

At Myers Drum

Gib Myers Tells How It All Began

It was a rare occasion several months ago when, at a Myers Drum Management Club meeting in Oakland, vice president Gilbert "Gib" Myers told the story of some of the early beginnings of the firm that bears his name.

The INGOT was on hand to record the story, and presents it serially over the next several months.

We ought to start with my dad, who was born in Germany, and later was raised in the Vatican. When it came time for him to be ordained a priest, he had decided that wasn't for him, so he ran away and came to America. He wound up in Chicago, where he went to work for the railroad.



Myers

He was a very well-educated man — he could speak and write seven languages. So he wasn't in the railroad business very long before he became the head of all the warehouses in Chicago, because they needed a man who could coordinate the freight, deliveries and income.

He went to work there at a dollar-a-day, and in a year he was making \$390 a month. Then, he learned that his brother was in Seattle, so he decided to leave his job and go there and enter the coal business, which he felt was a good line.

It wasn't long before he realized that he had to speed up

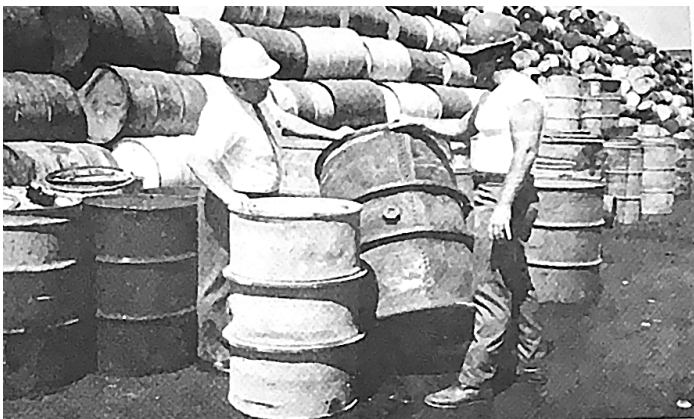
this business. Coal was coming from outside of Seattle, maybe 30 miles away, and was being hauled by horse and wagon.

About that time, the first trucks came out, so he went out and bought a truck and started hauling coal. Everyone called it Myers' Folly, saying that he was going to go broke for sure. But while they were all calling it that, he was hauling more coal in a day than they were.

Well, it all ended up that he made a lot of money in Seattle, and that's where he married my mother and we children were born. He was there three or four years, and he accumulated \$90,000 in cash — in these days, that'd be about a million.

He decided, in one of those years when there was 36 days of rain in Seattle, that they were coming to California. So they packed up all us kids, and took a boat here. He brought his ninety-thousand cash with him, having given his right-hand employee, who was really a worker and really deserving, the whole business for nothing — gave him truck, business and all. And the man made a fortune later.

Dad came to San Francisco in 1916, and the first thing that he did was to search all over town for a man named Giannini. Well, he found the man (he was a small banker) and walked in and



This ancient drum was discovered in the Los Angeles plant's reconditioning yard. Note the heavy steel bands, which makes the older barrel much heavier than today's models. Barrels like this have almost become collector's item.

handed him the \$90 thousand in cash. Mr. Giannini said: "What do I do with this?"

"Well," he said, "just hold it — I'll be needing it pretty soon."

"Don't you want a receipt?" he was asked.

Dad answered: "My name is George Walter Myers. I don't need a receipt. You got a reputation." So he deposited his \$90 thousand with Giannini, and looked around San Francisco for another good business.

At that time, they were starting to bottle beer — to pasteurize, deliver it to delicatessens, and store it. It was a big business, so Dad went out and bought a \$100,000 machine for doing this. He put a down payment on the machine, and one year later Tacoma and Rainer breweries got into a big war. They were the big beer-makers on the West Coast, and before long the price of beer was cut in half, and my father went broke.

He lost the whole \$90,000 that he brought to San Francisco. The only thing that he had left was an old Model T Ford truck on which he owed \$280.

What did my folks do? They went to a show. And while they were waiting in line to buy tickets, somebody picked my Dad's pocket and took the last \$35 that he had.

But he finally made it over to Oakland the next day, with \$2.75 in his pocket. He went down to the foot of 55th street, which isn't very far from our present office, where there used to be a pickle works. The landlord of a house next door gave him three months' free rent. Mr. Salbetti, the owner of the old South Berkeley creamery gave all us kids three months' free milk. So we had free rent and free milk for 90 days.

But we had to have heat, and Dad started looking around for firewood. He went over to the plant which is now Colgate, Palmolive Peet — at that time it was Peet Brothers. When he got there, he looked in the backyard and saw what must have been 50,000 wooden barrels stacked up there. So he told them he needed firewood, and a guy by the name of Paul Builard said, "Sure, take some broken wooden staves."

Dad asked, "What're you doing with all these barrels?" The man answered, "We sold 'em five times to Bauer, and six times to McGuire, and nobody ever takes 'em out."

So my Dad said: "If you'll trust me with a half-dozen, I'll see if I can go sell them." So he went over to the El Dorado Oil works, where they liked the barrels, so dad delivered them and they said to bring some more. *(To be continued)*

Myers Drum maintains plants in several major western cities. This one is located in Vernon, a suburb of Los Angeles.



Early Innovations at Myers Drum

This is the second part of a message on the history of Myers Drum Company, given recently by Gilbert "Gib" Myers, the vice president of Myers Drum, to their Management Club meeting.

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Gib Myers

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So he started hauling these barrels, though he could only put six on his old Ford truck. He was hauling day and night to the El Dorado oil works, only six blocks away. But Dad remembered that he hadn't gotten a price set for the barrels, so he went back to El Dorado and asked, what was a fair price? And the guy said, "Look — I'll give you \$2.50, and that's top."

So Dad went to Paul and said, "I've got to get a price from you."

Paul replied, "We'll make it 75¢."

That was fine with dad — if he could buy barrels at 75¢, and sell them at \$2.50, he'd move them as fast as he could. He hauled all those barrels over there, and in two months had \$60,000 in his pocket.

By that time, they raised the price to \$2.50, so Dad said the heck with it, and started going to bakeries, buying wooden barrels—short, medium, large — what have you? He started a small cooper shop right where our office is now, in the year 1917.

Apprentice Days

I was forced out of school when I was 16, because that was 1929 and the year of the big crash. So before long, I became an apprentice cooper.

As I learned how to make barrels, I would wake up every morn-

ing cussing those things, because there wasn't any such thing as a leakproof barrel then. Every time a north wind would come up, I knew the next morning I would have to go to the San Francisco docks and start coopering barrels — because all those barrels would all be leaking oil on the dock. They didn't have drums in those days — they were all wooden barrels.

About that time, the first 18-gauge drum came out. Pretty soon, I brought in several of these new drums to my Dad and showed them to him. We also showed them to the coopers, who said they would never go over.

They were right — nobody wanted them, even though we set a price of 15¢ apiece on these steel open-end lined drums. So we began accumulating them — and before long, I called my Dad, and he said we'd have to find a way to recondition these drums.

Well, that was a big job, because nobody had machinery for reconditioning drums. My Dad was an inventive genius, so he started going through the scrap yards, and soon the first drum reconditioning machine was made with a Ford rear end from a wrecker, clamps, and that sort of thing.

We started figuring out ways to sterilize the drums, so we could sell them to meat companies to use to store lard. As we kept on growing, more and more 18-gauge drums kept coming in.

So we naturally had to design and build more machines. Because you couldn't buy anything — you had to design everything yourself.

Finally, my Dad wanted to get out of the wooden barrel business, and into the drum business.

Actually, we were the first reconditioners of steel drums in the West — nobody else was in the business because at that time, everything was coming out of the East. Pretty soon Rheem was making them. But we were the leading reconditioners because nobody else knew anything about it — they were all in the wooden barrel business.

"Recruiting" Methods

So we kept moving along, getting better ideas and better equipment. It soon became apparent we'd better start hiring more men, so I recruited one of the first. His name was Torix — Silvie Torix. I went down 55th street, and there he was out in front of the house. I asked him if he was interested in some work. He said, sure he was — he was only making 50¢ a day. He asked how much we paid. When I said we'd give him \$15 a week, he was with us from that day on. Before long, we had all sorts of men coming in for jobs, and in those days we worked six days a week, or 48 hours.

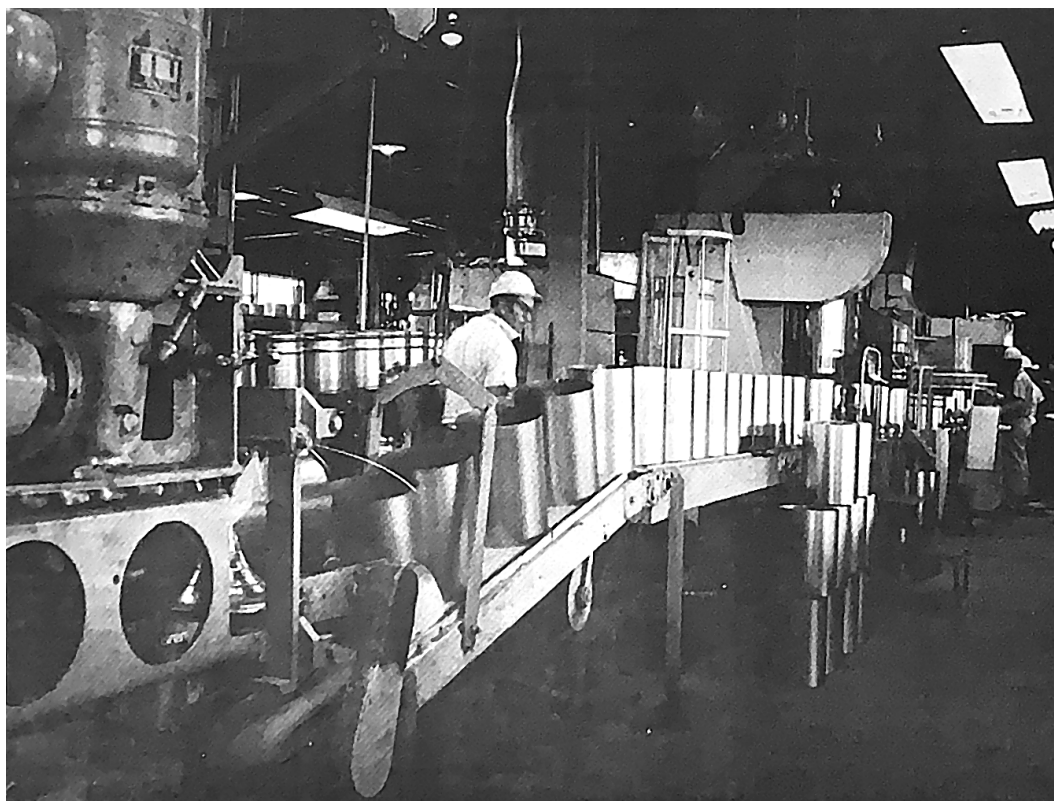
Soon, we had to build our own plant, but in those days (the 1930s) we didn't have any money. So Dad and I and some of the employees did all the foundation work ... poured the concrete ... and built the plant.

More Innovations

It's interesting how we got the concrete. We'd go out by the Oakland airport, and we'd dig up the sand and gravel there, put it on the barrel trucks, and bring it back. Then we'd buy sacks of cement, cut a 110-gallon drum in two, mix the cement by hand, and pour six-inch concrete floors all over the place.

And, doing these "kid" things, we just kept on going and going — and going some more.

For example, we decided to design a dryer to dry our drums. We needed a brick building about the size of this room. So we took some drums and welded them together, and then we took some whiskey barrels and threw them inside of those drums, somewhat like a stove works. Using this system, though, the only way we could figure out was to dry the drums in small batches. (To be continued)



Myers Drum Company is also a pail manufacturer. The photo above shows a pail production line in operation at the company's Richmond plant.

'Gib' Myers Reminisces

The Early Days at Myers Drum

This is the third part of a message on the history of Myers Drum Company, given recently by Gilbert "Gib" Myers, the vice president of Myers Drum, to their Management Club meeting.

In those pre-war days we were having a lot of fun at our jobs — some of us almost considered it our hobby, as well. We must have had maybe 18 or 20 really good employees at this time.

Then, the war broke out — World War II, that was — and without enough new drums coming out of the drum plants, the military kept coming to us, bringing old drums for reconditioning. Generals and colonels would come in to see me, and tell me how important it was for us to start reconditioning drums for the government. Well, we decided to try it out, and before long, these old drums were coming in to us by the shipload — sometimes 50,000 at a time.

A colonel would call in the morning and say: "We've got 90 freight cars lined up all the way from the Oakland dock back to Berkeley. How about getting them unloaded — we need those cars." So Joe Atkinson and Oscar Sutton and I would work 18 hours a day unloading those cars — we'd work far into the night, using flashlights and lanterns.

This soon meant we had to have more reconditioning machines, and before long we found we needed two 10-hour shifts to handle them.

New Plant

As we got more progressive, using better machinery, we decided a new plant should be built. That's just what we did — built a brand new one right where we were located. It was really a honey, because we had all the priorities needed.

Two weeks after the new building was completed, we got a call one morning telling us the plant was on fire. It had started in the spray booth, and it wasn't long before the plant burned right to the ground.

Now, all the Kaiser employees were going to work from Oakland, riding the streetcar lines all the way out San Pablo Avenue to the Kaiser Shipyards. On the way, as they came to our plant, the fire lines in front stopped them. Actually, our fire held up the whole Kaiser shipbuilding program for more than four hours that day.

Soon the generals were out at our plant, looking for arson. Well, we knew what had caused it — a spray booth is easy to catch fire,

especially when it's using olive drab paint.

So we got the building rebuilt. We had the electricians out there in the winter wiring all the machinery by hand and putting in new wires. We kept going at it, and finally got the plant back into operation.

Meanwhile, one of our most important jobs was to teach the other drum companies how to recondition drums.

Opportunity Knocks

But after the war had ended, our business was slow, and we eventually had 410,000 drums in storage at the Oakland plant. When, a little later, we had a steel strike, I saw a need for all those steel drums, so I made a deal and bought them from the military.

Then I went overseas, where I found they had these bid sales, drums shipped from all over the world but mainly in Alaska and Hawaii — hundreds of thousands of drums were available.

So I went to Washington, to the Department of the Interior, and made a bid on those drums. I told them that I would pay only 21¢ apiece — half of the money then, and when I took them out I would pay the other half. So, the Department of Interior drew up a contract, and gave me the rights to all those drums throughout the world.

Everything was fine, but I needed some money. I went to San Francisco and borrowed the money from Fred Farrigori at Bank of America. He had asked me how much I needed, and I told him I needed a quarter of a million. We discussed it for a couple of hours, but he finally gave me the money.

I figured we would have to haul all the drums back. Then, all at once all the new drum companies were closed up because of a strike in the steel industry.

The companies started to look around, and realized that old Myers had *all* of the drums.

They went to the government and offered two dollars for each drum. The government said they were sorry, but Mr. Myers had a contract on all those drums.

China Trade

The major companies even went so far as to try to get the contract cancelled, since they badly needed drums for China. I found out later that they were shipping drums to China with kerosene inside and selling them for \$15 — plus the fuel.

Then, all the oil companies came to me and asked me how

much I wanted for the drums. Well, I said, I had paid 21¢ for each with a 10¢ overhead — that makes 31¢ — and I wanted at least \$2.00, so I said I'd sell them for just \$2.31. They fussed for a while, but they eventually bought them at my price.

Then, the problem was how to get all those drums out of Alaska. I hired Dean and Harry Griffin. Dean went up to Alaska, then came back and said all we had to do was charter the boats and the GI's would load the boats with drums for free — one boat actually had 96,000 drums on it!

In the meantime, I went to New York, since I owed the Bank of America so much money. At the time, I didn't trust any of the oil companies because they had tried to break my contract. So what I did was to have Dean up in Alaska, and Harry over in Hawaii.

We had it set up so that when a boat was in Alaska, both Dean and the captain were to phone New York — to the head office of the oil company. The oil company would then have to draw a check right away, or else I wouldn't let the ship leave port.

After I received the check, I would turn it over to Fred Farrigori. One day Fred called and said my loan was paid off, and I had another million dollars. Actually, we made over a million dollars in 90 days on this deal. We paid our taxes — \$600,000, and I had \$400,000 left for myself.

So we decided to buy 15 acres of land in Richmond to build a

new drum plant. I also bought another company, the Sutton Corporation.

Everybody figured old Myers would go bankrupt. The people didn't know that I didn't have any debts, and that the \$400,000 went directly into building the new plant.

Sorry, They Said

Now, I was ready to buy steel. I went to U.S. Steel, which had earlier promised me enough steel for 800 drums a day. But they said they were sorry, because of the shortage they couldn't make any commitments.

Then I went to Bethlehem Steel. We just had to get an allocation. I sent Harry and Dean back to Washington, but when they got back there, there was still no steel. So we sat there with that new drum plant for a year and a half.

Drum Operation Begins

All at once, a big government contract came along for 200,000 drums. Here was my chance. I would bid so low that no one else could get it. So I bid, and our price was way below the other bidders, and we got the contract.

I sent Harry and Dean back to Washington once again, and they *still* couldn't get any steel. Finally, I decided to go to Washington myself. I had lunch with Vice President Alben Barkley, who procured the steel for our company. This was the start of our new drum operation. *(To Be Concluded Next Month.)*

What's new in drums? One without corners, that's what. Here, two of the square models stand beside a couple of the more traditional round types. The square ones (because of the corners) are able to hold more liquid.



'Gib' Myers Reminisces

The Early Days at Myers Drum

This is the final part of a message on the history of Myers Drum Company, given recently by Gilbert "Gib" Myers, the vice president of Myers Drum, to their Management Club meeting.

When we started our new drum operation, we decided to set up some new goals, as well.

- We were going to produce a quality drum.
- We were going to provide service and delivery at a much faster rate than our competitors could.
- We were going to price our products competitively.

It had been the practice of the drum industry at that time to charge 15¢ extra for a clean drum. This involved cleaning the inside of the drum with a solvent, and wiping it dry. We decided that if a person bought a new drum, he was entitled to a clean drum without any extra charge.

To facilitate this, we designed a five-stage drum washer and phosphatizing unit to clean these drums automatically at the rate of 300 drums an hour while they were in the production line.

Since we were in the drum reconditioning business, we had a large number of trucks, which provided fast service to our customers. We were able to deliver drums anywhere with as little as eight hours notice. This brought us many new accounts.

Salesman Hired

As we grew larger, I realized that we didn't have any sales force in our company — I was the only salesman for Myers Drum and Myers Barrel. So I hired Ernest Thompson, who was general manager of a competing drum company in San Francisco. Ernie was a natural born salesman. He created a sales force with my help, and the company kept on growing.

Before long, we decided to enter the steel pail business, and so in 1950 we built another building in Richmond and installed a whole new pail plant. This proved successful immediately, bringing us enough business to keep it going five days a week.

In the meantime, our used drum and reconditioning divisions acquired two other companies, Acme Cooperage Company in Berkeley, and McGuire Company in Emeryville. This not only gave us more reconditioning facilities, but placed us in a position to service the product that we manufactured. This was unique to the industry in those days. From then on, when our salesmen called on customers, it was very easy to sell our products.

As we continued to grow, I used to play golf with a young man by the name of Jack Ashby from Kaiser Steel. Jack said one day he wanted KSC to buy all of my business, but I told him that wasn't possible.

I finally agreed to sell Kaiser one-third of our company, and thus made it a partner in Myers Drum. *(Editor's Note: KSC later acquired the remainder of the Myers Stock.)*

We soon decided that we needed to enlarge our Richmond operation, for business was now outgrowing the plant. So we doubled the size of the building, and put in a brand-new higher-speed drum line, which cut our costs further.

To Southern California

As we continued to expand, our customers asked us to open a new plant in Southern California, so I went to Los Angeles looking for a plant site. Ollie Hale of Kaiser Steel showed me all around Los Angeles and helped me find property to build that new drum plant.

Before long, the H. Levine Cooperage Company, the largest drum company in Southern California, approached me saying that they would sell their drum business to me. We finally made a deal which involved \$2.3 million. So I went back to Fred Farigori again at Bank of America (who had made a loan to us earlier) and asked him to loan me the money, which he did.

As we took over the Levine operation on the first day of 1959, one of the requirements was that we meet with our attorneys at Bank of America, where the money was to be ready. So I had the bank manager in Los Angeles call Fred to okay the funds. But that presented a problem. Their machines simply wouldn't print a

check for an amount higher than \$999,999.99. So finally they had to *hand-write* the check.

This made Myers Drum the largest drum reconditioner in the West. Then, another steel strike came along, but it found us in a beautiful position. We had made a lot of money, had a quarter-million used drums in storage, and had six months' worth of steel inventory.

Our competitors began closing down, but Myers never closed, and in fact supplied every one of its customers. This brought us many new customers, who have stuck with us until this day.

Eventually, we bought more drum reconditioning plants in California. In 1968, while I was selling the rest of Myers Drum to Kaiser Steel, I had been negotiating with Steel Container Company in Portland, Oregon to buy their facilities. This we eventually did, giving us a foothold in the Northwest.

Export Market

So much for the past. But what of the future? We have many more plans for Myers Drum, involving additional growth and the development of new containers. I see a great export market for food packed in drums over the next few years, and we shall be part of it. Already, we supply the petroleum, chemical and food fields, as well as much of the paint industry.

Tomato paste is currently packed primarily in California in 55-gallon drums, and shipped throughout the world. We also supply the containers for jams and jellies, 55-gallon drums in which fruit is preserved at the height of the season. Food manufacturing and processing will continue to expand in the future.

Strong Demand

It is a known fact that American industry uses containers in a variety of ways. For example, steel shipping containers are the best way today to pack products and get them shipped swiftly to customers. I would say that there is scarcely a thing you use in your home that didn't in some way come out of a drum.

With the energy crisis, new steel drums are going to become a lot more important. Farmers are now storing petroleum in drums so they can keep their equipment going. Commercial manufacturing plants are storing more and more materials in drums as a hedge against possible shortages.

I see a great future for Myers in the container field. We have developed a staff of young personnel who are really outstanding. We are also looking for further acquisitions of companies making new products.

I would like to congratulate all the Myers Drum employees who have contributed to the success of our company, and who will play a part in its future success as well.

I would also like to congratulate Jack Carlson and all of his top management for the fine job they are doing at Kaiser Steel, as well as for the help they are giving us at Myers Drum.

Well, that's it — the history of the company that bears my family name. It's quite a story — and really an unfinished one. Let's hope that at some time in the future, I can tell The *INGOT* readers how successful we were in the 70s.

Editor's Note: We are grateful to correspondent Shirley Reynolds for editing this series for publication.

Shown above is a part of Myers Drum's production line at their Oakland plant.

