growth of Maritz Inc. by entering additional fields of business unrelated to sales motivation; the transfer of Bob Senseman from the Sales Division to become Vice President, Diversified Operations on January 1, 1968; and the appointment of five new Maritz Vice Presidents . . . John Lamb, Charles Coleman, James Campbell, John Connelly and Richard Mersman; were announced to company officers at their semi-annual meeting on Thursday, November 30, 1967.

In announcing diversification plans, President James A. Maritz, Jr. and Executive Vice President William E. Maritz said that company goals in sales motivation remain unchanged and that Maritz Inc. would continue to stress and take full advantage of the growth opportunities that exist in this industry. Growth resulting from diversification will add additional breadth and strength to our company's sales and earnings base. With the exception of Senseman, the work of others at Maritz Inc. will continue to be in the field of sales motivation.

Diversification Plans Call for Acquiring Companies in Other Industries

For the past several years Maritz Inc. has been studying the growth opportunities that diversification could create. Earlier this year the decision to acquire companies in businesses unrelated to sales motivation was made. Plans for a Diversified Operations Division took shape and were announced on November 30. The Division, headed by Bob Senseman, will begin functioning on January 1, 1968. Our Sales Division Management has been strengthened over the past year in anticipation of the change in Bob's responsibilities.

Definite guideposts for diversification have been developed. They include the acquisition of companies that will offer continued growth opportunities. No timetable for acquisition has been set and each company purchased will be assimilated before the next acquisition is made. Companies acquired will operate independently of Maritz Inc.

Diversification will broaden our company's earnings base and make it less dependent on one industry.

Three from Sales, Two from Travel are New Vice Presidents

Dick Mersman, Jim Campbell and John Lamb, who have been Area Vice Presidents in our Sales Division, along with Chuck Coleman and John Connelly, President and Executive Vice President of Maritz Travel Company respectively, have been named Vice Presidents of Maritz Inc. Their appointments become effective December 1, 1967.

These promotions recognize the contributions the five have made to Maritz Inc. and the additional management responsibilities that will be required of them in achieving the future goals we have set for our company. In expressing his pleasure that the value of their work had been recognized by their promotions, Vice President and Director of Sales Rut Van Brunt pointed out that the areas headed by Lamb, Mersman and Campbell now contribute sales that are higher than total company sales were six years ago, and that Coleman and Connelly helped develop Maritz Travel into the



John Lamb Charles Coleman James Campbell John Connelly Dick Mersman

leading motivation travel agency in the United States. Areas of management responsibility for the five new Vice Presidents will remain the same.

John Lamb joined our company as an Account Executive in October, 1955, became Regional Manager at Kansas City in 1961 and was named Western Area Sales Manager in December, 1962.

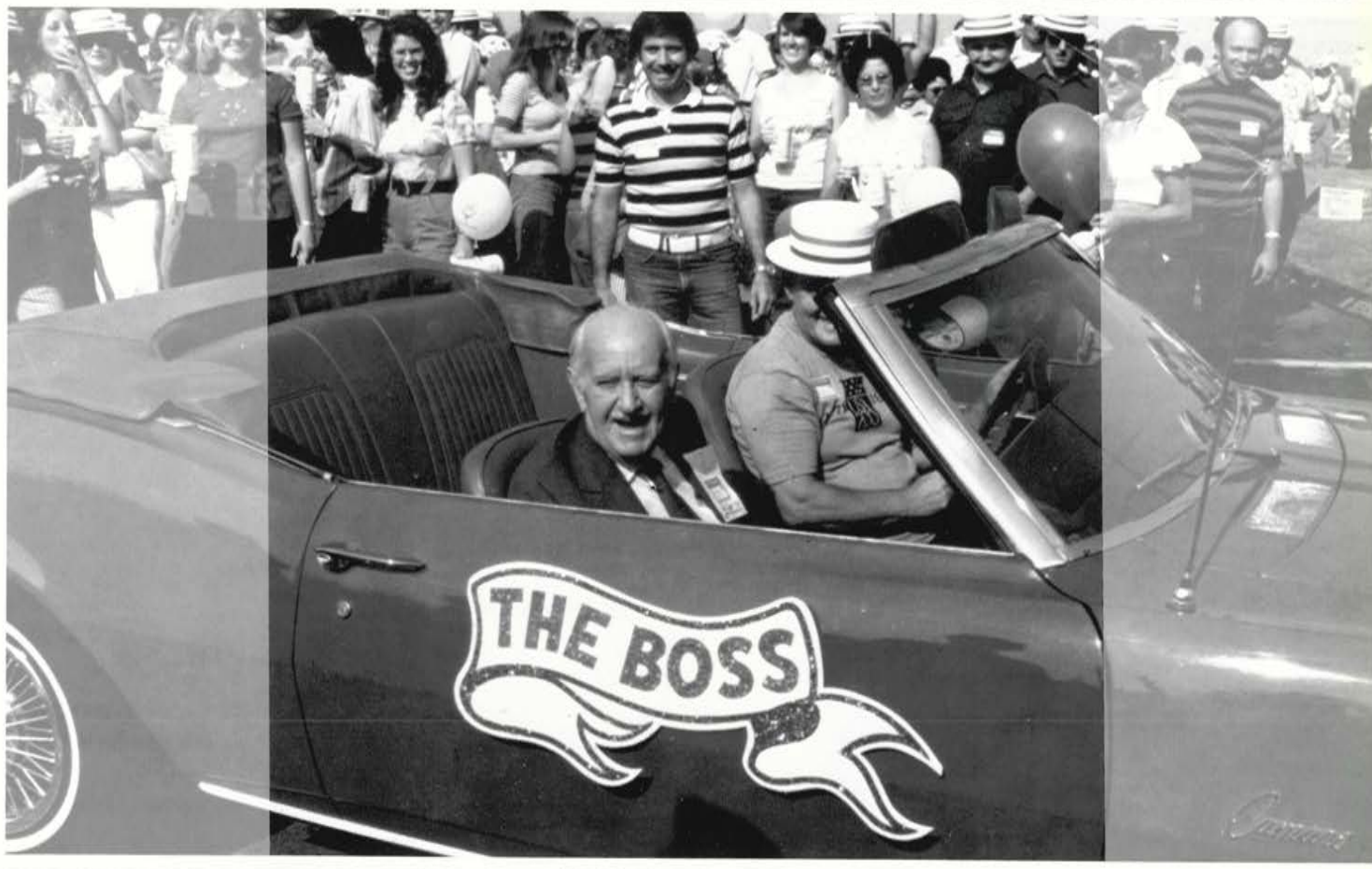
Chuck Coleman has worked at Travel since Maritz Travel Company became a wholly owned subsidiary and an operating division of our company in January, 1958. He was Vice President in Charge of Sales until September, 1964 when he became President of the subsidiary corporation.

Jim Campbell started with Maritz as an Account Executive in December, 1959. He became New York Area Sales Manager in May, 1963, and was promoted to Metropolitan Area Sales Manager in May of this year.

John Connelly became a member of the Maritz team as a travel coordinator in Chicago in January, 1959. He transferred to Detroit a year later and became Executive Vice President of Maritz Travel Company in December, 1964.

Dick Mersman is completing his seventh year with Maritz. He joined us as an Account Executive in December, 1960 and was named Eastern Area Sales Manager in December, 1962.





5. DIVERSIFICATION





Team News announced Diversified Operations in 1968.



In September 1968 a bridge holding over 50 Maritz people and spouses collapsed at Tan-Tar-A Resort in Missouri during a creative conference. Nobody was seriously injured, but it was a frightening experience.



Baseball greets Red Schoendienst (right) and Stan Musial draw winners' names for the quarterly promotional sweepstakes for the H.J. Heinz Distributors' awards program, during the late '60s. John Loomis was the Maritz host.

It should be noted at this point that unlike the advertising business, which was and can still be extremely profitable, the incentive business has worked against much tighter margins, and profit percentages have always been slim.

To survive, any incentive company must take one of two routes: 1) the small, selective boutique serving a few clients with limited services but great personal sales attention; 2) constant volume growth that gives the big companies leverage in the marketplace, allowing competitive prices and a wide variety of client services the small companies cannot afford to provide. The huge incentive companies have the variety and depth of services to serve major corporations throughout the nation and the world.

Maritz chose the latter track in the late '60s, and after a few more years of spectacular expansion, became the industry leader.

Diversification, with resultant rapid growth, was not the easy route to take. A few new ventures failed, yet in balance, the company pioneered several successful applications associated with the existing business and designed to serve client companies more effectively.

1968 In January a new division, Diversified Operations, was formed as Maritz entered into a phase of adding companies and services related to the core business. Bob Senseman was named vice president of Diversified Operations.

In June the first office building on the present campus was completed, and all employees moved from Forest Park Boulevard to the new "Motivation Center" at 1355 North Highway Drive, Fenton. The new theater was named Burton Auditorium. The campus at that time comprised 40 acres, all on the north side of Highway 44. The Distribution Center, completed in 1965, had been the first building on the campus.

These two buildings were the first of what would eventually become a handsome, beautifully organized campus consisting of many buildings. All structures were designed by Raymond Maritz, cousin to James Jr., Jean and Bill Maritz, and son of a noted St. Louis architect, Raymond E. Maritz Sr., James Sr.'s older brother.

Today, the distinctive Maritz campus, with vertical white columns, massive red brick walls and black glass, reflects careful planning and an exceptional architectural thematic vocabulary. Located on 260 acres of beautifully landscaped grounds, the campus is both efficient and striking to the viewer.

In September, Dick Hurley joined Maritz as an account executive in the New York Regional Sales office.

Maritz sales topped \$50 million, and in December, Prize Points were officially renamed "Award Credits."



Aerial photo of the campus in 1968 showing the Distribution Center (right) and the completed Motivation Center.



Planning session for the Fenton campus, Bill Maritz (left) and architect Ray Maritz.



By 1969 Duane Christensen (left, back row) was conducting huge orientation classes for incoming account executives and others, as the company grew at a tremendous pace.



In 1968 the Maritz Mets softball team won its third out of four league championships since the team's beginning in 1965. (Front row, left to right) Ed Works, manager Ed Moore, Gil Ladendecker, Jim O'Brien, Wil Boulding, Bill Oliver; (back row, left to right) Dennis Venegoni, Roy Bailey, Jack Sorrentino, John Schultz, Duane Christensen, Jim Guccione, Gene Schott and Dan Hickham.



Moving vans in front of new headquarters building during the company move to St. Louis County in 1968.

1969 On January 2 Lou Cohen was promoted to senior vice president and director of Agency Relationships.

Early in 1969 Maritz Travel Company introduced and operated the Chevrolet "Jet Set Fan-Out." MTC came of age with the operation of this complex travel award. In a five-night program, dealers based in two San Francisco hotels could elect each day to visit any one of four Western cities. Based on the creativity and operational excellence of this program, Maritz earned the annual dealer program for three consecutive years – shattering the GM tradition of annually alternating suppliers. Ed Frutig was the account executive.

In the spring Detroit Account Executive Tom Pfeifle sold a program to AC Division of General Motors, initiating a record of the longest-running continuous client program in Maritz history. (In 1994 AC-Delco will announce its 25th annual program with Maritz.)

Maritz formed a new company, Communico, to produce still photos, motion pictures, training programs, business meetings, TV commercials and major product introduction events.

Cine-Graphic Film Labs and Wide Range Electronics were added to Diversified Operations.

The total number of people working at Maritz topped 1,000.

Bill Lewellen moved from director, Research and Planning, to director of Marketing Administration.

In August, Maritz Travel Company moved its headquarters and staff from Detroit to the Fenton campus.

That same month, Maritz went to on-line order processing using CRTs, which greatly improved customer services. This non-batched system was called "Project Drive."



Administration materials used in the AC campaign, the longest-running, continuous program in Maritz history.



Bill Schmidt (left) and James A. Maritz Sr. shake hands at the signing of the purchase agreement for Cine-Graphic Film Labs. Bob Senseman (left) and James A. Maritz Jr. are standing.



Sandy Schreiner operating one of the newly installed CRTs in Customer Services in 1969.



Maritz headquarters executives waiting at the airport to greet Maritz Travel personnel as they arrive from Detroit in 1969.

1970 January 2 Bill MacGreevy left his law firm and joined Maritz as general counsel.

Bob Swearingen was promoted to corporate vice president and sales manager of the Central area.

On June 8 Norm Schwesig joined Maritz as a program administrator in the Operations Division.

By mid-1970 Maritz computers had been converted to random access disk drive, significantly accelerating data processing for the corporation.

Maritz printed and distributed over 500,000 catalogs, now called Books of Awards, to program participants. The Promotion Mail Department handled 6,500,000 pieces of mail.

1971 On April 1 the largest single program sale ever made in the industry to that date was announced. The client was Chevrolet.

Bill Schmidt became a corporate vice president.

On August 8 Maritz Travel Company moved into its new 70,000-square-foot building at 1385 North Highway Drive on the Fenton campus. Features in the new building included a Travel Communications Center, and a new System 360 computer that printed one airline ticket every three seconds.

In the fall John Keelan, an account executive in Rochester, New York, introduced the "20-Down concept" to Bristol Labs. The idea was to separate the price of a merchandise award into two parts. Eighty percent was charged as the cost of the award, and 20 percent was identified as the program management expenses that were billable to the client, but were not a taxable expense to the participant.

On September 15 Bill Lewellen was promoted to corporate vice president, Marketing Services.

1972 In February several organizations moved into the new 1365 building, which almost doubled the office space of the 1355 building to which it was attached.

A milestone was achieved – Maritz surpassed the sales of its major motivation competitor, E.F. MacDonald Company. Ever since then Maritz has held motivation leadership in the industry.

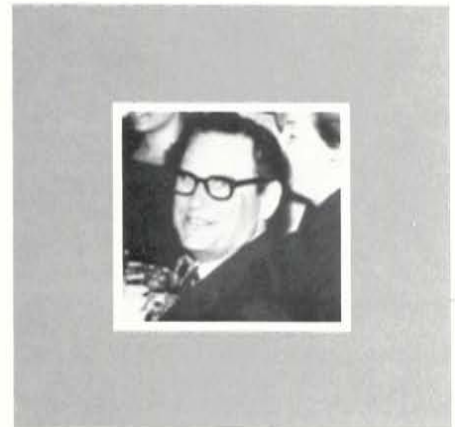
In June Ade Willis, the first account executive ever to retire from Maritz, was so honored.

In July Bill MacGreevy, general counsel, was named corporate vice president.

On September 1 Sally Tapager became the first woman promoted to vice president.



Promotion materials used for the huge 1971 Chevrolet dual new-car program, "Set the Pace/Step Up the Action."



Ade Willis, first account executive to retire from Maritz.



Sally Tapager, first woman vice president and later first woman account executive at Maritz.



Sharon Kraigher, first woman travel director.



Jim Campbell (left), manager of Direct Action Marketing, discussing potential merchandise offerings at a special product show in 1973.



Susan Krawll, first woman program director in the Creative Division.

In late 1972 Chuck Coleman resigned, and Chuck Blabolil became the new president of Maritz Travel Company. Almost immediately Chuck restructured the organization. He also brought the company into travel wholesaling, which proved to be unsuccessful.

In December George Smith, regional manager, was promoted to area manager and became the first Maritz corporate vice president located outside St. Louis.

1973 In January the first full-time woman travel director, Sharon Kraigher, was appointed.

In February a new organization was formed to sell merchandise by direct mail. Named Direct Action Marketing, it was headed by Jim Campbell. Over time Direct Action Marketing would prove not to be a successful venture.

That same month Sally Tapager became the first woman account executive.

In March Maritz Inc. exceeded sales of \$100 million. This was considered a major milestone, and the entire company celebrated.

At the conference May 8, members of Maritz got to play golf with the head pro – Sam Snead – at The Greenbrier resort, White Sulphur Springs, West Virginia. (Sam, at this writing, has won significantly more championships on the PGA Tour than any other golfer in the history of the game.)

In August Maritz purchased more acreage east of the Distribution Center, bringing the campus to 55 acres.

On September 28 Maritz entered the research business through the acquisition of Lee Creative Research located in Kirkwood, Missouri, later to be named Maritz Market Research Services Inc. At the outset, Lee had 60 full-time and 1,000 part-time interviewers, coders and tabulators on staff.

Maritz added Galaxy Film Services, Inc. to Diversified Operations that same month.

In November Maritz Travel Company opened its full-service office in Hawaii.

On December 1 Susan Krawll was hired as the first woman program director in the Creative Division.

1974 In January Maritz employed computerized communications technology to allow every GM parts manager in the U.S. to report parts sales and request program standings by teletype directly to and from Maritz computers. This was called the RAPID System. A few years later, the capabilities were expanded to enable the Maritz computer to dial and transmit messages automatically throughout the world.



Shown at official acquisition of Lee Creative Research are (left to right) Kit Rhodes, Jack Lee, Bill Maritz and James Maritz Sr. NOTE: Yes, the suit on Mr. Lee was considered quite stylish in 1973.



James Maritz Sr. showing a sales "Challenge Card" from the Motivation Company.



RAPID System being demonstrated by (left to right) Len Schulte, Joel Londeen, Norm Schwesig and Ed Wohlstadter in 1974.

VOL. 13 NO. 2 MOTIVATION CENTER, U.S.A. MARCH, 1975

MMC's First Overseas Operation — Maritz U.K.



Gordon Stinton, President Maritz, International



Maritz House, Marlow — Headquarters, Maritz U.K.



Brian Alexander, Managing Director, Maritz U.K.

In March 1975 Team News announced the establishment of Maritz U.K. Shown are Gordon Stinton (left) and Brian Alexander. Maritz House, Marlow, is pictured in the center.

Also in January the International Division was formed by its first president, Gordon Stinton, in Slough, England. This was a significant event in Maritz history, because it expanded the company's reach beyond the United States.

Maritz U.K., the International Division's first overseas operation, was established in Slough, with Brian Alexander as managing director. By September Maritz U.K. had moved headquarters to Marlow, some 33 miles west of London. This first "home" on Dean Street was called Maritz House. By March 55 people were employed in seven operating units.

Maritz Travel Company went international with subsidiaries in England and Spain, plus field offices in Jamaica, Nassau, Switzerland and Italy.

On February 1 three newly formed corporations became Diversified Operations' subsidiaries of Maritz Inc.:

- Communico and Applied Industrial Motivation (AIM) became divisions of Maritz Communications Services Inc.
- Cine-Graphic Film Labs and Galaxy Film Services became divisions of Maritz Laboratory Services Inc.
- Lee Creative Research and Quality Controlled Services® (QCS®) became divisions of Maritz Market Research Services Inc. (MMRSI).

All three corporations reported to Bob Senseman, corporate vice president.

Duane Christensen was named corporate vice president and president of Applied Industrial Motivation, a forerunner of the non-sales motivation business. In April AIM kicked off its first productivity program for Precision Structures Division of Automation Industries Inc. located in Abilene, Texas. The program was named "Partners In Progress."

On May 13 Henry Stolar joined Maritz as associate general counsel.

On September 1 Rut Van Brunt was named president of a new organization called Maritz Motivation Company. At the same time, Maritz Corporate Services was formed under its new president, Casey Korbecki. The three units of Corporate Services were Financial, Operations and Personnel.

After suffering a heart attack in November, Rut Van Brunt stepped aside to recuperate, and Bob Senseman became president of Maritz Motivation Company.

1975 In February Direct Action Marketing was discontinued because business performance was disappointing. Jim Campbell resigned soon after.



Rut Van Brunt in recovery.

Due to an economic slump and business reversals, fiscal year 1975 ended with a net loss of \$1.2 million . . . the only loss Maritz has sustained since World War II. The OPEC-created oil crisis precipitated this economic downturn.

In April Maritz completed a 75,000-square-foot addition to the Distribution Center.

Also in April Bill Lewellen was named president of Maritz Market Research Services Inc. On Halloween day the unit was moved from Kirkwood to the Fenton campus.

In May account executives were retitled "account managers."

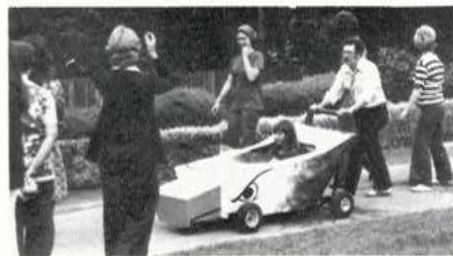
That year the AIM Division of Maritz announced its first hospital motivation program for St. Luke's Hospital in St. Louis.

On July 11 Norm Schwesig was promoted to a creative director in the Creative Division of the Motivation Company.

In September Rut Van Brunt became president of Maritz Travel Company, replacing Chuck Blabolil, who had resigned.

1976 In January Henry Stolar, Brian Alexander and Mike Boland were promoted to corporate vice presidents.

In March Maritz sales for one month topped \$22,500,000. That same month Jeff Reinberg joined Maritz Travel Company as a travel director.



Scenes from the first Maritz Fourth of July picnic, during the national Bicentennial in 1976.



Lou Cohen.

Lou Cohen, senior vice president of Maritz Inc., retired May 31, after 22 years of exceptional service to the company. A true pioneer in the sales incentive business, Lou personally developed many unique and creative concepts that further distanced Maritz from competition, and helped the company solidify its leadership position in the industry.

In July the company conducted a spectacular Bicentennial picnic, used to kick off the first all-employee incentive program at Maritz, "Get The Spirit!" The Fourth of July picnic has been continued annually ever since, and always boasts a huge sign that says "HAPPY BIRTHDAY, AMERICA!"

In September upon completion of their new laboratories at 1385 North Highway Drive, Maritz Labs personnel moved into the facilities on the Fenton campus.

1977 In January Maritz conducted the largest travel program for one client in its history. Maritz operated trips to Jamaica and Mexico on 72 charters for 13,600 participants for Farmland Industries of Kansas City. Jerry Fent was the account manager.

On April 18 James Maritz III joined the company as an account manager trainee in Chicago.

In May the first Maritz conference held in Europe was conducted at the Grosvenor House, London.

In June the Maritz Service Recognition Program was introduced to Maritz employees, offering appropriate awards based upon years of service.

AIM Division launched its first major, multimillion-dollar program for the GM Van Plant in Pontiac, Michigan. Dave Riedl was the account manager.

1978 Maritz introduced a major innovation in the industry called Audio Response. This allowed participants with a touch-tone telephone to communicate directly with the Maritz computer.



The 27th Maritz Marketing Conference

May 12-19, 1977

Logo of the first Maritz conference in Europe.



Len Schulte (seated) and Bob Vail (right) explain Data Processing department's Audio Response system to employees.

In February Norm Schwesig became creative vice president in the Detroit area.

In March Maritz concluded a fiscal year that exceeded \$200 million in total sales.

In April Jeff Reinberg became manager of Program Operations at Maritz Travel Company.

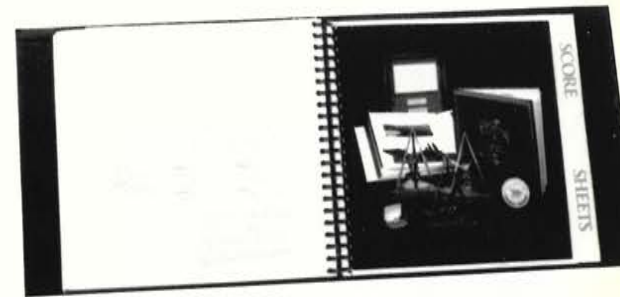
In September ground was broken on the new nine-story corporate headquarters "Tower" building.

Maritz Market Research was very active: Special Markets Division opened a Detroit office; QCS® acquired C.I.S. Market Research in Kansas City and Ferguson Research Inc. in Houston.

On October 1 the Travel Operations Control Center was opened. It would eventually operate round-the-clock, seven days a week at Maritz Travel Company. Clients and participants could call in with questions or problems, day or night, and get answers or action immediately. The center was a first in the industry.



Travel Operations Control Center went into action in 1978.



Anheuser-Busch "Dimensions of Excellence" program was a huge success.

1979 In early 1979 Anheuser-Busch, faced with the challenge to its supremacy by Miller Brewing, announced the Maritz-operated "Dimensions of Excellence" program for its distributors – the first of hundreds of successful Excellence® campaigns, including extensive training modules, conducted by Maritz for corporations throughout the world. The program was an exceptional success and was soon rolled out to include the Anheuser-Busch sales force, company branches and plants. The account managers were Bruce Loewenberg and Jack Hodge.

In April Maritz Market Research opened a new Telephone Service Attitude Measurement (TELSAM) interviewing center in Atlanta. In May Paul Bernard was named president of MMRSI.

In August Jeff Reinberg was promoted to vice president, Program Operations, at Maritz Travel Company.

Suffering from an advancing illness, James A. Maritz Sr. assumed the title of founder-chairman of the Executive Committee, on September 5. James Jr. became chairman and co-chief executive officer. Bill Maritz became president and co-chief executive officer.

In the fall Maritz U.K. expanded into additional quarters in Marlow, called Thames House. At the same time, Maritz acquired Fryer Travel and Inter-European Tour Operators in London. These new units were renamed Maritz Travel – London.

Also in the fall, Bob Swearingen was named president, Maritz Travel Company.



Maritz purchased Wilding Division of Bell & Howell in 1980. (Left to right) Bill Lewellen, Wally Kraft (of Wilding), Charles Vogt and Bob Senseman.

1980 In the spring Bill Schmidt became director of Operations, Maritz Inc.

In May Maritz Market Research Services Inc. changed its name to Maritz Market Research Inc. (MMRI) and held its first separate conference. The theme was "Growing Together". . . and the company certainly did. Sales shot up 50 percent that year. In July MMRI acquired Rogers National Research Inc., Toledo, Ohio, well known for its syndicated automotive consumer studies, and a TELSAM Center was opened in Little Rock, Arkansas. Prior to that MMRI had acquired Gaffin Market Research Inc. in Chicago.

Also in July designated employees moved into the completed Maritz headquarters Tower building at 1375 North Highway Drive in Fenton. Executive offices were located on the ninth floor.

That same month, Bill Sippy became senior vice president, Corporate Development.

In December Maritz purchased Wilding Division of Bell & Howell. Wilding, whose major account was Ford Motor Company, was then merged with Communico to form Maritz Communications Company. The expanded company had 325 employees and 12 field offices.

Business Group Travel (BGT) was added as a division of Maritz Travel Company. As has been the case with many "homegrown" Maritz operations, BGT started small and yet exceeded \$100 million in annual revenues in little more than a decade.



Mrs. James A. Maritz Sr. (Eugenia).

1981 In January Maritz activated the Automatic Client Tracking Information Output Network (ACTION) System. Six major accounts were soon connected to this interactive program that took 5,500 man-hours to develop. This process allowed clients using terminals and phone modems to make inquiries from the Maritz computer of detailed program information. Custom reports and graphics were also available.

In February Maritz Laboratories Inc. was combined with Maritz Communications Company.

In April Mrs. James A. Maritz Sr. (Eugenia) died. At the time *Team News* said:

Through the years Mrs. Maritz maintained a great interest in improving the working environment for employees; much of the landscaped beauty of the Maritz campus and attractive office decor can be traced back to her influence.

In July Bill Maritz officiated the first joint meeting of employees in the Detroit-Toledo area, with over 200 people representing 11 offices from four different companies.



Maritz executives Bob Swearingen (far left) and Bill Maritz (far right) join hands with Traveler's Service executives Bill Bischoff (left) and H. Glenn Patton (right) to symbolize the merger of Maritz Travel Company and Traveler's Service in 1981.

Also in July Maritz acquired Traveler's Service, Inc. in St. Louis, the first in what would become a series of acquisitions to eventually build this operation into one of the largest corporate travel services companies in the nation within only a few years.

On August 1 Maritz Travel was braced for a heavy operational load of varied travel programs. Then on August 3, the Professional Air Traffic Controllers Organization called a strike. In addition, controllers in countries throughout the world supported their colleagues, causing massive delays everywhere.

Maritz Travel Company went into overdrive and overtime. Jeff Reinberg, vice president, Program Operations, reported, "No programs were canceled, and we observed no significant fall-off. Clients and participants had enough confidence in our services to set off as planned."

Except for flight delays, no problems were impossible for Maritz to handle. It was a proud time when Maritz Travel Company rose to meet a formidable challenge that overwhelmed many other travel organizations.

James A. Maritz Sr., The Boss, succumbed to a debilitating muscular illness on September 20, 1981. Because his condition had been slow to overtake his life, The Boss had carefully transferred almost all of the leadership roles to his sons, James Jr. and William.

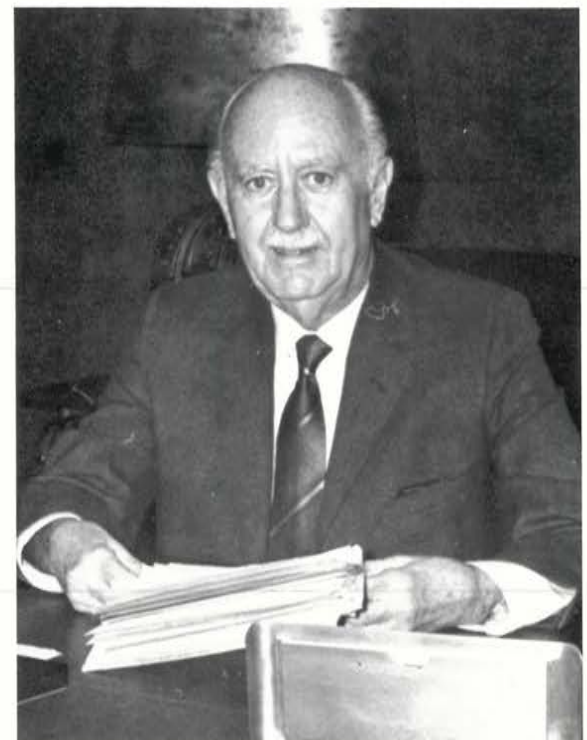
Having managed and sold the products and services of the company from 1913 until the mid-'70s, James Sr. was the single most significant force of growth for Maritz for over one-half of a century. He had seen four major wars impact the business, and he had helped bring the company through a terrible depression in the '30s that crushed many larger businesses. He had participated in dividing the business with his brother in 1950, and embarked on a new venture with a new corporation.

He had guided us through a net loss in 1975. More than once he had rejected tempting offers from larger competitors to buy out this "upstart" incentive company. Through all that, he succeeded in passing on a financially rock-solid corporation that at his death was the world's largest motivation company, with sales in excess of \$300 million.

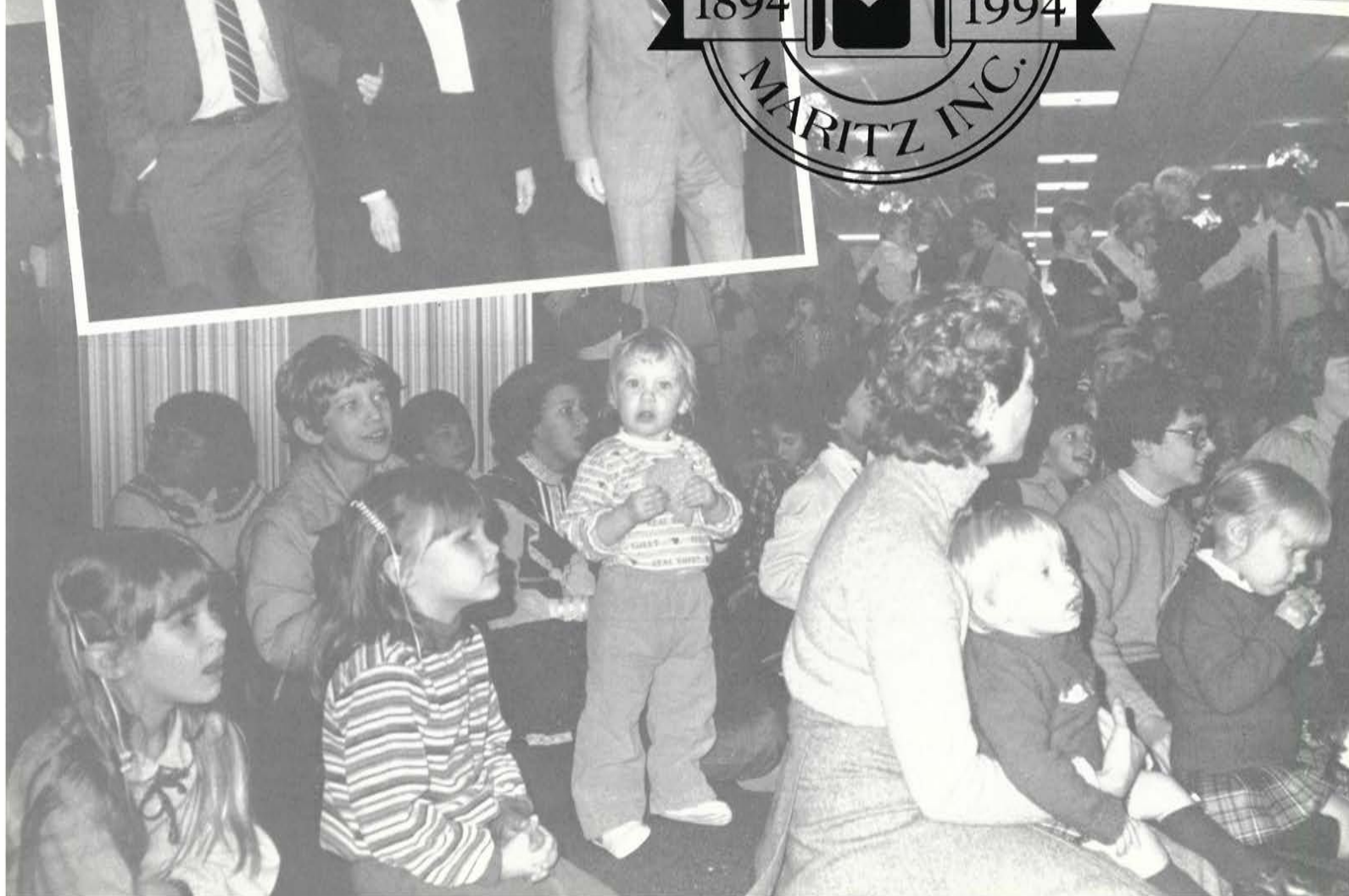
Relatively small in stature, ruddy, with a dapper moustache and sharply pressed suit . . . he was a bright, optimistic, competitive, charismatic and highly motivated man, who was always straightforward in his business dealings. Employees, business peers and clients liked and respected him. He liked to establish and then attack big objectives. He was famous for short speeches; at one conference his entire address to 300 people was "Work hard . . . sell hard . . . have fun!" A booming ovation followed.



Maritz Travel Company responded to the Air Controller strike in heroic fashion. Several people worked a full month without a day off to serve Maritz clients. Shown are (left to right) Chuck West, Huntley McNabb, Donna Manning, Jeff Reinberg and Ernest Allen.



"The Boss," James A. Maritz Sr.





6. The Co-Chief Execs Take The Helm



Following the death of their father, James Jr. (Jim) and Bill developed differences of opinion about the direction and operation of the company. As events would prove, these differences became more and more difficult for both to tolerate. But, for a period of nearly two years, the brothers struggled to share leadership of their booming company.

1981 In November Maritz installed a new central processing computer, an IBM 4341, to replace an IBM 370-158.

QCS® St. Louis moved from Kirkwood to Des Peres, where it offered taste-testing and focus-group interviewing.

One month later, in December, “Miss Esther” Horstmann retired after 61 years of service. James Maritz III became Marketing planning manager in the Communications Company.

1982 On January 1 Maritz initiated a multiphased program for the huge new Consumer Products Division of AT&T. The client had recently divested its operating units across the country and was launching a new marketing arm. Maritz was selected to help with introduction, sales training, business meetings and a significant sales motivation program, called “You Make It Happen,” for Phone Center Stores. John Rochford and Brian Fitzpatrick provided the Maritz sales leadership, which culminated in AT&T’s becoming an entire service and sales region today.

Maritz Market Research expanded its operations in January by acquiring Quatra Marketing Research, a Minneapolis-based firm. QCS® acquired Community Response Inc. of Denver, increasing its total network to 16 offices.

Also in January Account Manager Dale Rosenberry sold a new incentive program to Stanley Works for internal employees, in which teams of seven were formed and motivated to formally generate ideas to reduce costs. The plan, called IdeaSystem®,



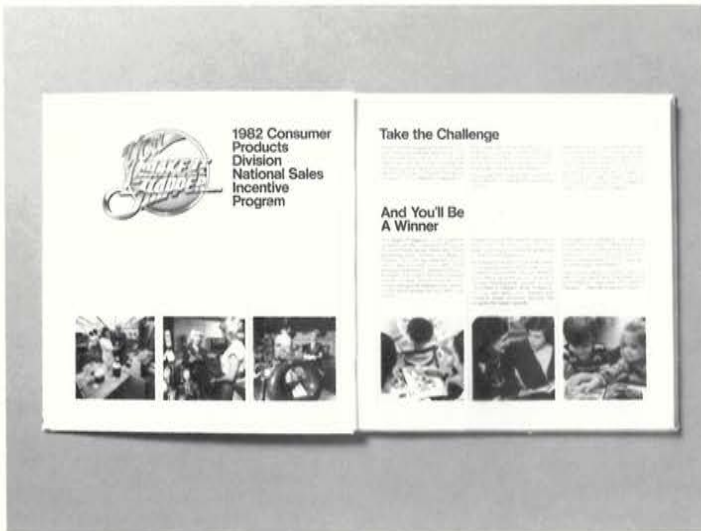
Promotion Mail team of Maro Garrison and Mary Creamer prepares materials for Stanley Works employees around the world. Natalie Woodson looks on.



"Miss Esther" Horstmann with Bill and Jim Maritz.



Lee Kohl operating the IBM 4341.



AT&T "You Make It Happen" program catalog.



Cross-handed shaking signified the purchase of Quatra Marketing Research in 1982. (Left to right) Bob Senseman, Bill Maritz, Dick Hammett, Bob Johnson, Jim Maritz and Bill Lewellen.

was a significant breakthrough in program concept. Communicated in 11 languages worldwide, "Spirit of '82" called for new merchandise redemption mechanisms, including department store vouchers. This single concept has generated more volume than any other all-employee program structure in Maritz' history.

In April Maritz initiated an electronic mail system throughout the U.S. on personal computers. It was a major step forward for intracompany communications as well as intercompany communications with clients.

In May operations at Maritz Laboratory Division were discontinued, as motion picture film was replaced by videotape.

In July Maritz Market Research acquired Houlahan/Parker Marketing Research in Los Angeles.

In August Exclusively Yours®, an awards book, originally showcasing travel adventures and more than 100 unique merchandise items, made its debut for client programs.

Also during the month of August at the Aladdin Hotel in Las Vegas, Maritz Communications Company produced the largest single show in its business history. The 1983 Ford new-car model introduction involved nine waves of Ford dealers and spouses, for a total attendance of over 13,000 people in two weeks.

Starring Bill Cosby, the program was a spectacular entertainment event, with a huge cast of singers, dancers and musicians. There were breathtaking effects with mammoth moving sets, flying cars, a galloping horse that turned into a new Mustang convertible, as well as pyrotechnics, laser lights and other riveting special effects.



Lydia Hogan using the new electronic mail system.



First Maritz Christmas Open House.

In September Maritz Deutschland GmbH and Maritz France S.A. started operations. In conjunction with Maritz U.K., the group became known as Maritz European Operations.

On October 1 Norm Schwesig was promoted to corporate vice president, Client Services Group.

November 30, MMRI acquired Clare Brown Associates, Inc. in New Jersey.

In December Maritz conducted its first Christmas Open House, with over 3,500 employees, family members and guests attending. It was a jolly success that has been expanded and continued to this day.

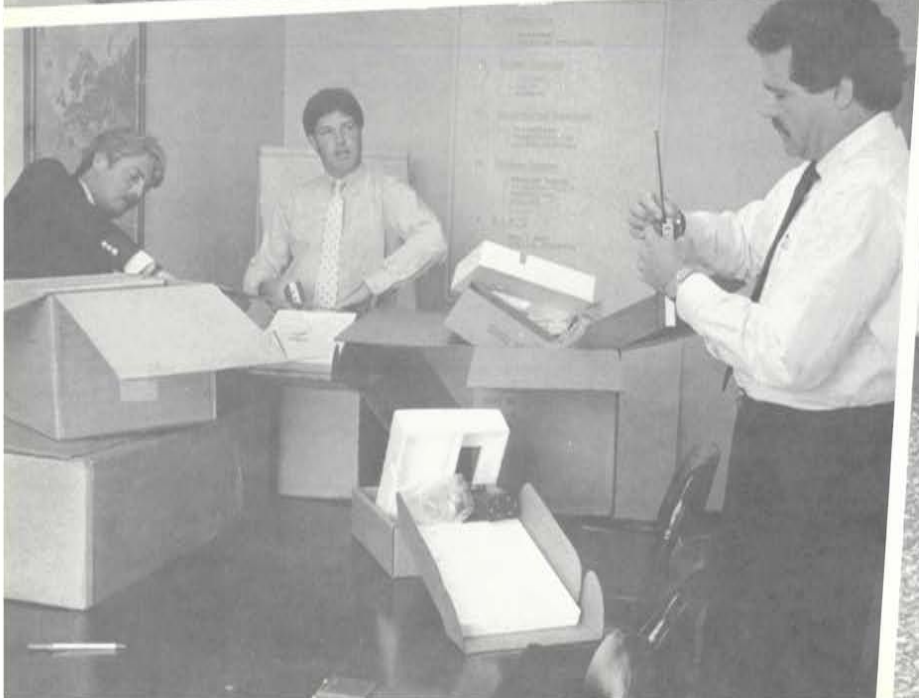
1983 In June as a result of a unique agreement between the brothers, Jim Maritz resigned as chairman of the board and co-chief executive officer after 37 years of service.

After their father passed away in 1981, Jim and Bill continued to disagree on several major issues. Significant decisions were tabled because of the disagreements. To settle the situation, Jim resigned.

Thus William E. Maritz became chairman of the board, president and chief executive officer of Maritz Inc. James Jr. eventually sold all of his Maritz Inc. shares back to the company. A few years later, on February 1, 1986, Jim's son, James III, also left the company and joined with his father in owning and running The Warson Group, a firm located in Clayton, Missouri, specializing in the importing and distribution of shoes.



James A. (Jim) Maritz Jr.





7. The Expansion Accelerates



This was the time of the Go-Go Eighties, and everyone at Maritz pushed for growth. New services and new applications were offered to the marketplace. There was no concept that wasn't considered, and many were adopted. Several huge, worldwide corporations became Maritz clients, using one or more services offered by the expanding company.

1983 During this year Maritz Market Research moved its headquarters into a new building at the west end of the Fenton campus.

To accommodate the need for expansion building space, on July 13, Maritz purchased the first piece of property on the south side of Highway 44. In subsequent years, several more parcels, including a small farm, were purchased for a total of 155 acres acquired south of the highway. (As of 1993 the total Maritz campus size was 210 acres owned, plus 50 acres leased, for a total of 260 acres.)

By October Maritz U.K. had paid back to the parent company all funds it borrowed to get started in 1974.

On November 1 William Stephen (Steve) Maritz, the son of Bill Maritz, joined the firm as an account manager for Maritz Motivation Company in the AT&T Region (New Jersey office).

1984 In January Maritz Inc. had 2,500 employees worldwide.

In February, for the first time since the formation of Maritz Inc., the corporation named outside people to its board of directors. They were Rudolf Dallmeyer, Lawrence Roos, Edward Schnuck and Robert Virgil, all four leaders in their respective fields of endeavor.

Also in February, Norm Schwesig was promoted to director, Information Resources.

In April Bill Lewellen became president of Maritz Market Research Inc. During the same year, MMRI closed the TELSAM Center in Atlanta, and converted the Little Rock center for Southwestern Bell, as the breakup of AT&T caused shifts in support to that client. QCS® opened offices in Boston and Dallas.

In May Terry Goring, corporate vice president of the Human Resources Division, announced the Maritz Profit Shares Program. It included all nonmanagement employees. The number of shares for each person depended on years of service and salary level.

At the same time, Maritz introduced the Maritz Investment Plan, so that employees could invest a percentage of their pay in special, managed investment funds. Certain tax advantages applied. The company also published and distributed an annual report for clients and for Maritz people for the first time.

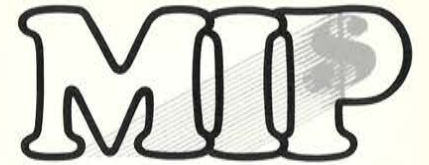
In June Maritz Travel acquired Byfield Travel Consultants of Chicago.



Terry Goring.



The Hilltop Motel, purchased by Maritz in 1983, included a small pet cemetery, which Maritz agreed to maintain in perpetuity.



Maritz Investment Plan

Logo of Maritz Investment Plan, initiated in 1984.



Maritz Profit Shares were introduced in 1984.



Robert Virgil



Edward Schmuck



Lawrence Roos



Rudolf Dallmeyer

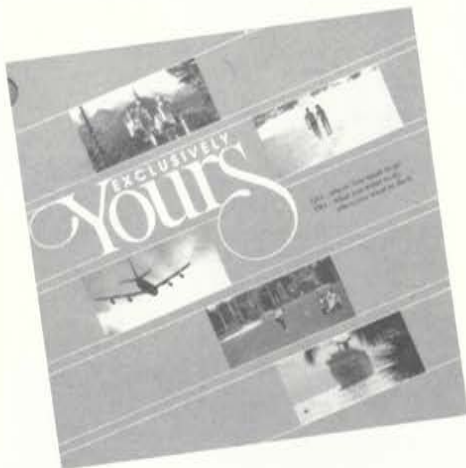
First nonfamily members of the Maritz board of directors.



In a Team News photo in 1984, Bill Langan (left) and Bob Crews represent Maritz people "driving" new construction and campus expansion.



Maritz surpassed \$500 million in sales in 1985.



Maritz introduced Exclusively Yours® to employees in 1985.



Maritz initiated "Brainstorm" in 1985 – an all-employee motivation program. Shown is an approval committee consisting of (seated left to right) Joe Liuzza, Bill Bandle and Doug Hartman. An unidentified person hovers behind them.

Maritz Communications Company's former Southfield operations moved to the Renaissance Center, and the Birmingham sales office moved to the New Center One building, both in downtown Detroit.

In July Rut Van Brunt was named executive vice president, chief administrative officer.

In July Maritz Travel Company operated one of its most significant and complex travel operations – the 1984 Olympics in Los Angeles, California. There were 17 different client programs with over 10,300 participants at 11 different hotels, using just under 100 coaches, vans and limousines, all operated in a city packed with people from all over the world. Maritz executed the program flawlessly.

In September Dave Fleisher, a partner at Touche Ross & Co., joined Maritz as vice president of Finance.

On October 29 the doors were opened at a new building at 1305 North Highway Drive, housing the Pro Mail Department.

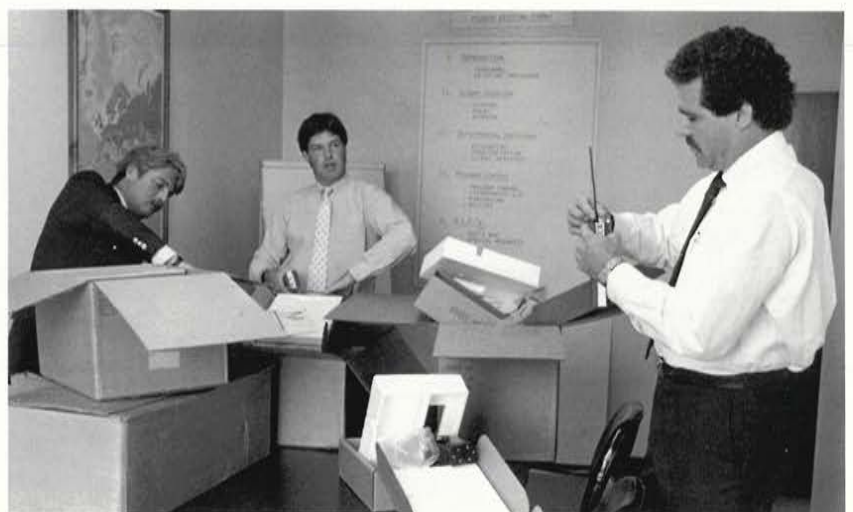
Also in October, Maritz U.K. was renamed Maritz Limited.

In December Maritz Travelers Service of St. Louis issued its one millionth ticket.

1985 In January Dick Hurley, former manager of the West Coast Region, became corporate vice president and manager of the West Coast Area.

In March Maritz surpassed the \$500 million sales milestone.

On April 1 Maritz Communications Company decentralized its organization and established four semiautonomous operating units in St. Louis, Detroit, Los Angeles and Parsippany, New Jersey. Headquarters remained at 1315 North Highway Drive in Fenton.



Maritz Travel personnel unpacking equipment and materials required for the massive Travel operations of the 1984 Olympics in Los Angeles. (Left to right) Mike Wainwright, Tim Cole and Jeff Reinberg.

Also on April 1 Casey Korbecki retired after 28 years of service. Casey, who managed the corporation's financial operations for nearly that many years, retired as chief financial officer, executive vice president. He was able to see the company grow from \$4 million in 1957, to \$500 million in revenues. At his retirement, he could point with pride to many major improvements in company accounting and financial practices implemented during his tenure. Dave Fleisher replaced Casey as chief financial officer.



C.J. (Casey) Korbecki.

In April Maritz Motivation Company and Maritz Travel Company introduced to employees Exclusively Yours® – a new redemption system using dollar-value certificates that could be redeemed by hotels, airlines, rental car companies and a host of other travel-related suppliers, all described in a full-color catalog of services.

James Maritz III was promoted to vice president, Order Services.

Also in April, Maritz kicked off its first internal motivation program for all employees, called "Brainstorm." The program featured the IdeaSystem® concept. It was a resounding success, saving millions of dollars in operating costs during the first 12 months of implementation.

In May Lois Voss (Dister) was awarded the First Year Leadership award. She was the first woman to be so honored at Maritz as "Rookie of the Year."



Lois Voss (Dister), first woman "Sales Rookie of the Year."

Maritz Travel Company acquired T.H.E. Travel Company in Dallas, Texas.

Gordon Stinton retired as chairman of Maritz European Operations, replaced by Brian Alexander. As a team, Gordon and Brian were primarily responsible for leading the successful launch of Maritz operations in Europe during the critical early years of development.

On July 1 Steve Maritz transferred as an account manager to the Detroit Region.

In November construction began on the \$11 million Travel headquarters on the Fenton campus.

1986 In February several senior corporate vice presidents were named: Bill MacGreevy, Henry Stolar, Bob Swearingen, George Smith, Charles Vogt, Duane Christensen, Dick Mersman and Norm Schwesig.

Announced to move into new management roles were: George Smith as president of Maritz Motivation Company, and Norm Schwesig as chief information officer.

Maritz Market Research Inc. altered its name slightly to Maritz Marketing Research Inc. MMRI achieved net earnings of over \$1 million, and sales exceeded \$30 million.



Construction of the new Travel headquarters building in 1985.



Bill MacGreevy.



Rut Van Brunt.

In March Bill MacGreevy retired after serving as Maritz general counsel for nearly 30 years. He officially joined the company in 1970, but, for nearly as many years before that, functioned as counsel while a partner in the law firm of Hocker, Goodwin & MacGreevy. A law graduate of Northwestern University, Bill was invaluable in helping to guide the company through many years of expansion and acquisitions, both in the U.S. and in Europe. He continued to serve for several more years in an advisory capacity and as legal consultant to the board of directors.

Maritz employees dedicated the two lakes on the Maritz campus, naming them in honor of "Miss Esther" Horstmann and Casey Korbecki.

Maritz Travel Company acquired two more corporate travel companies: Beverly Hills Travel of Los Angeles and Travel Counselors International of Virginia.

On April 1 a major sales pioneer and executive leader of Maritz retired. Rut Van Brunt had served the corporation for 37 years. In 1974 he became the first president of Maritz Motivation Company. In 1975 he became president of Maritz Travel Company and was promoted to senior vice president in the Executive Division of Maritz Inc. in 1979. His many contributions were varied and significant, but most notable was his willingness and ability to take on any management challenge and succeed. Bill Sippy was named as Rut's successor.

Maritz Limited conducted its largest corporate meeting event for the merger of Case and International Harvester. Under the banner "We Are One," Maritz Limited put together a spectacular program, including live orchestra, choir, lasers and lighting effects, with a total budget of \$1.75 million. The audience comprised European dealers at two destinations. In England the program was produced at the NEC, Birmingham, for U.K. dealers, U.K. press and minor markets in the Middle East and Far East, all conducted in English. For European dealers, including Germany, France, Italy and Scandinavia, the show was transferred to the Heysel Stadium in Brussels, and on consecutive days, shows were presented in appropriate languages. In total more than 3,500 dealer personnel attended the conferences, which were followed by special banquets.

The largest motivation/incentive program ever operated by Maritz Limited was run for the Midland Bank and operated for four years. It encompassed 2,000 branches and nearly 40,000 branch staff. It was a combined communications, skill development and motivation program to assist the bank in adopting and developing a sales culture. The skill development modules gave the staff, through team leader training, features and benefits of 15 different branch banking products. Incentive programs were operated against branch targets. A special

account management group of 10 people was employed on this project, and the total budget over the four-year period was well in excess of \$12 million. The two concurrent themes over this period were "Share in Success" and "Building in Success," and the bank believes it was the most successful program, in terms of results and employee morale, that it has ever run.

In July Dan Westrich, director of Maritz Information Systems, announced the completion of a massive mainframe computer software system expansion called MVS/XA, which required changing over 4,000 individual department program jobs, files, procedures and standards in use. MVS/XA was necessary for meeting the demands of planned future growth for the company.

Effective September 1 Norm Schwesig was promoted to executive vice president and chief operating officer, Maritz Inc. Soon to retire, Bob Senseman remained for several months to help smooth Norm's transition to this major job in the corporation. Dan Westrich was promoted to director of Information Resources, replacing Norm.

In October a 38,000-square-foot Video Center was opened by Maritz Communications Company in Detroit, in the renovated studios of WWJ.

In November Maritz changed its official motto to Performance Improvement Is Our Business®.

In December MMRI opened a National Survey Center in Toledo, Ohio.



Performance Improvement Is Our Business® became the new company motto in 1986.



Bill Maritz honors retirees "Miss Esther" Horstmann and Casey Korbecki by naming two campus lakes after them.



Rich Schweiger on the night shift in Data Processing in 1987.

By the end of 1986, operations in France and Germany were discontinued, and all European work was to be handled by the Maritz Limited offices in Marlow.

1987 In March Maritz Travel Company set a record of 126 travel programs comprising 21,000 people in one month.

Also in March Maritz Communications announced it was the nation's largest auto introduction show producer, with seven major shows produced during the previous 12 months.

On April 1 Bob Senseman retired. He left the company after serving as Sales and Marketing manager, director of Sales Training, project director, creative vice president, general sales manager, vice president of Diversified Operations, MMC president, corporate chief operating officer and executive vice president. It was an amazing and effective career. Bob was an energetic, dynamic leader during the company's greatest period of expansion.

Also in April Maritz Limited announced it had exceeded \$1 million in profits during the previous fiscal year, and moved into its new Globe Park headquarters building in Marlow.

In May the first of over 500 St. Louis-based Travel employees moved into the new MTC building at the west end of the north Fenton campus.

Also in May Maritz Marketing Research acquired Alpha Research Group of Chicago.

In August Maritz Travel Company divided the Motivation Group Travel Division into six areas to align with Maritz Motivation Company's Marketing Division.

In September Maritz Information Resources moved into the refurbished Travel building at 1385 North Highway Drive.



Bob Senseman.



Maritz used the 20th Century Fox lot for the introduction show of Lincoln-Mercury's new cars in 1986.



Maritz also produced a spectacular Nissan new-car and -truck show in Honolulu during 1986.

On November 1 Steve Maritz was promoted to regional vice president, in Detroit. Six days later Steve married Jeanne Dugan at Trinity Methodist Church on Harbour Island in the Bahamas. The couple has two children at this writing: Edward Dugan (December 15, 1989-) and William Stewart (August 20, 1992-).

1988 In January a historic first joint meeting of all Maritz company sales forces was held on the Fenton campus. The subject was "One company, united in service to our clients."

Also in January Maritz Marketing Research introduced Maritz AmeriPoll®, a public-service poll of 1,000 households conducted periodically throughout the nation. The results are then distributed to major news sources in the U.S.A.

In March the Creative Division of Maritz Motivation achieved sales of \$65 million – an all-time high.

Maritz Travel Company acquired Executive Travel II, Inc. in Atlanta, and Hardach Travel Services, Inc. in the New York City area.

The Off-Campus Advisory Council first met to provide valuable feedback from an ever-enlarging employee population outside of St. Louis.

In June Maritz announced plans for a massive new \$40 million Motivation Center to be built on the south side of Highway 44 at the Fenton campus. Construction began soon after.

In June Bob Claus, account manager in Detroit, sold a unique plan to Chrysler called "Lifestyles." In this program, many varied award trips were offered to participants, customized to appeal to specific lifestyles they had indicated during prior research. Golf, fishing, hunting, cruising, hiking trips, etc., were offered. The program was, and continues to be, extremely motivating. Maritz, with its huge travel resources, was uniquely suited to plan and operate this complex program.

In October Maritz Marketing Research acquired Arizona Field Research, with offices in Tucson and Phoenix.

Also in October Bill Schmidt, corporate vice president of Operations, retired after more than 19 years of service. Bill came on board as manager of his company, Cine-Graphic Film Labs, when Maritz purchased the film production unit in April 1969. In 1971 Bill became corporate vice president, Diversified Operations. In 1980 Bill took over the job of corporate vice president of Operations and held that challenging position until his retirement. During his career at Maritz, Bill provided invaluable experience and excellent operational leadership to the company. His contributions were manifold and significant. Jeff Reinberg replaced Bill as corporate vice president, Operations.

MARITZ
MARITZ
MARITZ
MARITZ
AmeriPoll

Maritz Marketing Research introduced AmeriPoll® in 1988.



Chrysler "Lifestyles" was a forerunner of many programs of a similar type.



Bill Schmidt.



Bill Lewellen, president of Maritz Marketing Research, addresses personnel in the lobby of their new Fenton headquarters in 1989.



Banner headline announces company exceeds \$1 billion in revenues. Myra Haun and Larry Schovanez shown receiving commemorative watches from Bill Maritz.



St. Louis school children proudly wearing "Be There" T-shirts in 1989. Maritz people are (left to right) Angie Griffard, Bernadine Davis, Kit Jenkins and Dee Nelson (Williams).

1989 In January the St. Louis Corporate Travel Regional Center moved 190 people into its headquarters at 1862 Lackland Hills Parkway in St. Louis.

On March 31, the corporation achieved another milestone in the history of the company. Bill Maritz announced that Maritz Inc. exceeded **\$1 billion** in revenues for fiscal year 1989. Every regular employee of Maritz received a specially designed Maritz wristwatch as a commemorative gift for the occasion.

During this year, Philip Morris Inc. conducted a massive distributor Excellence® campaign requiring over \$7 million in Creative services, generating the largest annual Creative billing of all time for one client. The account manager was Jack Fitzmaurice.

In April Mike Boland and Dick Hurley were promoted to executive vice presidents in Maritz Travel Company.

The Communications Company operated its first major overseas event – the Toyota new-car show in Tokyo, Japan.

A new Performance Improvement Training Division of MCC was formed under Mark Tucker. It was made up of the training groups of the Communications Company and the Motivation Company.

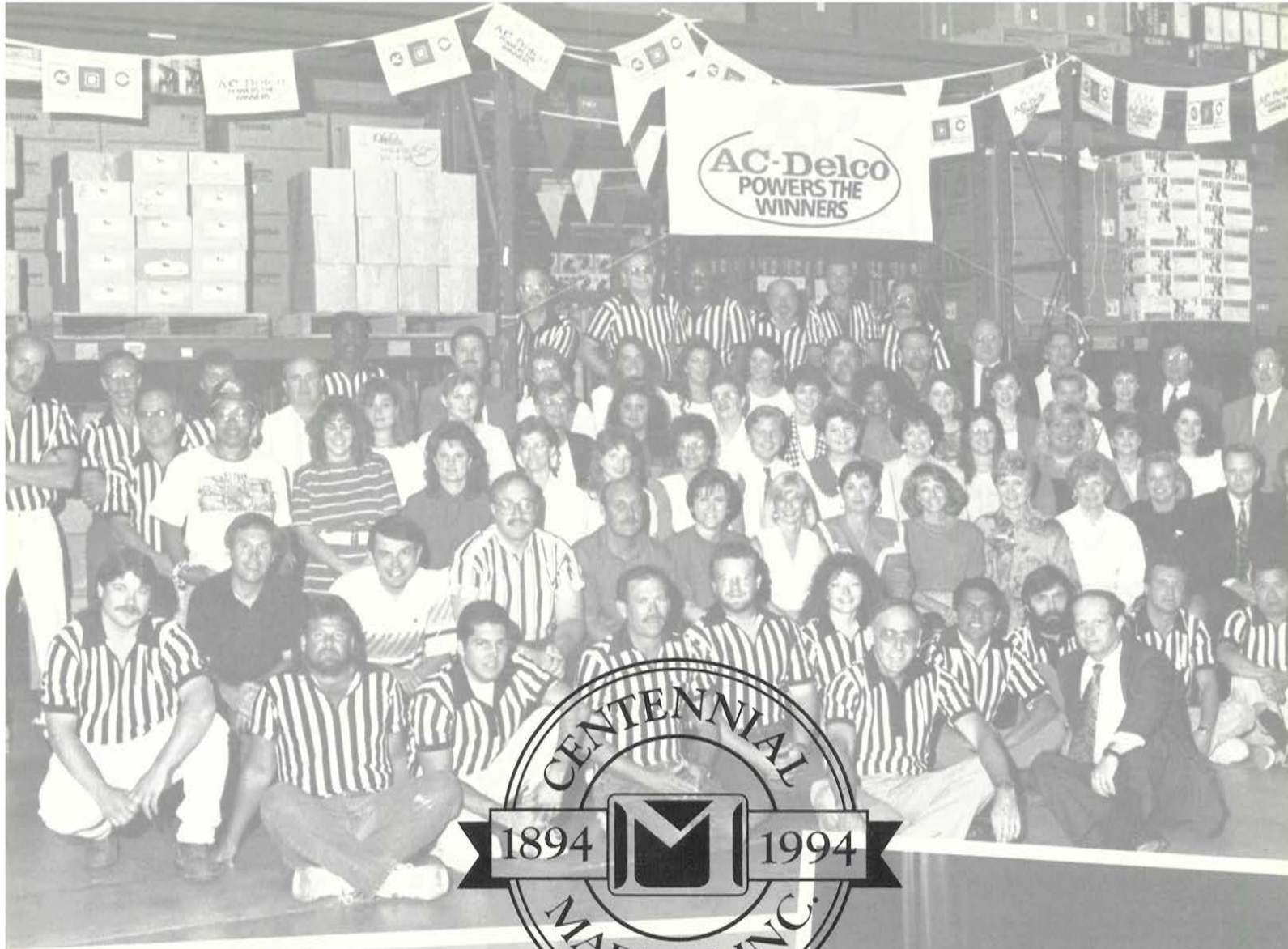
On July 17 Bill Crate, account manager in New York, initiated the first fulfillment program with Citicorp. In the first year, nearly one and one-half million merchandise items were shipped to Citicorp customers.

In August MMRI moved into new offices at 1297 North Highway Drive (Bowles Center). In December Jim Stone and Gary Eversole sold a multiyear GM customer satisfaction survey contract. This was the largest research contract ever written by Maritz Marketing Research.

In the fall Bill Maritz, working in conjunction with Jerome Jones, superintendent of St. Louis Public Schools, developed a plan to halt the plummeting attendance figures in the city public schools. Using proven motivation concepts plus some new elements, Maritz planned and operated a citywide student attendance program costing the company well over \$1 million. The “Be There” program was successful, and Maritz has continued to actively support the program each school year.



Limited-edition prints used in Philip Morris program.



8. WEATHERING THE "STORM"



At first, the recession was hardly felt. Maritz' momentum in certain businesses was so ballistic that for several months, while other companies were experiencing rapid deceleration, Maritz was enjoying continuing volume. But slowly the sales came harder and profits began to suffer. Expansion was conducted at a cautious pace.

1990 A unique, 510-foot-long walkway was opened in a completion ceremony called SPAN-DEMONIUM! The bridge connected the two campuses physically and symbolically. Later the span was named the Smith Bridge, in honor of George W. Smith III, who served as president of MMC from 1986 to 1992.

In March Maritz Marketing Research Inc. exceeded \$50 million in sales.

Even though the profits for fiscal 1990 were "respectable," they were below the previous year's profits by \$6.8 million. The company began to retrench.

On April 1 Steve Maritz was promoted to corporate vice president, manager, Quality and Productivity Division of Maritz Motivation Company.

In May the first woman to be selected as National Account Manager of the Year was named – Janis Heaney of the North Central Region in MMC.

MMRI opened the Customer Information Center, located in Fern Ridge Office Park in Creve Coeur, St. Louis County. The facility had 100 CRT stations to handle outbound calls on a computerized basis. The center's work included gathering customer service and satisfaction information for Maritz clients.

On July 15 Phyllis Maritz sued William E. Maritz for divorce after 35 years of marriage.

An 8,500-square-foot outdoor activity deck was constructed near the patio on the north side of the campus for internal and client functions. It was later named the Sippy Activity Deck.

In August Maritz initiated the largest single program to date. A total of 35,400 Continental Airlines employees were involved in this program, based upon implemented cost-reduction ideas.

It was during this period that sales in the corporation, including those of the Motivation Company, began to weaken faster as a result of the oncoming recession.

In October senior vice presidents of Maritz Inc. were named: Dick Hurley, Bob Ames, Tom Hunter, Brian Alexander, Bill Lewellen and Dan Westrich.

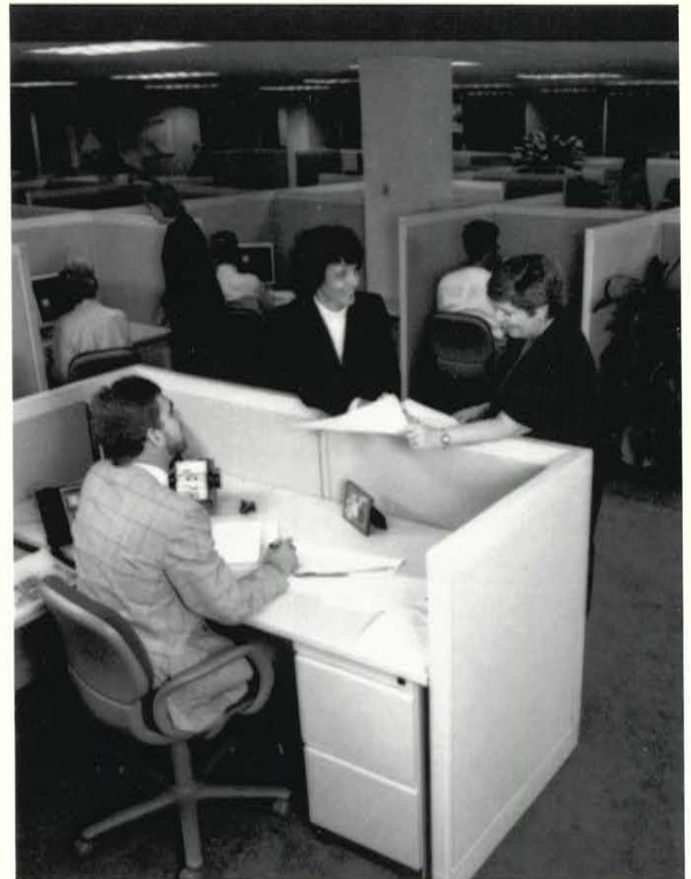
In November Internet® was incorporated. The name "Internet" had been registered for many years by Maritz, but only loosely used by its offices and a few associated ground suppliers.



Janis Heaney, first woman selected as Account Manager of the Year.



An early-hours "SPAN-DEMONIUM" party marked placement of the last span in the Smith Bridge across Highway 44.



Marjorie Schwenk (left) and Dorothy Cooley supervise operations at the new Customer Information Center.



Bill Maritz (left) with Bill Sippy at the opening of the new Sippy Activity Deck. In the background is Mrs. Jean Sippy talking to Henry Stolar.



In 1990 Internet® was incorporated. Maritz Travel Company played a leading role in the formation of this worldwide travel organization. Bob Diekmann (left) discusses plans with Mike Boland.



Maritz people carrying boxes of personal items across the Smith Bridge to new offices in the 1400 building.



Maritz introduced its new Motivation Company headquarters building with a special concert to benefit the St. Louis Symphony Orchestra. Bill Maritz introduced the orchestra and conductor Leonard Slatkin to a standing-room-only crowd.

However, in 1990 Maritz entered into an alliance with five other leading foreign travel agencies, to provide a powerful, cohesive, international travel network providing business travel and group travel services worldwide. Today there are 13 shareholders and 36 licensed associates involved with Internet®.

1991 In January 600 members of Maritz Motivation moved “across the highway” from 1355 North Highway Drive to a new building at 1400 South Highway Drive.

Also in January, Maritz Marketing Research conducted its biggest single project of all time. It was to contact all owners of vehicles with the Chrysler A-604 transmission to ascertain satisfaction following problems generated by a negative press report. The project was sold by Michael Brereton, Tim Rogers and Jack Oliver.

On January 24 the famed St. Louis Symphony Orchestra, under the direction of Leonard Slatkin, performed at the new Motivation Company Theater to raise funds for the orchestra, and to introduce the new Maritz Motivation Company building to the public.

The Persian Gulf War and Operation Desert Storm caused major losses in sold travel programs. The deep business recession, now in full force, caused added program reductions. The company responded with several cost-cutting moves to counter the impact of lost revenue. Profits dropped to 50 percent of those achieved just two years before.

In May Maritz Travel Company received a Partner Award from Monsanto Corporation, and a Marketing Excellence Award from Ford Motor Company.



The Fenton campus is home to hundreds of ducks and geese.

In June for the first time, a nonmember of the Maritz family, Norm Schwesig, was named president of Maritz Inc. At the same time, Dave Fleisher and Bill Sippy were named senior executive vice presidents.

In the summer of 1991, the largest dollar-volume travel program was operated for State Farm Insurance. The program included 12 cruises on three different ships for over 10,000 people. Rick Gold was the account executive for Business Group Travel Division.

In October the Corporate Travel Division of MTC celebrated 10 years of growth, with sales of nearly \$500 million.

Considered the most innovative program conducted to date by Maritz Limited, the IBM Dealer Customer Satisfaction program was developed for IBM PC Channel In Europe. Begun in October the budget has been in excess of \$10 million per year. Maritz has partnered with specialist research companies in France and Germany. The program includes a major video on the need for customer satisfaction within the dealer channel, followed by qualitative research to benchmark dealer and customer satisfaction requirements. This phase was followed by customer satisfaction questionnaires and tele-research to establish indexes. The final stage was to roll out training modules to the dealer network in each country, to help them and IBM operating companies close the gaps, with a dealer-specific document called "The Performance Improvement Planner." Even with the upheavals at IBM, the program is still running, because the client finds it so effective.

On October 31 Bill Sippy retired after 37 years of exemplary service. At the time of his retirement, Bill was chief administrative officer and senior executive vice president, as well as corporate secretary. Jeff Reinberg was named his successor.



Bill Sippy.

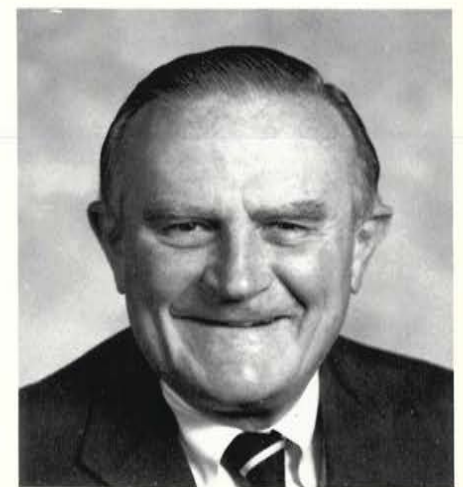


The first Maritz program for a state lottery was initiated for Indiana in 1992. Many other state programs would follow.

1992 In January Maritz initiated involvement in a state lottery, "Hoosier History." Maritz provided several million dollars in awards plus other services to the Indiana Lottery Commission. Sales of other programs of this type would soon follow.

In April Steve Maritz was named director, Business Development, in Maritz Motivation Company.

In April George Smith, president of Maritz Motivation Company, retired after 28 years of dedicated, effective service. George was the company's first "Rookie of the Year" in 1965. He moved to Detroit in 1968 as regional vice president. He was promoted to corporate vice president and manager of the Detroit area in 1973, then director of Marketing in 1979, and finally president of Maritz Motivation Company in February 1986. George's successor as president of MMC was Dick Hurley.



George Smith.



The skyline of Toronto is background for Canada's executive group. (Left to right) Charles Vogt, Stuart Sugar, Sharon Lacey and Rob Follows.



Maritz personnel on-site at the Altec facility in Mexico.



(Top) Agreement signing between Pete Pestillo, Ford Motor Company (seated left), and Steve Maritz cements the new Ford-Maritz partnership. Looking on (standing left to right) are Red Maynard (Ford), John Slosar (Ford), as well as Gary Allen and Bill Rich of Maritz Inc. (Bottom) Pete Pestillo addressed more than 130 Maritz people who were involved in the Ford Continuous Improvement Recognition System (CIRS).



Maritz introduced CYCLOTRON® in which winning participants can grab as many whirling Cyclo-Checks® as possible in one minute.

In April Maritz Canada Inc. was formed and merged with Active Impressions in Marketing (AIM), a Canadian incentive and ad specialty company located in Toronto, to later become the first Maritz full-service performance improvement company in Canada. Rob Follows was named president.

The new president of Maritz Motivation Company, Dick Hurley, announced the new company name effective April 1: Maritz Performance Improvement Company (MPIC).

Also in April the Database Marketing Division of Maritz Performance Improvement Company was established. Bob Johnson was named director of this new and promising organization.

On April 6 the Marketing Division and the Quality and Productivity Division of MPIC were merged into one Sales Division.

John Hunt retired as a senior account manager with a most enviable record. John could claim the highest total career sales volume by an account manager in the history of Maritz.

In June Maritz Limited opened the first full-service office in Madrid, Maritz España.

Also in June Maritz Marketing Research Inc. was ranked first in the U.S. for custom marketing research – a major milestone.

In July Maritz Travel Company in Mexico was expanded into a full-service organization, Maritz de Mexico, located in Mexico City.

In August Maritz Communications Company was merged into the Performance Improvement Company. This was a major event within Maritz Inc. Many of the offered services of the two companies had become so similar that there were overlaps and conflicts occurring in the marketplace and internally. To eliminate the problems and present a single, well-defined organization to its clients, Maritz consolidated all units of both companies.

On August 12 Maritz joined Ford to launch what promised to be the largest employee suggestion program in the history of the incentive industry and in the history of Ford Motor Company. Called the Continuous Improvement Recognition System (CIRS), it was planned to operate with nearly 370,000 Ford employees throughout the world. The full rollout would take several years. The first plant to launch was the Altec facility in Mexico. Soon after, launches were held in the U.S., Spain and Brazil.

On August 21 Maritz Marketing Research acquired D.H. Macey and Associates, Inc., a Chicago-based consumer research firm specializing in mail panels. Also in August MMRI opened a Customer Information Center (CIC) on the Fenton campus to handle inbound calls for client programs.



All-time top-volume salesman John Hunt.



Symbol of the Maritz-operated Ford CIRS program.



Lisa Becker and Tom Tener discuss details of the new internal Continuous Improvement System named "Ideas Work!"



Norm Schwesig announced a company plan to build strategic partnerships with all Maritz clients, named "Think Inc."

In September Maritz initiated an ongoing suggestion program called a Continuous Improvement System. The program name was "Ideas Work!"

At the same time, President Norm Schwesig announced a companywide plan to focus all Maritz units on building strategic partnerships with all clients. The plan was called "Think Inc.," and the concept was to present and deliver services and solutions in a seamless and effective manner to Maritz clients.

Also in September Maritz initiated the largest Run Through The Warehouse® event in its history. Over the course of six months, 1,450 AC-Delco couples came to St. Louis on weekends, and ran against the clock for nearly 31,000 awards, while cheerleaders yelled and bands played in a colorful atmosphere of exciting fun.

On November 1 Bob Swearingen was promoted to chairman and chief executive officer of Maritz Travel Company, and Mike Boland was then promoted to president of MTC, Bob's former position.

In December Brian Alexander became chairman of Maritz Holdings Limited, a recently reactivated corporation. John Chalker became chief executive officer and Brian retained his



The huge AC-Delco Run Through The Warehouse® program required support of over 70 Maritz people, some of whom are pictured here.

chairmanship of Maritz Limited. This was to position Maritz Holdings Limited to expand operations in Europe.

1993 In January Maritz Information Resources moved to refurbished facilities in the 1355 building.

In February Cathy Kneidl of Maritz Marketing Research Inc. became the first woman to be promoted to corporate vice president.

In March both GM and Ford honored Maritz with special supplier awards. GM honored MPIC as one of its selected Worldwide Suppliers of the Year. Ford honored MTC and MMRI with its Marketing Excellence Award for quality services during the previous year.

On March 9 a new Boeing 757-200 was designated as "paid for" by the over-\$130 million in savings from the Maritz-operated team suggestion program for USAir called "Ideas That Fly." It was one of the most successful team suggestion programs ever operated in the industry.

During 1993 the company initiated major corporate reorganization programs called "Project Edge" in Maritz Performance Improvement Group Travel Division, "Project Reach" in MPIC, and "Project Breakthrough" in the MTC Corporate Travel Division. The process was called "reengineering," and it was designed to improve performance efficiency, and significantly reduce expenses. Directed by a team from Price Waterhouse, the process involved months of study, planning and careful analysis of how the company conducted business before any changes were initiated.



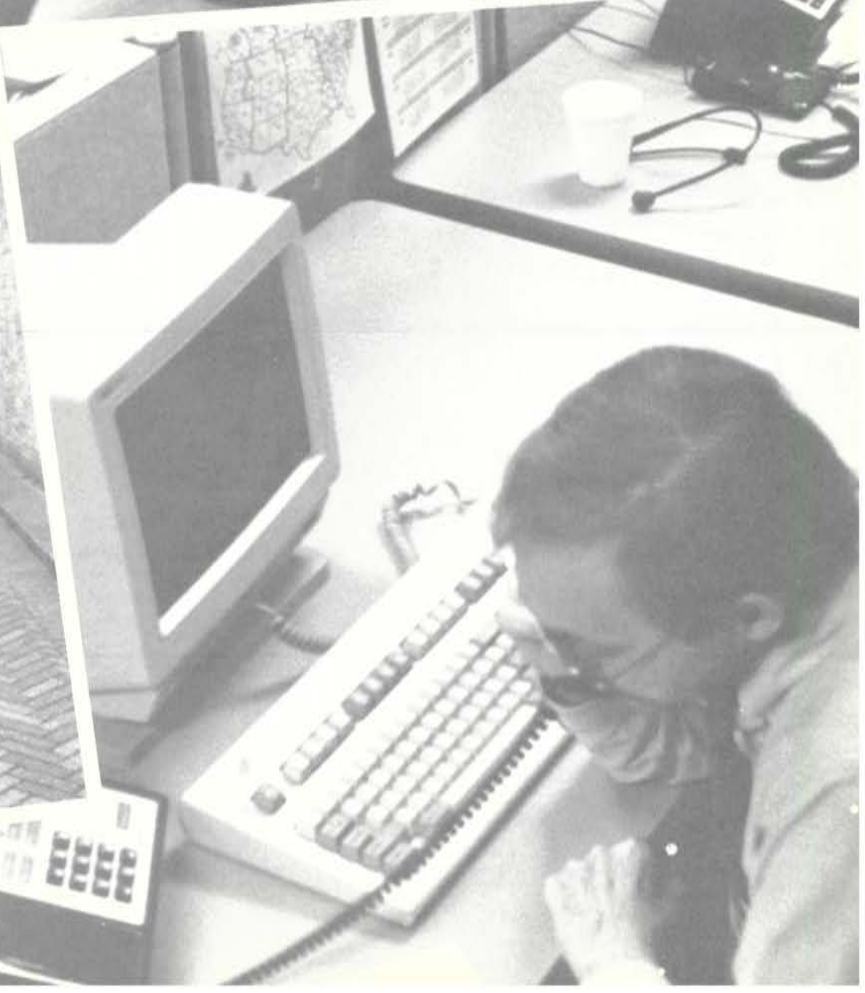
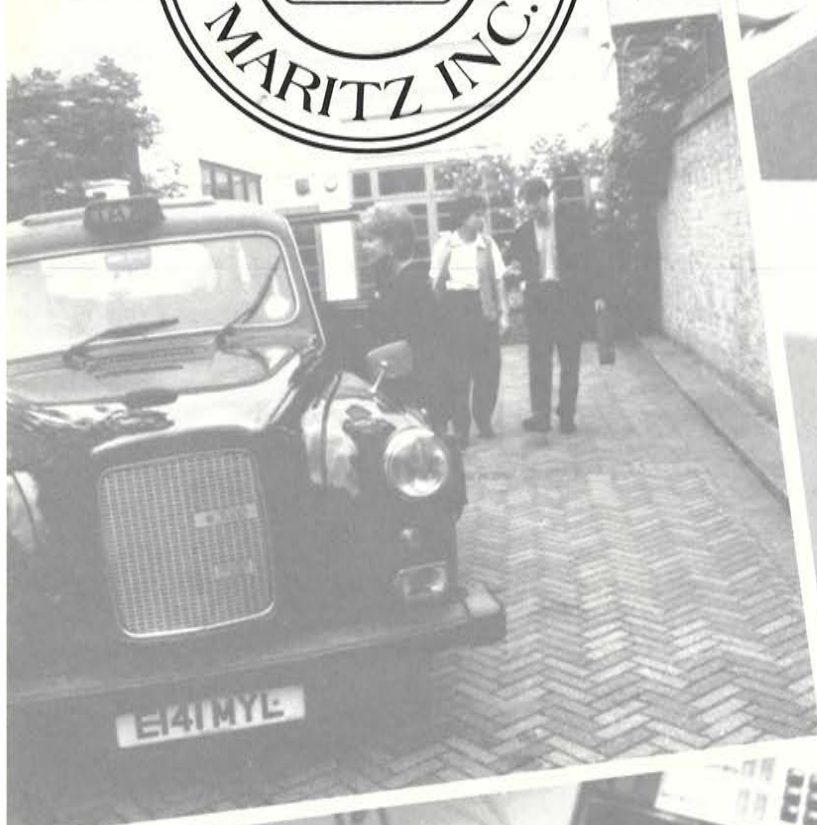
Project Reach team addressing tough problems during major corporate reengineering in 1993. (From head of table) Doug Palmer, Betty Strayhorn, Curt Vevang, Bill Hippert, Jim Marxkors, Rich Donnell and Ollie Richards.



Cathy Kneidl, first woman corporate officer of Maritz Inc.



A USAir Boeing 757-200 airliner was funded by a Maritz-operated cost-savings program called "Ideas That Fly." Shown speaking is Steve Maritz. Seth Schofield, chairman and CEO of USAir, is left of Steve.



9. The Future Brightens

Electronics Preview 1994 • Baldrige Winners
FACTS: The Year in Review • Sweepstakes Law
Why Team Incentives Work • French Riverboat Cruises

incentive

1993 • MANAGING THROUGH MOTIVATION • A BILL OF FIVE DOLLARS

Maritz: The Next Generation

*The incentive industry is changing—
And this giant is changing with it*

By Vincent Alonzo

Steve and Bill Maritz

The image shows the cover of the November 1993 issue of Incentive magazine. The cover features a black and white photograph of two men, Steve and Bill Maritz, standing in front of a building with vertical blinds. The magazine title 'incentive' is prominently displayed in a large, bold, sans-serif font. Above the title, there are several headlines in a smaller font. Below the title, there is a sub-headline and the authors' names. The overall design is professional and business-oriented.



The Research Business Group (TRBG) was acquired in England. (Left to right) Wendy Gordon, Mo Ressler and John Hodges.



Maritz acquired The Telecenter in St. Louis in 1993.

American business began to improve. It was a sluggish comeback, however, and Maritz maintained a conservative approach. The company had really never stopped expanding. New services were added, and new clients, fascinated by this energetic service company, liked what they saw in an organization that kept delivering new concepts and new services to help them grow their business.

1993 April 1 the Business Group Travel Division of MTC exceeded \$100 million in sales.

Also in April Maritz Holdings Limited acquired The Research Business Group Limited (TRBG), Britain's largest independently owned marketing research company. With TRBG and several associate research companies in Asia, MMRI could now advertise as an international organization with worldwide resources.

In May Maritz acquired The Telecenter Inc., a St. Louis company specializing in telemarketing and database marketing. The Telecenter, located in Chesterfield, was joined with the Customer Information Center of MMRI to form a new Maritz unit, the Teleservices Group.

Also in May Steve Maritz became manager of the six sales areas of Maritz Performance Improvement Company. His title became corporate vice president, director of Sales and Marketing.

During the entire year, field offices were combined for better coordination and economy of operations. Fred Ungar, corporate vice president and director of Properties and Facilities, headed the consolidation effort that would generate over a million dollars savings in subsequent years.



The Maritz board of directors in February 1993. (Seated from left) Robert L. Virgil, Jean Maritz Hobler, William E. Maritz, Lawrence K. Roos and Ted C. Wetterau; (standing from left) Jeffery D. Reinberg, H. Edwin Trusheim, D. Bruce Merrifield, Norman L. Schwesig, William H.T. Bush, William H. Webster, David L. Fleisher and Henry S. Stolar.

NYNEX Corporation awarded its dedicated telephone interviewing operation to Maritz Marketing Research Inc. This constituted six client-dedicated facilities for MMRI and became the 55th office of MMRI nationwide.

In July Maritz Holdings Limited changed its name to Maritz Europa Limited.

July 3 Phil Moses retired after 27 years of service. Phil started as a salesman in Chicago. In 1974 he moved to St. Louis as the new manager of Marketing Communications in the Motivation Company. In 1976 he was promoted to division vice president. In 1989 he was promoted to corporate vice president, manager, Marketing Services.

Phil's formal schooling in England, his background in drama, his talent at public speaking and his early experiences in the newspaper business in Chicago equipped him for his special role as producer of Maritz conferences, which he converted from straightforward meetings into dramatic, memorable events. Maritz people would long remember and appreciate his flair for the dramatic, his expertise in the written word and his thundering basso voice, all of which served him well throughout his career.

In July and August, St. Louis and several other cities in the Midwest suffered the worst flood in history, as the Mississippi, Missouri and Meramec rivers overwhelmed dikes and levees to inundate vast areas of land, factories, homes, farms and crops. The three major rivers recorded the highest flood levels, the greatest flow volume, and the most hydraulic speed ever recorded. Damage and reconstruction costs ranged in the billions of dollars. Maritz made a major contribution, and



Phil Moses.



Maritz employee Brenda Simler used a bass boat to commute to work from her flood-bound home.

Congress voted \$5.8 billion in initial flood aid. More aid would be required in the future.

In August the Maritz board of directors was significantly changed to accommodate demands by Jean Maritz Hobler that the board more accurately reflect her family's interests, in addition to those of the William E. Maritz family.

The members named were Peter W. Hobler, Ralph S. Lobdell and Donald W. Paule, representing the Hobler interests. Brothers Philip F. and W. Stephen Maritz were also named to the board, representing the William E. Maritz family interests. Also in August, Steve Maritz was elected vice chairman of the board, Maritz Inc.

Former members H. Edwin Trusheim and Dr. Robert L. Virgil stepped aside but continued as advisory members to the board. Jean Maritz Hobler resigned.

Continuing as members were William E. Maritz, chairman; Ted C. Wetterau; William H.T. Bush; and William H. Webster.

Also in August, approximately 40 former Red Coats attended a 35th reunion and dinner on the Maritz campus. Eight of the Red Coats attending were still Maritz employees – all holding management positions.

In late August a huge, multimillion-dollar frequency marketing sale was announced for the Holiday Inn Priority Club program. The account manager was Mark Lashly. Program services would continue to expand into Canada, Mexico and Europe.

In October the 15th annual Maritz Photo Contest winners were announced. This contest was initiated in 1979 and has been a hit among Maritz employees ever since.



Promotion materials for the Holiday Inn Priority Club program.



Some of the Travel Company "Red Coats" who attended the 35th anniversary reunion. (Bottom row, left to right) Tony Cassidy, Ron Thomas, Bob Kirkland, Frank Abrams, John Connelly, Sharon Tayler, Ed Hahn, Al Herman and George Baker; (top row, left to right) Gig Gwin, George McCauseland, Bob Gale, Alan Van Wickler, Don Brown, Joe DuCharme, Gary Tiberghien, Larry Folcik, Rollie Berndt, Jerry Beauvais and Lee Smulczenski.

In November, Bill Lewellen announced he would retire in the spring of 1994 as president of Maritz Marketing Research Inc. At the same time, Ron Lipovsky and Mike Phillips were named to replace Bill as a new MMRI management team. Ron was named president, and Mike was promoted to executive vice president of the Research organization.

On December 18 Bill Maritz married Jacqueline Guignon Pommer of St. Louis, in the chapel at his alma mater, Princeton University.

1994 February 1 Duane Christensen completed a long and significant 34-year career at Maritz. Duane joined the company in March 1960 as a project head in the Creative Services Division. He was promoted to manager in 1962 and then promoted to director of Sales Services in 1966; vice president of Sales for Communico in 1969; president, Applied Industrial Motivation and corporate vice president in 1974; vice president, director of Corporate Communications in 1977; and senior corporate vice president in 1986.

In addition to managing corporate communications, Duane headed the thrust of Maritz philanthropic and community activities for nearly two decades. He was replaced by Sid Hutchins.

In the spring with sales at an all-time high, Maritz initiated plans to celebrate its 100th anniversary, commencing on April 1, 1994.

The company had persisted in the grips of another recession, and another war. Once again, it had met the challenge.



Bill Lewellen.



Duane Christensen.

The Power Of One Hundred

There is no clean, neat way to end the current history of a growing, vibrant company such as Maritz. Each day, new and exciting milestones are capable of being achieved.

At this writing, several huge potential accounts are considering new ventures with Maritz. The recession is slowly ending, and with that will, no doubt, come another era of growth, prosperity and tremendous challenges. But whatever comes, the company that started 100 years ago as a one-man venture in a little house on Magnolia Street in St. Louis, Missouri, will continue to generate new concepts of performance improvement, then service those programs with a spirit and precision that is unique to Maritz. The company still has four critical elements necessary for survival and growth: 1) financial strength (there is no long-term debt); 2) effective leadership; 3) the ability to embrace and even welcome change; 4) that relentless determination to persevere.

The centennial year of 1994 will carry with it all types of nostalgia for those who lived with the growth of this, now-huge company. Each person has his or her own personal history within the larger corporate history.

Literally hundreds of wonderful anecdotes are told by Maritz people that describe their extraordinary efforts, and many amazing personal contributions that have advanced the growth of the company. These efforts come partly from a feeling that what the company does, which is performance improvement, is on the leading edge of where American business is going in the future. Most employees fervently share that vision.

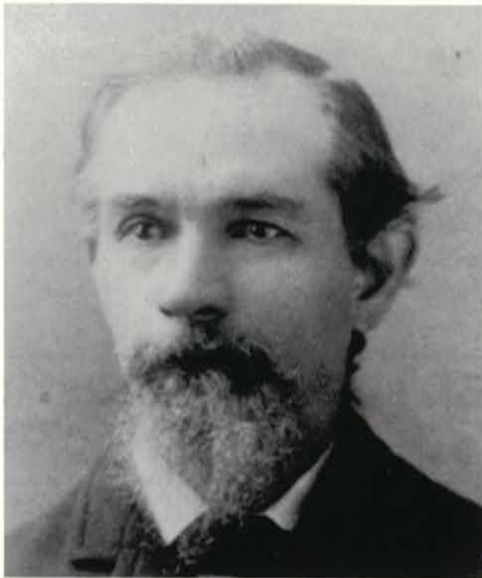
There's no written contract between the company and the people of Maritz. There is only an understanding that would not stand any legal tests. Yet there is a faith on the part of management that during difficult and challenging times, employees will rise to the occasion. And there is an equal faith among employees that the company will become more generous and provide more opportunities during good times. The foregoing scenario has always been true. Of course, the feeling is different and personal with each individual, but a great number of employees maintain a powerful dedication to the company that is strong and unshakable in bad times as well as good.

One thing is certain, a special force – or **power** – exists in a company that lasts 100 years. Not many companies sustain themselves that long. They lose their markets, or their way, or their will.

History has shown that Maritz has literally reconstituted itself several times in order to survive and grow. During its history, Maritz was a jewelry manufacturing company, a wholesale jewelry brokerage, a watch importing firm, a corporate gift supplier, a fine gifts retailer, an

incentive awards company, a motivation agency, and now is a performance improvement company offering a broad spectrum of services. **Change** has played a significant role in the history and success of Maritz. Change has driven the company to adapt, adopt, convert, adjust and move with the times. Of course, change is a natural part of all business, but it has been a **driving force** in our business.

There have been times of rapid change. That is true now, in 1994, as the company ends 100 years, and begins to write a new history. We know the future will be amazingly different, dynamic and challenging. We also know that Maritz people have something special to cherish . . . to honor . . . to enjoy . . . it is simply to celebrate the company we keep, the invincible family and company we call, Maritz.



"Therefore I offer a toast. To Perseverance!"

Edouard Maritz

1860

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Bill is a fine resource because he is a Maritz. He is also chairman of the board and, most important for this history, has the longest service record of any current employee at Maritz - 41 years in June 1994.



