S&H Green Stamps

These once-popular stamps traded like dollar bills and have an interesting Oklahoma connection.

Chapter 1 – 0:57
Introduction

Announcer: S&H Green Stamps were trading stamps popular in the United States from the 1930s until the late 1980s. They were distributed as part of a rewards program operated by the Sperry & Hutchinson Company, founded in 1896 by Thomas Sperry and Shelley Byron Hutchinson. During the 1960s, the rewards catalog printed by the company was the largest publication in the United States and the company issued three times as many stamps as the U.S. Postal Service. Customers would receive stamps at the checkout counter of supermarkets, department stores and gasoline stations among other retailers, which could be redeemed for products in the catalog. But did you know the stamps were printed in Sand Springs, Oklahoma? Oklahoma businessman Carl Willis, an executive with the Allied Stamp Corporation is our storyteller. Another story brought to you by foundations and individuals who believe in preserving Oklahoma's legacy one voice at a time on VoicesofOklahoma.com.

Chapter 2 – 4:11
Family Background

John Erling: My name is John Erling and today's date is March 5th, 2013. Carl, if you would state your full name, your date of birth and your present age please.

Carl Willis: Yes. I'm Carl Wayne Willis. I was born August 25th, 1935.

JE: Your present age is?

CW: My present age is 77.

JE: We are recording this at our recording facilities here at Voices of Oklahoma. Where

were you born?

CW: I was born actually in Frederick, Oklahoma in the hospital, but we lived on a farm out 10 miles west of Snyder, Oklahoma. I had an aunt that was a nurse in Frederick and I think that's why they went there to have me.

JE: Where is that in our state?

CW: It's about 20 or 30 miles west of Snyder.

JE: And where is Snyder?

CW: Snyder is west of Lawton by about 35 miles.

JE: All right. Tell us about your mother's maiden name and where she was born and where she grew up?

CW: My mother's maiden name was Thelma Gladys Adare (sp?). She was born in Snyder I think. I'm not sure where her parents were from originally. They eventually moved on to California and lived there from 1937 or '38 I guess and they lived there the rest of their life.

JE: What about you mother, how would you describe her?

CW: Well, my mother was an unusual woman. She was the most giving person I have ever known. She was happy if her family was happy. I never saw her (act) selfish one time in her life. She was always very giving and wanting us all to be happy.

JE: Your father's name?

CW: He was Paul Franklin Willis. He also was born in Snyder, Oklahoma in 1912. He lived until he was 94 years old. He had a long healthy life.

JE: What did he do for a living?

CW: He started out as a sharecropper. I think he had 180 acres that he farmed with a mule and a plow. That's pretty tough living. In those days, we had no electricity and no telephone and no running water. So he would plow all day and then come in. We had a number 3 was tub that they would fill with water from the pump outside and heat it on the stove. He bathed in that number 3 washtub. All of took baths in that number 3 washtub in Saturday, but being young kids we got to go first.

JE: It was all the same water wasn't it?

CW: (Chuckle) Yes, it was ll the same. He of course went last.

JE: Explain to those who will be listening, what is a sharecropper?

CW: He lived on another man's land and farmed it and they split the profits from the crops.

JE: What were the crops?

CW: Mainly they grew cotton and some wheat. Cotton was the big crop though.

JE: Did you have brothers and sisters?

CW: I had one brother. He is 18 months older than I am.

JE: Is he still living?

CW: Yes he is living. He lives in Florida and is very healthy and very active.

JE: Tell us about our education, what was the first school you attended?

CW: I attended a two-room school out in Snyder. It was out in the country about two miles from where we lived. You had grades 1-4 in one room and grades 8-12 in another room. In a way it was kind of an advantage, because I heard what the second, third and fourth graders were learning and I got a little bit of a head start on them that way. They were very small classes so teachers could give us individual help. I think it was a very good education.

JE: So that was elementary in?

CW: Well, I only went there for two years and then the war started. Actually, the war started in 1941 and my father went to Dallas to work for North American Airlines. They were building B-51 fighter planes at that time. He had very little education, but they put him in charge of what they call expediting. When they had a problem on the line they would go get him. He would figure out what the problem was and then get the line going again. He was not an engineer–he was just self-taught. But I think living on the farm he had to learn how to fix things and he got pretty good at it that way.

Chapter 3 – 6:12
War/Business

John Erling: The war started on December 7, 1941, when you were six years old?

Carl Willis: Right.

JE: Do you remember hearing adults talking about it?

CW: Yes, I remember when they bombed Hawaii. I didn't really grasp the meaning of it I think but it was kind of scary to me, probably because I didn't understand what it meant, but yes it was kind of scary to me.

JE: Do you remember rationing?

CW: Oh yes, I remember rationing. We had the stickers you'd put on the window to get gas. I don't remember if groceries were rationed or not, but I know that we didn't just have anything that we wanted. Gasoline I remember particularly, I think we got maybe 10 gallons a week or something like that.

JE: Being on the farm I suppose–

CW: Well, we were off the farm by then.

JE: And you were living in?

CW: We were living in Dallas. We moved to Dallas and my dad went to work for North American Airlines.

JE: Tires and things like that?

CW: Tires, it was almost impossible. You wore them until you could see through them pretty much. They were hard to come by.

JE: In Dallas, did you continue elementary school?

CW: We went there and before the war was over my father went to Maryland and went to work for Fairchild Aircraft. I went to a lot of schools during that time. When we moved to Maryland one year when we were trying to find a place to live, they changed my schools five times, so (chuckle) I got to learn to meet people pretty well. I was still in seventh or eighth grade by then. We stayed there until after the war and then my father moved to California looking for opportunities there and then he moved back to Fort Worth, Texas and worked there for quite a while. From there he moved to Shawnee, Oklahoma and started an aircraft production company. They did work for McDonnell Douglas and that kind of company.

JE: Your schooling then, when you were in junior high and high school?

CW: During those years I went to a lot of schools. Because we moved so much, I think I went to 13 schools before I graduated from high school.

JE: Wow. Was that tough on you?

CW: No, I don't think so. I hear people talk about having to move, but of course I had a brother who was 18 months older so we were very close, but I never did find that it was very tough. We always made friends pretty fast and got acquainted pretty fast.

JE: So then you ultimately graduated from what high school?

CW: Shawnee High School.

JE: So you are living in Shawnee and then is it your desire to go to college right away?

CW: I graduated a semester early out of high school and I went straight to OU. I went there for two years and then I left and came back to Shawnee to finish at OBU because my wife had a job there and we were about to get married. So she put her husband through college and we did that in Shawnee.

JE: Your wife's name?

CW: Novella Jane Thompson. She was from a small town about seven miles from Shawnee. There were about 400 or 500 people there.

JE: What was your field of study in college?

CW: I had a major in business management and a minor in accounting. I could have had a split major. I had enough hours to have a major in accounting, but I didn't want to be in accounting.

JE: What drove that interest in business?

CW: My father was in business. He started a manufacturing company in Shawnee. They hired up to about 1,200 or 1,300 people at one time. It was a big industry. I always felt like I wanted to own my own company if I could.

JE: And your father started out as a sharecropper?

CW: That's right and he ends up owning a company that produced products for the major aircraft industries.

JE: He owned it?

CW: Oh yes. He started with three other people and then one by one he bought the others out and ended up owning it.

JE: That was an obvious influence then on business then, on your young mind?

CW: Oh yes, I think so. Sure. I lived through all of that.

JE: What did you do after college?

CW: I went out to Roswell, New Mexico and went to work as a chief accountant for a petroleum marketing company. It was really an unusual situation. He had dealership in Sinclair, Kerr-McGee and Cosden I think, three different distributorships, which is just unheard of, but out there, there just weren't that many people to take those distributorships. So he got those and then he had stations all over New Mexico and parts of Texas. I think we had 129 stations at one point.

JE: And what did you do?

CW: I started out being their chief accountant, but they learned that I could fly. They wanted to know if I would fly their airplane if they bought it, so most of the time I would fly during the day and work during the night. (Chuckle) I was young and ambitious and I thought that was a great deal for a long time.

JE: When did you take up flying?

CW: In Shawnee when I was in high school. I got my license in 1955.

JE: Why?

CW: I just always was interested in aviation. Of course, the manufacturing company that my father had was an aviation company.

JE: Okay. Your father had an obvious major influence in your life.

CW: Oh yes, a major influence.

JE: Then how long did you stay with that company?

CW: I was out in New Mexico probably three years. I came back to Shawnee, Oklahoma as chief accountant for that aircraft company, which at that time employed about 1,200 people. I stayed there for about two years. Then a friend of my father and my father had started a company out in Ogden, Utah. They needed somebody to run that company, so they asked me to go out there. I went out to Ogden and I was vice president of Utah Tool & Manufacturing Company in Ogden from 1961 to 1963. Then there was a company

in Pryor, Oklahoma called Oklahoma Ordinance Works that was trying to develop an industrial area there. Somehow we got in touch with them and they wanted us to move our plant there. They eventually bought the equipment from us and then leased it back to us if we would move there and we did that. Then a couple of years later in 1965, another group that wanted to buy the company and we sold it to them.

JE: Describe the company again?

CW: It was a tool and dye company. We did work again for the major aircraft industries, McDonnell Douglas and Fairchild and others.

JE: You ultimately sold the company?

CW: We sold the company, yes.

Chapter 4 – 6:22
S&H in Sand Springs

John Erling: and then what happens to you?

Carl Willis: After we sold the company I was looking for something to get into. There was a company over in Blackwell, Oklahoma called American Metal Climax. They were looking for a chief accountant. I finally made a deal to go over there with them, but by the time I got there there was another fellow that I knew here in town that had been hired to find somebody to run this stamp company called Allied Stamp Corporation. He called me and I told him I already had a job and I wasn't interested anymore. He told me to come on over and talk to them and they would buy me lunch. So I came over and they finally made me a deal that I just thought I couldn't turn down, so I took that one.

JE: That was where?

CW: That was in Sand Springs, Oklahoma, with Allied Stamp Printing Company.

JE: Allied Stamp?

CW: It was originally called Allied Oklahoma Corporation, but as we got into it it wasn't too descriptive of what we did, so we changed the name to Allied Stamp Corporation.

JE: What was the company doing at the time you were introduced of them?

CW: They had been encouraged at the time by as Sperry & Hutchinson to build a facility to print the trading stamps because at that time in the early 1960s, Sperry & Hutchinson was really at their best I think. In the early 1960s, they sold three times as many stamps as the U.S. Government sold in postage stamps.

JE: Why don't we just introduce here what we are talking about. S&H Green Stamps were

trading stamps that were popular in the United States from the late 1930s until the late 1980s. They were distributed, you talk about Sperry & Hutchinson...they were founded in 1896 by Thomas Sperry and Shelley Bryan Hutchinson.

CW: That's correct.

JE: Talk to us about how this plan worked.

CW: Well, what had happened is that during the time from the 1930s to the 1960s, there was a company that printed the stamps for them. As time went on there volumes grew and that company was really getting stressed out because they did al the printing for all the reading stamps companies. Sperry & Hutchinson was a little concerned about having stamps when they needed them and they went o different suppliers. They went to accompany called Allied Graphic Arts who printed all of Sperry & Hutchinson's gift catalogs. At that time, that production was the largest catalog production in the Unites States, so they had a good relationship with Sperry & Hutchinson. Well, they told Sperry that they would do that. As a matter of fact, Sperry loaned them the money to put the plant in. Then, Allied Graphic Arts searched the United States for the best place to put in a stamp company. Sand Springs was centrally located. They could go to either coast, it was the same distance, and north and south was about the same. So it was an ideal location and we had a good labor pool here. And Sand Springs offered to build a building and lease it back to us, so that it would pay for itself in 10 years. So we had the facility and the wherewithal and the business–so they started the stamp company and the printing company in 1960.

JE: Let's just also explain at this point, what did the customers do? They would receive the stamps at the checkout counters of supermarkets and department stores and gasoline stations among other retailers.

CW: The merchants bought the stamps from Sperry & Hutchinson.

JE: Right.

CW: Then they distributed the stamps at filling stations and grocery stores and dry cleaners and that sort of thing. Then the customer would save them. We also printed a stamp saver book that held 1,200 10-cent stamps. In the beginning we only had a 10-cent stamp. So this book would hold 1,200 stamps and when you would fill an entire book then you would look at the catalog that Allied Graphic Arts had printed and Sperry & Hutchinson had distributed–they could look in the catalog and find a gift that they wanted to buy. As soon as they saved enough books they could cash it in and get their prize.

JE: And you could get just about anything from green stamps–toasters and bicycles?

CW: Unbelievable. It was almost anything you wanted. It was kind of interesting to me because I saw those saver books from years past and the merchandise was changed from the early days. You said they were popular from 1930, but they actually were popular

earlier than that. They had button-top shoes and things like that, you know, but as time went on they kept the catalog current with current items and you could buy almost anything you wanted.

JE: Even life insurance policies they said you could even buy those with green stamps.

CW: Well, now you are telling me one I didn't know about. But an interesting story about the life insurance, I think the trading stamp was probably one of the best marketing tools ever devised. It was popular particularly in the 1960s when I joined them on up through the 1980s. They had a thing they called reserve for redemption account, which means that when S&H sold stamps they would put 100% of that money into an account that they would save to redeem those books later on. Sometimes it would take 30 years for those books to come back. We had to keep up with inflation for that money, so that was one of the things I did. But they would invest money to try and keep it current. So they were very popular on up into the 1980s, but that reserve for redemption account became something that people started looking at. Baldwin Piano Company found that they could buy Sperry and Hutchinson, don't hold me to these numbers but they are fairly close–I think they bought the company for $300 million. But they had in the reserve account $330 million, so they made $30 million on the purchase. They weren't interested in redeeming stamps or selling stamps, they were interested in the cash account there. So they did that and then it worked out so well they went to Top Value Stamps in Dayton, Ohio and bought Top Value and basically that's what caused the stamp industry to start going downhill because Baldwin didn't push the sale of stamps at all. They fired all of the experienced salesman.

JE: What would be the worth of that redemption account you talked about?

CW: It was worth $330 million at the time, but back then, $330 million was a lot of money. The redemption account was $330 million and Baldwin paid $300 million for the company.

JE: So they made $30 million.

CW: Yes, they made $30 million right there.

Chapter 5 – 2:31
Loyalty Program

John Erling: There are so many stories. I think people listening to this will think of things and how they saved stamps for products. One school in Erie, Pennsylvania saved up 5.4 million green stamps to buy a pair of gorillas for a local zoo.

Carl Willis: (Laughter) There are millions of stories like that of what people did.

JE: The big thing is it was a loyalty program too wasn't it?

CW: That was one of the first loyalty programs devised. I think there are quite a few of them now. I think American Airlines' Advantage Program was kind of patterned after this, or had the same idea. It was a loyalty program.

JE: So you would buy $30 worth of groceries and they would give you x amount of green stamps.

CW: Yes, 300 stamps, yes.

JE: And you would find it them in the bottom of your grocery sack and then save them for your book.

CW: Usually kids would get the job of putting the stamps in the book they would lick 'em and stick 'em they called it.

JE: And the denominations, what were they?

CW: Well, when we started, there was only a 10-cent stamp. Every time you bought a dollar's worth of product you got 10 stamps. I think it should have stayed that way. As a matter of fact I caused one company to continue to do it that way, but the accountants started looking at it and they said, "Boy, these stamps are costing us a lot of money. If we had a $10 stamp, that's twice as big and we would cut our costs by about 80%." Then they decided well, if that works so well we ought to have a $5 stamp so they did that. My feeling was that when a customer made their purchase, and they got all these stamps they didn't realize that it was a 10-cent stamp or how much money it was. It seemed like a lot of something. And perception is very important I think.

JE: Right.

CW: So I think that it hurt the stamp industry when they went to the higher denominational stamps.

JE: But the stamps were actually points weren't they? I mean it was points that they were getting. It's a point per dime is what they would get. Some merchants would give more stamps than another one.

CW: They had trading stamp wars. I don't know if you can remember, but back before the first energy crisis, service stations were competing for business. A lot of times they would give two stamps per dollar and I've seen them give as high as five stamps per dollar. We had rolls of stamps at that time and they would put them in a dispensing machine. They would crank the machine so the stamps would come out and they would go all the way down to the floor and they would hand them a whole wad of stamps. I thought that was better than high denominational kind of stamps because people want to know how much they are getting. It just looks like a lot of something and I thought that that was the way to do it.

Chapter 6 – 4:27
Printing Process

John Erling: The process of printing–you said that the city of Sand Springs built a building for this facility.

Carl Willis: Yes.

JE: Where in Sand Springs was it actually located?

CW: It was 8131 Charles Page Boulevard. As you are going from Tulsa to Sand Springs it's about a mile or two before you actually get into Sand Springs. At that time we didn't have the interstate highway, so the only way you could get between Tulsa and Sand Springs was Charles Page Boulevard.

JE: How big of a building was it?

CW: The first building was about 25,000 square feet. Then we doubled that and made it 50,000 square feet. Then we got another 50,000 square feet, so we ended up with 100,000 square feet.

JE: Was there any signage on the building? Did it say S&H Green Stamps?

CW: No, we tried not to do that because you have to realize that that was like printing money. If people got a hold of these stamps, they could redeem them for all of these things that they wanted in the book. As a matter of fact, you could redeem them for cash if you wanted to. Not many people knew that, but you could. It was like printing money so I had to take care of the stamps. When I printed them, I had to account for all of the paper that I bought and what my spoilage was and how much I used, so that they knew that I wasn't selling them myself. We numbered every stamp. In addition to the number there was a watermark that we put in it, and then there was a number that was put in ink that would glow under a black light–so there was a lot of security involved.

JE: You have never done this before?

CW: No.

JE: So how do you go to school for this? What's the learning curve on this?

CW: Well, manufacturing in my mind is pretty much manufacturing. I had to learn some new terms coming from metal as opposed to paper, but that's not too tough. When you're in manufacturing it's all pretty much the same when you get down to it. We had machines and we had to make them run and run efficiently.

JE: Those machines then, where did you get them? Sperry & Hutchinson hired Allied

Graphic Arts to build the plant. Allied Graphic Arts hired consulting firms to design and buy the equipment and they did a magnificent job by the way. That's a pretty complicated thing to do because we did a lot of things with the piece of paper. We started out with a raw piece of paper and we would run it through a tint bath and totally saturated it. Then we would run it through a watermark and pound it a little bit. Then we would run it through another tint bath and then another to bring it to about 750 degrees to dry the paper out. Then at the other end, we had an applicator roll that would put glue on it. That glue was of course liquid and we had it run through another oven and then dry that out. When it came out then, it had to stick if you were to re-moisten it, but not stick if you didn't re-moisten it. Of course, it had to have the right tear strength because we would put a lot of pressure on it when it was wet, so it was a tough one to do.

JE: You must have had other people there that had run–because they were being printed in another location in the United States.

CW: Oh yes. It was not something that we invented. It had been done before, but it was still very complicated and everything had to work right. After we got the paper ready, then we had to print it. We printed it and then we numbered every stamp that we printed. Then we perforated around that and then we slit it either into books or into coils. We had to perforate it. Well, if the paper had any clay binders or anything like that in it, it would ruin our perforating dyes. So it took a long time to figure out what kind of paper we had to have. Of course, the people that were doing it already didn't want to help us very much.

JE: That was another company out east?

CW: Yes.

JE: And they weren't interested in helping you?

CW: Well, of course now, we were their competition.

JE: But didn't Sperry & Hutchinson keep both of you busy?

CW: They gave us both business yes, but Eureka Printing was the competition. And of course, everything that Sperry & Hutchinson gave us came out of their facilities. They weren't worried about being the only supplier–it was Sperry & Hutchinson that was worried about that. So they (Eureka Printing) didn't really like the idea of us being around. In the beginning Sperry & Hutchinson had enough business to keep us all going, particularly before we really got to going well and were efficient. But then later on we got to where we could print them efficiently and had more capacity than we needed.

JE: So you really were kind of left on your own to figure this thing out?

CW: Oh yeah. We could go to consultants to a point, but after a few years we got to where we knew more about those machines than the consultants did. So when we had a problem, we just had to work it out.

JE: What was the size of this stamp compared to a postage stamp? Was it close to the same size?

CW: A little smaller. It was 7/8 of an inch high and about a half-inch wide.

Chapter 7 – 12:18
Stamp Glue

John Erling: Let's go through this paper business. You started out with white paper?

Carl Willis: We started out with white paper and we bought it in he rolls about 3,000 pounds each. The first thing we did was run it through a tint bath – just completely saturated it.

JE: So was it already cut into strips?

CW: Oh no, it was still 19 inches wide. When we ran it through the bath, we had to saturate it to dye it to make it green, because we started off with white paper. So we dyed it green, then we ran it through a watermark roll. Then it went back and we dyed it again and then put it through an oven. The oven was about 750 degrees Fahrenheit. We were running about 350 to 400 feet of paper a minute. And then when it came out the end of that oven it had to be dry. Then we put glue on it. We had an applicator roll on the end that would apply the glue on to the back of the paper. Then we had to run it through another oven to dry the glue. To do that without it curling up was a challenge, to keep it being wet on one side and dry on the other side. When it came out, if it was too wet it would stick together when we re-wet it. If it was too dry, it would not re-moisten or it would curl– so we had to learn to do that. The first year before I joined them that's what basically what they were learning. They would buy paper, dye it and throw it away and buy more and dye it and throw it away trying to figure out how to do it. They had that pretty well figured out by the time I arrived, but they didn't have the manufacturing part figured out or the printing part figured out really well.

JE: You mentioned glue. How did the glue come to you?

CW: We bought glue in tank truck quantities. I think that it came in about 6,000 gallons per delivery. There are about 10 pounds in a gallon so it was about 60,000 pounds of glue per delivery that we bought. At our peak when we were really running–we bought that glue every 11 days. We were a big glue customer.

JE: How many stamps would you print in a day?

CW: We measured everything in 5,000 stamp increments. So we would print 5,000 books or coils in a shift. We were running at one time three shifts and two machines. I figured out

we were making about 850 million stamps a week. (Chuckle)

JE: How many people were you employing at that time?

CW: I was running about 35 people per shift and we had three shifts. So we had close to 90.

JE: Now, you didn't want people to know what you were doing?

CW: No, because as I said it was like printing currency and I didn't want to advertise that we were doing that sort of thing there. The fewer people that knew about it the less problem I had with security.

JE: But the City of Sand Springs had to know what was going on?

CW: Oh yes, they knew.

JE: Do you think people in Tulsa knew?

CW: Yes, we were called a stamp company. There were people in Tulsa that knew, but we just didn't advertise it.

JE: But the large population of Tulsa probably didn't know?

CW: I don't think they knew we were there, no. I talk to people today and they say, "I didn't know that was there."

JE: Right. Did the newspaper ever do a story on you?

CW: The newspaper did one story on me and that was one of the biggest mistakes I've made in my life. As time went on, we got more efficient and we could print stamps in greater quantities. Later on in the 1960s, Sperry & Hutchinson business was slowing down just a little bit. Sperry & Hutchinson didn't want me to print for other companies because they kind of felt like they had an exclusive on our shop. Actually manufacturing in 1962 a little bit. But we didn't have enough to keep us going three shifts a day seven days a week. I went to them and told them, "Look, I'm going to have to do one of two things. I'm either going to have to sell stamps to someone else to keep my volume up, or I'm going to have to raise your prices." They were pretty reluctant about that. They didn't want other people to know what they were doing and they pretty much didn't want me to do that, but I eventually convinced them that I could do that without anybody knowing what I was doing. We were a high-security business and I didn't give out any information about quantities and that sort of thing. They eventually agreed for me to do that, so I went and sold stamps first to Top Value Company.

JE: Okay, before we leave the factory here, would employees steal the stamps? Was that a problem?

CW: No, it wasn't. They all realized that it was a high-security plant and that we couldn't afford to have the name of people getting out. But they all knew that they (the stamps) were numbered and they knew that we could track them back if we ever suspected anything. If we ever did have a problem, we would prosecute. We would make it just as tough on them as we could. We would make it public that we had done that, so people pretty well

understood to leave it alone.

JE: So the stamps did have these mysterious letters and numbers, so exactly what was on the stamp?

CW: The Sperry & Hutchinson had the S&H logo on it and then we printed a number on the top. It started with AAA and then each stamp went from 1 to 1,000 but they were all AAA1, AAA2 etc. And then once we got to 1,000 we would go to AAB1, AAB2, all the way to 1,000. So there were almost infinite numbers that we could use on a stamp. We printed those on each stamp and then we would print another number at the printing press that was the same for the book of stamps, but it glowed under a black light, so you could tell immediately if it was a counterfeit or not, or I could tell across the room if it was counterfeit.

JE: Would merchants have to be careful too when the stamps were delivered to their place of business? Did they have to check them for their authenticity?

CW: I don't think that they worried about that very much because they came from us and they were packaged the same way every time and it would have been pretty hard to do.

JE: How were they packaged?

CW: That depended on what product it was. We had two types. We had a pad that had 5,000 stamps in it and it had a front cover and a back cover. We would put those in packages of 10 and then put those in cartons.

JE: Where were you shipping them to?

CW: We shipped them to S&H warehouses and then S&H delivered them to the merchant.

JE: Obviously many stores in Sand Springs were S&H merchants?

CW: Yes, Sand Springs and Tulsa both had lots of merchants and we had redemption stores if you remember here in Tulsa. It was very popular, yes.

JE: Did you collect them yourself?

CW: I could hardly afford to, but in a way everything I have I got with trading stamps if you think about it. (Laughter)

JE: That is true. What about security? Now today we have electronic security–you never had any of that back then?

CW: No, we didn't have it but our building was fenced off. Each department had a separate fence and we had a back gate that had officers there around the clock. In addition to that, it was locked and employees had to identify themselves to come in and out. Boosters (salesmen) couldn't come in, they had to come in through the front office and if we felt like they needed to go in we could take them out, but they had to be accompanied by an officer of the company.

JE: Your company at this time was making a lot of money.

CW: I don't know that it was–it depends on what you are comparing it to. I think we were at

that time grossing about $4.5 million a year.

JE: That sounds like a lot of money to me. (Chuckle)

CW: Well, then it was worth more than it is now. Today it's not so much. Yes, it was a good business.

JE: Have we talked about the goings on in the factory and the manufacturing of the stamps, have we covered that?

CW: In a way we have and in a way we haven't. The reason they hired me is because they hadn't figured out how to run the plant yet. They initially hired an accountant out of New York City to come down and he spent more time in the local bar than he did in the plant. Then they hired an engineer to come down and he did pretty well, but he was from the Northeast and pretty abrupt and morale in the plant was horrible. They just couldn't get along with him. When I came in they showed me what their problems were. They had lost money every year that they had been there and it wasn't getting any better.

JE: But they hadn't been there all that long had they?

CW: No, they had only been there about three years.

JE: Okay.

CW: So that first year they didn't produce anything, just trashed it all. They didn't have anybody that would just stop and try to analyze the problems and figure out what they were. I found several major problems and made a significant difference. I went to work there in October of 1965 and we were way in the red that year. By the end of that year we were almost back up to break even, but not quite. The next year we made money and then we never had a year that wasn't better than the year before after that. But I found so many things that they were doing that were just so obviously wrong it had to be changed.

JE: Sperry & Hutchinson had to be wondering for a year or two–did we make the wrong choice here.

CW: Well, (chuckle) they did for sure.

JE: So when you came along, you were their wonder boy.

CW: Well, yes. But it was interesting for me because things were so bad everything I did was god, you know I couldn't do anything wrong it seemed like. We were worried about quality first and then quantity after that. I figured how fast the presses would run and how much they should produce in a shift. We kept on until we found out what was causing us not to do that. I found some weird things. You know, when you think about numbering every stamp–that's quite a feat. We were printing 20 stamps across. Every 10 stamps they had to change numbers because that was a page. So we had 20 numbering machines across and then 10 around a wheel and every one of those had to rotate at just the right time. We were having so much trouble with the numbers. All of our numbers

were wrong and they weren't printing very well. I was standing there looking at it one day. What it should do, as it goes around is, it should index and then print and then index. I was watching that and it was doing it backwards. What they had done was they had put the cam that caused it to turn like that–they had put it in backwards. It would ink and then index and then print is what it would do, so there was no ink on it, plus it was going the wrong way. So anyway we changed that and the numbers started working and the spoilage went down and the quantities went up. Just little things like that. We printed the saver books also, the books that they would save the stamps in and oh they were fighting those. There were lots of levers that would pull the paper in and out and they were jamming all of the time. I was watching that one day and I looked around and there was a bunch of red rubber bands instead of springs on those levers. I told them to take the rubber bands off the machine and to put the springs back on it. They told me that it worked faster with the rubber bands on it. I told them to use the springs two or three times and I would go back and check and they would still be there. Finally one day I stopped that things and I said, "I tell you what, the next time I come through here, if I see another rubber band, the whole crew is leaving." (Laughter) We got rid of the rubber bands and the whole things started working–it was just simple things like that.

JE: You had a mechanical mind too didn't you in addition to being an accountant?

CW: Well, I was a little bit mechanical. I stayed with them because we had trouble with those presses. There was several times when we would take those presses down and try to get them running right. I would look up and there would be a different shift watching us and we would go through three or four shifts like that. Once we would get everything going, then they were running good.

JE: Were there those who were in the business of manufacturing fake S&H stamps? Was that a problem for you?

CW: John, they tried, but it really wasn't that much of a problem. They were so obvious when you saw a fake. They didn't have the equipment we had and there was no way that they could do the quality that we did.

JE: How long along the chain did they get? Did they actually get into a store where somebody would try to use them to redeem products?

CW: We saw a few, but it really wasn't very much.

JE: Okay.

CW: Where we had more problems than anything else John, is when they would find a way to steal a whole box of them or a bunch of them at one time. Then they would try to redeem them at a store. Of course, it was interstate so the FBI would get involved on it when they would find out about things like that. How they would find them is they would come in with big sacks of saver books filled with stamps and they would all be the

same consecutive numbers. You would have to buy an airplane to get stamps with that many consecutive numbers. So they would call me, and I could tell them where I had shipped them and then they could follow it clear on from there to where they were ultimately distributed.

JE: So they never got them out of your place at all, it would be the distribution places.

CW: We never lost any that we knew of. We had people that wanted them. Once in a while we would have a community project and somebody would take them on a tour through the plant. We didn't do that very often, but once in awhile we did. So one time we were going through and beside the machine that slid the stamps down into coils, when you cleared that machine there was a certain amount of extras that had to be torn off. So they put them in a trash can there and this little old lady said, "do you see that?" and boy, (laughter) they all wanted a handful of those! They said, "Well, you are just going to throw them away anyway!" But we couldn't do it.

Chapter 8 – 5:06
Other Stamps

John Erling: How many years were you manufacturing S&H Green Stamps out here?

Carl Willis: We started actually manufacturing probably in 1962 a little bit and we were so manufacturing them when I left the company in 1997, but very few. During the 1980s, it really tapered off. After Sperry & Hutchinson got sold, it really tapered off. The guy transferred the plant into a label printing plant for Coca-Cola products mainly.

JE: Didn't it fade away during the recession of the 1970s?

CW: Service stations were probably 30% of S&H's volume because they would have their price wars with stamps and that sort of thing. They gave stamps on every gallon of gas purchase. In 1972 or 1973 we had the energy crisis and there were lines around the service stations with people wanting gasoline. There wasn't much point in trying to entice somebody to come in and buy more gasoline at that point, so service station started dropping the trading stamp programs. Like I said, that was 30% of our volume, it really went down. Grocery stores were doing the same thing because of inflation at that time. They tried to convince people that trading stamps were causing the price of groceries were going up and so forth, so we lost a lot of grocery store accounts like that. I told you that I had gone to S&H and explained that I needed to be selling stamps to other stamp companies, so I did. I sold stamps to Top Value and Blue Chip, California Gold Bond,

Eagle, so during that time I never had to lay off anybody–we were always able to keep our capacity up.

JE: There were a lot of them weren't there? Top Value and Eagle? Eagle was May Department Stores out of St. Louis.

CW: That's right.

JE: Then different colored stamps were created by different stamp companies?

CW: Every stamp, company had a different color–yes.

JE: So that was an issue?

CW: We started out with dyeing the paper, not green, but blue or yellow or whatever color they wanted.

JE: So then you had whatever color they wanted–orange and yellow and blue chip and plaid, all of those?

CW: That's right.

JE: So, how many different kinds of stamps for you printing at one time?

CW: I was printing for seven different companies, but each company had probably 7 different products that I would print. So it made it where I was changing my setups pretty often.

JE: So then in the long run, as you are printing for all of these other companies, were you doing a higher volume dollar wise then when you were just printing for S&H?

CW: Yes. At one point we did a stamp for London, England. It was called the S&H pink stamp. That would've been the Green Shield stamp, except Green Shield was already there. So they made it pink and it was just S&H Pink Stamps. So I printed pink stamps. But those didn't go over that well and Shield didn't go over that well. Eureka had a printing plant outside of London. I eventually went over and bought the equipment out of that plant and brought it back to Sand Springs. So I ended up with another machine in Sand Springs. During that time, we were busy enough that I kept all three of those machines going 24/7 for a while.

JE: So what was happening to the Eureka plant out of Danville, Pennsylvania?

CW: Well, they did about the same thing that I did. They converted their presses over to other types of printing. There are still some stamps being printed around, but not S&H. Some of those stamp printing companies are still around–little tiny ones. When you get into those small quantities, I couldn't handle it anyway. We were printing rotoguvere, with rotogravure presses. That was very expensive because you couldn't run a short run–it was built for long runs.

JE: What does rotoguvure mean?

CW: Rotoguvure is the type of printing where you take a cylinder and etch the image in that cylinder. Then you would run it through the ink and there was a blade that would wipe the excess ink off of it, but keep the ink where the etching was and then that would print

onto the cylinder. Well, because it's rotary, it's round and we could go at very high speeds. And it's made of stainless steel rollers so it would last a long time, but we couldn't change it often because it was very expensive.

JE: You said stamps are still being offered today. I think didn't the company rebound with the Internet and they offered green points as rewards for online purchases?

CW: They did but I don't think it was ever very significant. I told you about how they went to the high denominational type of stamp and I thought that was a mistake. Then, some of them decided that they could do it like a credit card. You would earn some many points and they would put it on your credit card–that was not the stamp business anymore. It wasn't very successful and it didn't last very long.

JE: What if I went up in my attic today and I found 100 S&H Green Stamp books? Could I redeem them?

CW: There is a company, I think it's called S&H Solutions that would buy them but for not very much. I don't think you would get very much out of them but you could probably sell them and get a little bit out of them. But it's not S&H anymore–S&H sold it and then one of the members of S&H bought that back I think, but I really have lost track of that, so I don't know for sure.

Chapter 9 – 5:08
Japan

John Erling: Those who like to collect these items, I understand that there is a world for that to. People that find these time capsules I guess you would call them–they are very desirable stamps and the savor books are collector's items.

Carl Willis: They are and it's a shame I didn't keep any of them. (Chuckle) I don't have any, but yes, they are becoming collectors' items and they are hard to find. As well as the signs, you know the S&H signs that used to hang around are getting to be collectors' items.

JE: So then you started doing business in Tokyo?

CW: Yes.

JE: What was that?

CW: When we were at our busiest, a company in Tokyo started a stamp company. They came to us and wanted us to print stamps for them. It was such a small quantity at that time that I just couldn't do it effectively, and we had more business than we could handle anyway, so I told them that I couldn't do it. But I got to know the owner of that company

pretty well. He was a pilot and we had some things in common. When the stamp business slowed down here then, in about 1973 I guess, I went to Tokyo and met with this gentleman and told him that we were now able to handle his volume. His volume had increased too. I told him that I could do business with him now and I ended up printing all of his trading stamps. He had kind of the same problem that S&H had in the beginning. He was thinking in the back of his mind what would happen if the stamp industry picks up in the United States again and he gets too busy. It would be easier to sell them in the United States then over here to me in Japan. So he started trying to buy our company, which was not for sale. As time went on he kept talking to me about it, and eventually he got to the point where he offered a lot of money for it. I went to the owners of our company and told them that I thought we could do this and I got them together and they did sell it to him. So they ended up buying the company. We continued to print for all for all the rest of the stamp companies, but we added his in there.

JE: And you printed here?

CW: Yes, we printed them here and then shipped them to Tokyo, which was kind of a different challenge. You know, they were made to re-moisten. You would lick them and they would stick. Well, if they got wet they were going to stick. I had sent a bunch over to Japan and they called me and said, "Your stamps are sticking. I can't get them off and put them in the dispensing machine." I said, "Well, it's humid in Japan, but it's also humid in Houston and I don't have that problem there so there's something going on." So I got on an airplane and went over there and I said, "show me some of those stamps that are sticking." Well, he picked up a roll that was 6 inches around. He picked it up with his hand and he handed it to me and when he did I thought that somebody had done that before because I could see the roll had fingerprints around it. If you think about it, they sell fish more than anything else there. Well, they are handling that fish and their hands have got all that water on them and they were wetting the stamps. I told them, "I think we can fix this." I film wrapped all of the coils after that–so they would have to unwrap the film before they put them in. That solved the problem for them. (Chuckle) But they thought my glue was bad.

JE: There were lots of challenges that you had.

CW: Oh yes.

JE: But you overcame them. What was it like doing business with a Japanese businessman?

CW: It was totally different than doing business with American businessmen. I was in charge of the plant in Sand Springs. The president of a company in the United States, if he sees something that needs to be done, basically he does it, with the exception of major capital expenditures and things like that. In those cases you would talk to your board. But they expect you to get things done. In Japan, you don't do anything until you've had

a committee meeting, or four or five committee meetings. They want to know everything there is to know about it. You cannot imagine the questions that they can ask you, so it took forever to do it. Eventually what happened is after the Japanese bought this company, they asked me to hire a manager to run the plant. They also asked me to be in charge of all of their overseas operations, which started a whole other company to handle their overseas business. Anyway, what I was trying to say is they just had to have meeting after meeting. Part of my job was to invest their reserve account so we could make enough money to keep up with inflation at least when the stamps were redeemed. When I would find a good property purchase or a good investment opportunity here, I would have to take it back and go through their board. Their board would listen and talk and then they would send me home and then I would come back. Sometimes there would be two or three trips to Japan before they would decide what to do. Well, by the time they decided, the opportunity was gone. So I talked to the owner of Blue Chip one time and explained that it was just not working. By the time I got the approval to do anything, it's just gone. He said, "Well, I will tell you what we'll do. You and I will discuss it and if we decide that it's the thing to do, then we will run it through the board." That's how we operated after that, but you can imagine what the board thought of that. They didn't appreciate that at all, so we had a little bit of a conflict there.

JE: He bought the company?

CW: Yes and it lasted until 1997. He passed away in 1997 and I resigned the same year.

Chapter 10 – 0:29
Conclusion

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