

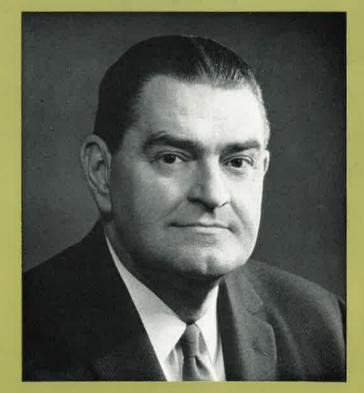
200thAnniversary P. Lorillard Company 1760-1960

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Lorillard and Tobacco

200th Anniversary
P. Lorillard Company

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Foreword

DECAUSE 1960 marks the 200th anniversary of the founding of P. Lorillard D Company, it seemed fitting for the Company to issue a Bicentennial Report: one that would record the entire Lorillard tradition of continual growth and honorable service over the span of the past two centuries. It is our hope that this report will serve to inform and interest our owners and friends today, and in the future perhaps, stand as a landmark in the area of commercial memorabilia issued by American business and industry.

A two-hundredth anniversary could easily be turned into an occasion for burying oneself in the past, and Lorillard has ample excuse to lose itself among the inlaid snuff boxes and richly scented Turkish cigarettes of past eras—P. Lorillard Company is older than the United States, taking its origin in the Colonial days of 1760 when British kings ruled the land. Following the discovery of tobacco in America, the "bewitching vegetable" rapidly grew in favor throughout the world. In America the growth of the tobacco industry has paralleled, and been a vital part of, the growth of our nation itself; and the history of Lorillard is virtually the history of the entire industry; for Lorillard is the oldest tobacco company in the world.

Lorillard has grown from a small, family-owned 18th century "manufactory" to the present great corporation with approximately 33,000 owners, its shareholders. This record of growth is more than just a history of a business. In a larger sense it symbolizes 200 years of free enterprise in the American tradition. It stands for two centuries of service and responsibility toward the American people (from Colonial days, through the Revolutionary War and the War Between the States, through every phase of our country's

great growth). It also represents 20 decades of steady corporate achievement which has brought, and will continue to provide, very real benefits to the owners and employees of the Company, and to the entire American

Thus, while we can enjoy this view of the past, and learn its valuable lessons, it is to the present—and the future—that we must look.

The character of our Company is formed of a double strand of equal toughness: Lorillard is tradition and progress. We need not work for the tradition—it is there, always giving us the solid backing of proven accomplishment. But the present must be won today—before the sun goes down and the future must be anticipated at the same time. Although we are proud to carry America's earliest tobacco name, we are more eager to carry on with America's newest tobacco ideas—as embodied by such major Lorillard cigarette brands as Kent, Newport, Old Gold and Spring.

Today Lorillard is producing the finest products in our history. We will produce better ones tomorrow. Throughout 1960 and the years ahead you may be sure that Lorillard will continue to be first with the finest cigarettes through Lorillard research. Lorillard's past has been characterized by renewal and revitalizations; in this sense of tradition does Lorillard look to the future, humbly and with gratitude to all of the people without whom this anniversary would have been impossible: The shareholders who have placed their confidence in this Company; the employees who have served it loyally and willingly; the smokers everywhere who have purchased and enjoyed our products. To all of them, thank you.

Lewis Sruber Chairman of the Board



Tobacco & Snuff of the best quality & slavor,
At the Manusactory, No.4, Chatham street, near the Gaol
By Peter and George Lorillard,
Where may be had as follows:

Cut tobacco,
Common kitefoot do.
Common fmoaking do.
Segars do.
Ladies twift do.
Pigtail do. in fmall rolls,
Plug do.

Hogtail do.

Prig or carrot do.
Maccuba fnuff,
Rappeedo.
Strafburgh do.
Common rappee do.
Scented rappee do. of different kinds,
Scotch do.

The above Tobacco and Snuff will be fold reasonable, and warranted as good as any on the continent. If not found to prove good, any part of it may be returned, if not damaged.

N. B. Proper allowance will be made to those that purchase a quantity.

May 27—1m.

Earliest known advertisement, May 27, 1789, of the oldest tobacco company in the United States ... the house of Lorillard, featured Indian trademark.

Lorillard Firsts & Milestones 1760

The tobacco industry in America is launched—after previous short-lived attempts—when Pierre Lorillard opens a "manufactory" in New York City to produce and sell tobacco products "of the best quality and flavor."

1787

Earliest known newspaper tobacco advertising campaign in the country is started by Peter and George Lorillard, sons of Pierre Lorillard.

1792

The Lorillard Brothers move their main factory to the banks of the Bronx River north of New York and, in one of the earliest industrial uses of waterpower in America, harnessed the swift-flowing waters to run the new mill.

1830

Lorillard pioneers America's first nationwide distribution of manufactured merchandise when United States postmasters stock and sell Lorillard products.

1840s

"Private label" tobaccos for dealers are introduced by Lorillard on a national scale.

1860s

Lorillard introduces the "tin tag" as the first use of an effective trademark on tobacco products to protect a national manufacturer against imitators.

1870

The Company moves its main manufacturing facilities to a vast, new plant at Jersey City, with the most modern facilities of its day.



1885

Lorillard begins the first "industrial baby-sitting service" when it hires sitters for children of women workers at its Jersey City plant.

1890s

Lorillard is absorbed into the giant tobacco trust, but still maintains its own corporate identity.

1911

The trust is dissolved: Lorillard gets back its manufacturing properties, and various cigar, tobacco and cigarette brands, and becomes the leading manufacturer of the then-dominant Turkish cigarettes, including Murads, Helmar and Egyptian Deities.

1926

The Company moves into the blended cigarette field with introduction of Old Gold. The new cigarette makes tobacco industry history with the "blindfold test," the first coast-to-coast radio hookup, the first cellophane package wrapper.

1929

Lorillard establishes one of the first research laboratories in the cigarette industry.

1930s

Lorillard recognizes the young, growing cigarette vending industry.

1951

Lorillard introduces a new method of cigarette sales in supermarkets, making use of self-service racks that sell cartons, half-cartons and individual packs.

1952

Lorillard introduces a revolutionary new filter with the debut of Kent with the Micronite filter.

1953

Lorillard introduces king-size Old Golds.

1954

King-size Kent is introduced.

1955

Old Gold Filter King is launched, giving Lorillard the first single brand-name "family" of three cigarettes.

1956

Lorillard opens the world's most modern cigarette factory at Greensboro, North Carolina.

1957

New improved Kent Micronite filter announced, and Kent becomes America's fastest growing cigarette brand; Newport, lightly mentholated filter cigarette with "a hint of mint," is introduced.

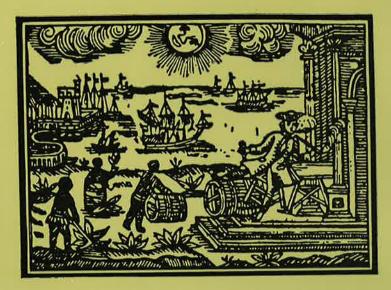
1958

Old Gold Straights are introduced and are the first new cigarette for the non-filter market in nine years; Old Gold Spin Filter is introduced; Lorillard inaugurates the first institutional corporate advertising aimed at a mass consumer audience in the history of the cigarette industry; Lorillard moves its headquarters office to "Lorillard Building"—brand new, blue-tinted 29-story skyscraper at 200 East 42nd Street in New York City; Lorillard has become the nation's fastest growing tobacco company.

1959

Madison, the extra-mild genuine cork tipped little cigar blended with fine Havana, is introduced; Spring, king-sized filter cigarette with "wisp of menthol" is introduced, featuring Lorillard-developed cigarette paper that gives uniform ventilation through microscopic openings in the paper; Lorillard expands its foreign operations with numerous licensing agreements throughout the world and increased direct export shipments; it forms whollyowned subsidiary, P. Lorillard Pan American Inc., to provide maximum service to Lorillard export customers and assure greater supervision of the Company's expanding international activities; Lorillard achieves record sales, earnings and dividends for the second successive year.





Petum optimum Supter Solem Lemellieur Tabac de sous le Soliel... The best Tobaccounder the Sun

"Petum Optimum Supter Solem"—the best tobacco under the sun. This is an early tobacco trade card from London.



Tobacco sign popular in the mid-seventeenth century (1650-1710) showing the chewer, the smoker, the snuff-taker.

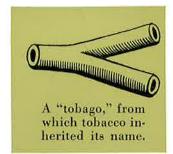
The Lorillard Indians



Since American Indians were the first to grow and smoke tobacco, it is fitting that P. Lorillard Company, as the country's oldest tobacco firm, acknowledge tobacco's debt to the red man. Lorillard always has done so, beginning with its first advertisement, continuing with those of recent years and dramatizing the association with a series of distinguished documentary films on Indian life. Some of its brands bore Indian names, and wooden Indians stood in front of the shops of Lorillard dealers. The Company's own trademark is an enduring tribute.

Two Indians are pictured on this trademark beneath the inscription, "Established 1760." One holds a calumet, the other a sheaf of tobacco leaves. Tobacco bales are their seats, and between them stand hogsheads of more of their race's gift to grateful humanity, hailed as "the Indian weed," "the soverane herb," and "that bewitching vegetable."

It was West Indies tribesmen who, when Columbus landed on San Salvador, offered him dried tobacco leaves as a gesture of friendship. The discoverer of America, being in search of a new trade route to China and gold, failed to appreciate the gift as more than a token. He threw away the leaves, which was



not only impolite but shortsighted, for there was gold to be made from good tobacco. Not Columbus but members of his party later discovered in Cuba the true use of the leaf. There they saw Indians smoking it in pipes, sniffing its incense through the hollow, Y-shaped tobagos that would give the herb its name, taking it as snuff, chewing it, twisting it into cigars, and wrapping it in corn husks to make a sort of cigarette.

Roderigo de Jerez, one of Columbus's sailors,

is credited with being the first white man to appreciate tobacco. Jerez took tobacco with him back to Spain and was the first to light up and puff in Europe. Frightened townsmen, seeing smoke pouring from his mouth and nose, called the police. The fumes smelled much better than brimstone, but this sailor was smoking like the devil, so the Inquisition arrested and imprisoned him for a time.

However, tobacco had been given its start, and its use spread across the Continent and throughout the world. Spaniards commenced cultivating the Indian weed widely in their American possessions, and English settlers in Virginia, finding the natives growing it there, followed suit.

Our two red men of the trademark obviously belong to a Virginia tribe, and they are symbols of the Old Dominion's great role in tobacco culture. Perhaps they are relatives of the beautiful Indian princess, Pocahontas, who married John Rolfe of Jamestown, whose experiments in growing seeds of the Spanish plant, milder and finer flavored than the local product, were of vast impor-

tance and helped save the struggling settlement. Just such a charming maiden as Pocahontas is pictured in the early Lorillard lithograph in full color on page 44. She is appropriately taking delivery of tobacco leaves from a white angel, since tobacco was believed to be the gift of the Great Spirit. In another Lorillard litho, Minnehaha, Hiawatha's sweetheart, appears against a background of a foaming cascade of laughing water to advertise a fine cut brand named after her.



From Virginia came the tobacco which that young French immigrant, Pierre Lorillard, stocked when he opened his tobacco business in New York town on the High Road to Boston at Chatham Street, now Park Row, in 1760. Some of it may have come from the plantation of George Washington who had shipped fifty hogsheads to England just the year before. Pierre was only eighteen, but he knew good tobacco and how to prepare and sell it. It came to him in puddings, with the cured leaves pressed and wrapped in linen covers and

bound with twine like a pudding ready for steaming. One such pudding was bought by the Lorillard Company as a relic in 1945 and it came high, as genuine antiques do—tobacco at \$20 a pound. From puddings Pierre manufactured both pipe tobacco and snuff.



Though Pierre Lorillard saw Indi-

ans on the streets of New York, they were northern red men, probably of the Iroquois Nation. It was when his sons, Peter and George, inherited the business that the house's Indian interest was carried back to old Virginia. On May 27, 1789, they published the earliest known American advertisement of tobacco—one of the first Lorillard "firsts." It shows a tribesman smoking a

long clay pipe while he leans against a hogshead marked "Best Virginia" and recommends Lorillard products ranging from cut tobacco, plug, and snuff to ladies' twist. All are stated to be "sold reasonable," and a money-back-if-not-satisfied guarantee is offered, surely one of the first in American business.

That hogshead and others like it, packed with best Virginia, had literally rolled a good deal of the way to the Lorillards in New York. After the leaf had been picked, stemmed, and cured,



it was prized—pressed tightly by levers—into the hogsheads. Headed, they were rolled to the road, and spikes driven into the heads. Shafts were attached to the spikes, a box fastened to the shafts, and horses hitched up in tandem. A driver mounted the rear horse, clucked to his team, and off the hogshead rolled on its own staves. Avoiding fording streams, which would damage the leaf and cause it to be classed as "ducked," he drove to a river barge or a port dock where the



hogsheads were rolled aboard ship and finally rolled ashore in New York.

Indians again became Lorillard allies when skilled American craftsmen, artists who carved figureheads for ships, turned their hands to wooden Indians. Big as life and bigger, or in miniature, they were painted in vivid colors. Warriors and maidens, they offered customers tobacco leaves or bundles of cigars with the same confidence of quality shown by Lorillard dealers in front of whose shops they stood. One heroic figure in Chicago, modeled after an Iroquois chieftain and dubbed Big Chief Me Smoke 'Em,

was so highly admired by members of his tribe that they paid regular visits to venerate him as their totem.

While living Indians retreated westward, their wooden images made a stand in the white man's cities and towns, but, they, too, faced battles. Drays or handtrucks moved some of them down. Others not chained to the storefront were carried off into captivity. Some were burned at the stake, so to speak, in coal shortages. Citizens who had imbibed too freely either were seized by the spirit of Indianfighting forebears and ferociously attacked a wooden red man, or draped themselves fondly on his shoulders to tell him troubles that had bored bartenders. The deadly aim of air rifles or slingshots in the hands of small boys caused many a wooden redskin to bite the dust or at least to rock on their pedestals. At last their stands were equipped with wheels, and they were trundled inside for the night, but even so they were doomed and began to dis-

appear in the 1890s, finding safety only in museums or private collections.

Wooden Indian maintains watch

in Lorillard N. Y. headquarters.

But the Lorillard Indians of the trademark, engraved on all the Company's stationery, deservingly survive to this day as the symbol of an old and honored firm.



The Period of the Pipe world. Sliced, shredded, or crumbled, tobacco was smoked in pipes of wood,

Though the crew of Columbus had found Indians using tobacco in every form we know today, it was the pipe that led the march of the leaf around the stone, bone, metal, and other substances, often wondrously shaped and carved and colored.

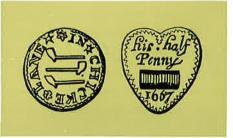
Pipe, snuff, chewing tobacco, cigar and the cigarette—these mark successive eras in American history and in the fortunes of the house of Lorillard whose products met the popular taste of the time. One period overlaps another, and every use of tobacco has its devotees now as it had in 1492. But each enjoyed its own heyday, and the pipe's was our great age of exploration and settlement.

Sir Walter Raleigh learned to smoke a pipe when the expedition he dispatched to Virginia brought back tobacco to England. By legend, he was puffing clouds from a pipe when, as the story goes, his English servant poured a pitcher of water or beer over him, thinking he was on fire. It is said Raleigh once persuaded Queen Elizabeth to try a silver pipe. However, many other smokers, male and female, enjoyed a pipe of silver or clay such as the yardlong churchwardens, so called because their length and dignity seemed to suit them to church officials. Pipe-smoking rapidly grew popular, though for a time it remained a rich man's pleasure, with tobacco worth its weight in silver. Tobacconists balanced it in their counter scales against silver shillings, and its cost would rate at about \$3 an ounce today.



Mid - seventeenth century ladies and gentlemen smoked pipes of all sizes, from long churchwardens to nosewarmers, and of many materials from clay to silver.

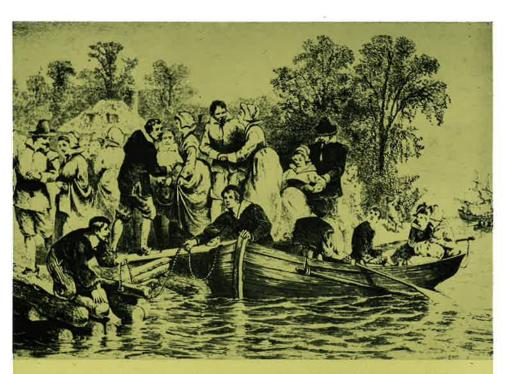




Over in America where the leaf was grown it was not so costly, but tobacco money was issued: silver coins stamped with pipes and tobacco puddings. Even in Virginia tobacco was dubbed the golden weed, and it was worth its weight in wives. In 1619 a shipload of English girls, "ninety agreeable persons, young and incor-

rupt," reached Jamestown, and eager bachelors paid 120 pounds of tobacco as the marriage fee for a bride. A second cargo the following year, "sixty maids of virtuous education, young and handsome," came higher at 150 pounds per helpmate and companion of joys and sorrows.

Virginia husbands lit up their pipes. So did the Puritans of New England in spite of the frowns of ministers and magistrates, and so did the Pennsylvania Quakers regardless of William Penn's disapproval. In New York, Pierre Lorillard dealt in pipe tobacco, and his mixtures filled the churchwarden pipes that smokers took from the tavern racks, and also short clays, fittingly termed "nose-warmers."



Wives for the settlers of Jamestown. Would-be husbands paid 120 (later 150) pounds of Virginia tobacco as a marriage fee for a bride.

As the pipe went west with American frontiersmen, Peter and George Lorillard, sons of the founder, hit upon a brilliant idea. They had broadsides printed, listing all their products, and sent them out to every postmaster

WHOLESALE PRICES

OF DIFFERENT KINDS OF

SNUFF AND TOBACCO,

MANUFACTURED AND SOLD BY

PETER & GEORGE LORILLARD,

No. 42 CHATHAM-STREET.

New-Fork.

First quality Maccoboy .	174	1.61		ų.	30 ce	ats per l	b. or 2:	cents per b	ottle
Second do. do	114	12 62			28	do.	2	do.	
Third do. do					26	do.	11	9 do.	
Tuberose, a Coarse Souff					50	do.	54	0 do.	
No. 20, a coarse flavoured d	lo.	13.63	8		50	do.	50	do.	
Coarse French Rappee do.					30	do.	3	0 do.	
Fine Rappee						do.	10	8 do.	
Common do		1 5	- 21		20	do.	1.	5 do.	
Bourbon, a Coarse do	50				50	do.	54	0 do.	
Strasburgh					50	do.	5	0 do.	
Saint Omare	V		9	18	760 0	· / //	6 5	0 do.	
Maltese								5 do.	
Sicily	- 89				A (8)	St. St. 327	. 7.	5 do.	

YELLOW SNUFF.

	Scotch, in bladders				s per lb. or	19 cents	per bottle			
Second do.	do. or Half Toast			16	do.	18	do.			
Third do.	do. or High Toast			15	do.	15	do.			
Fourth do.	Common			12	do.	12	do.			
Irish High Toast, such as is manufactured by Lundy Foot										
& Co. Di	ablia			•		40	do.			

CUT AND TWIST TOBACCO.

First quality	n sn	nali	pap	ers				22 cents pe	er dozen,	or 20 cent	s per 1b.
Second do.		do.	٠.					20 de) .	18	do.
Third do.		do.						18 de	o.	16	do.
Smoking, in I	muo	d pa	per							7	do.
Do. in	arge	pa	pers					40 cents pe	er dozen		
Ladies' Twist	, sm	all r	olls	in	ke	gs				25	do.
Pound rolls, i	a ke	23 0	f 10) 11	08.	٠.				16	do.
Rolls and Tw	ist fi	om	8 to	10	169	j.				15	do.
Spanish Sega	rs							from 10 to	15 dollar	s per 1000	
Mild Kitefoot	do.					٠,		3	do.	do.	
Common do.								2	do.	do.	
Spanish Cut								40 cents pe	er lb.		

Terms for Cash, if a bill amounts to \$30, 2 per cent. discount. if a bill amounts to 50, 4 do. do. if a bill amounts to 100, 5 do. do.

N. B. The Half Toast and High Toast Scotch Snuff are calculated to suit those who are accustomed to the use of Philadelphia Snuff: we sell it at nearly first cost.

 $\hfill\Box$ The lowest price Cut Tobacco warranted as good as any manufactured, except the sort we sell at a higher price.

BEWARE OF DECEPTION.

Several persons in different parts of the United States, are in the dishonourable practice of using a label in limitation of ours, which we have used upwards of fixenty-five years, and which can be for no other purpose than to deceive. Many are also in the habit of purchasing our genuine Maccoboy, (as we are the only inventors of that kind of Souff,) and mixing it with Souff of their manufacture. The only motive we have in making this publication, is to caution our customers against deception in the purchase of Souff and Tobacco. We have three different kinds of Maccoboy, and also, three kinds of Scotch Souff in Bladders, and sold as low as any offered.

Direct mail advertising by Peter and George Lorillard, 1830. This broadside, sent to post-masters, helped achieve "national" distribution for a product via United States post-offices.

in the United States. They were well aware that the post office was a center of community life, that citizens frequently dropped in for their mail, and that the postmaster was an important fellow who made friends and influenced people.



Early country store and post office.

Would the distributors of letters for Uncle Sam also handle Lorillard tobacco? Hundreds of them would and did with pleasure and profit. Here was a stroke of genius in American commerce; in effect, a forerunner of direct mail advertising and a sort of mail-order business. Here also was the origin or at least a prime stimulus of the country store. If the postmaster had dealt in food and hardware before he heard from the Lorillards, now he was encouraged to branch out from tobacco into other goods. People going for their mail at combined post offices and country stores today still buy Lorillard tobacco there, and cracker-barrel congresses smoke and chew it while they settle the affairs of the village and the nation.

When the republic was young, the Lorillard idea was a particular blessing to outpost communities. At the post office-store, frontier folk purchased or bartered for their tobacco and other needs. One of the most famous frontiersmen of them all, Daniel Boone, could find in settlement stores the wherewithal to fill the pipe he is credited with inventing—the corncob. That cheap and handy pipe gained still more prestige when the wives of two Presidents smoked it in the White House: Mrs. Andrew Jackson and Mrs. Zachary Taylor.

The pipe always has been a favorite with authors. Tennyson ordered medium-length clays by the gross, and Kingsley by the barrel. Mark Twain, who declared he smoked only once a day—"all day long"—hired a man to break in his pipes.

A pipe, packed with India House, Briggs, Friends, or Union Leader, remains a popular smoke to this day. These fine smoking tobaccos are still an important part of Lorillard's business.

The Era of Snuff

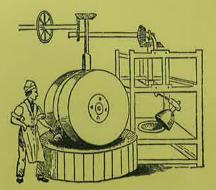
Snuff, described by a poet as "the final cause for the human nose," began to come into fashion about 1700 and claimed that century and some of the next for its own, largely supplanting pipe-smoking for a time. Snuff-takers saw the struggle between Britain and France for America, the American Revolution and the beginning of our nation, the French Revolution and the birth of the French Republic.

Devotees of snuff tendered each other a pinch from their boxes with more ceremony than graced the handing about of a peace pipe. Sniffing it up their nostrils, they sneezed with satisfaction and eclat. Snuff, becoming the height of fashion, was celebrated by one fair user in a rhyme:

"She that with pure tobacco will not prime Her nose, can be no lady of the time."

Because snuff was the vogue in France and England, its use quickly spread through the American Colonies, and it continued to be the style in the United States when Dolly Madison tendered it elegantly to guests in the White House and served the popular new dish called ice cream.

Snuff was a specialty of the first Pierre Lorillard and a foundation of his successful venture in the tobacco business. Tolerable snuff could be made by rubbing tobacco to a powder through a grater, but the young French-American manufactured his quality product in a mill with revolving stones, at first operated by man- or horse-power. Soon his recipes for a dozen differ-



(Left) Snuff mill of the type set up by Pierre Lorillard in 1760. The snuff was pulverized to powder form by the action of revolving stone wheels turning upon a third stone wheel cut out like a basin. (Right) An early artisan grates snuff by hand.



ent varieties became celebrated, and competitors tried to guess their ingredients, closely guarded trade secrets. In an old manuscript one rival gives directions for making Lorillard's genuine maccoboy snuff and advises that "by observing what kind of tobacco Lorillard buys at auction or at private sale, the right complexion of the leaf can be come at." Still attempts to imitate usually failed, and it is easy to understand why in view of the careful processing required by Pierre's recipe for Paris rappee snuff:

"Take a good strong virgin tobacco without stems. Cut this in pieces and make it wet (probably with rum) in a barrel. Set it in sweet (sweat) room at 100 degrees for 12 days. Make into powder, let stand three to four months, adding $1\frac{1}{2}$ pounds salmoniac, 2 pounds tamarind, 2 oz. vanilla bean, 1 oz. tonka bean, 1 oz. camomile flowers."

Snuff was the occasion for the first innovation in Lorillard's long list. To keep it fresh Pierre originated the idea of putting it up in animal bladders, dried and tanned like parchment. Although attractive snuff bottles later were adopted, the bladders remain famous as the forerunners of cellophane which, generations later, the firm would be the first to use on packages of cigarettes to preserve their freshness.

Pierre's expanding business activities were hampered as waves of Revolutionary War events washed through New York. He had to grit his teeth when Hessian soldiers took up quarters in his parents' home outside of town, to which the patriotic Pierre had fled from the Tory occupied city. Perhaps he showed his resentment. In any case there was an explosion of violence—and Hessian soldiers killed Pierre Lorillard, the Huguenot who had come to the New World to find freedom and opportunity. Pierre's widow dried her tears and struggled heroically—and successfully—to hold the business together until her two small sons would be old enough to take over. The

two very young men graduated as fast as they could from running errands to becoming enterprising businessmen.

Presently P. Lorillard Company was more prosperous than ever and Pierre's sons, Peter and George, then decided to move their factory ten miles north of New York City to the woods of Westchester, and there Lorillard enterprise was once more signally displayed. In one of the early and most efficient developments of water-power in America, they harnessed the Bronx River to turn the wheels of their new snuff mill. A fine, swift flow of water, tumbling through a gorge, never failed. Even in the dry summer of 1798, there was no water shortage, but eleven and one-half million gallons raced by every twelve hours, nearly forty times the amount then required for New York's daily needs.



Bottle of snuff, bearing the Indian trademark, marketed by Lorillard in 1832.



Now a part of The New York Botanical Garden, restored Lorillard Mill, on the banks of the Bronx River in New York City, has been converted to a restaurant and stands as a living monument to the oldest tobacco name in the annals of American business.

That sylvan site was, and is, a charming spot. The original wooden mill was replaced by one of native field stone, built by Peter Lorillard about 1800. Standing in the picturesque gorge of the Bronx River, in what is now the New York Botanical Garden in Bronx Park, the ancient stone mill which over a century ago was the heart of the great tobacco empire, has now

been restored as an attractive public restaurant, with a broad outdoor terrace fronting the river, and a club room and meeting place for garden and other groups. A landmark in the tobacco history of America, the structure was formally dedicated on April 10, 1954, as a living monument to the nation's oldest tobacco company.

Lorillard snuff—black and yellow—maccoboy, salt, and sweet —was shipped from the mill throughout the country. Undoubtedly some of its brands filled the handsome boxes which to this day flank the rostrum in the Senate chamber in Washington.



Plaque acknowledges role played by Lorillard in the restoration and reopening of the old Mill.

Ultimately P. Lorillard Company stopped making snuff, but the name remains on brands now manufactured by another firm. Today Peter Lorillard's famed "Acre of Roses," the garden from which flowers were taken to perfume the snuff made at the mill, is part of the New York Botanical Garden.

Some snuffers preferred to dip—moistening a stick or twig, dipping it in snuff, and chewing it—and still others placed a small amount in their mouths, between gum and cheek, to dissolve. Snuff's popularity never has quite departed, particularly in the South, and it has seen a revival in recent years in factories where smoking is a fire hazard. But its great day had vanished some years before Peter Lorillard died in 1843, an event noted by Philip Hone, a Mayor of New York, in his famous diary under May 23rd:

"Died this morning at his seat in Westchester County, Mr. Peter Lorillard . . . in the 80th year of his age. . . . He was a tobacconist, and his memory will be preserved in the annals of New York by the celebrity of 'Lorillard's Snuff and Tobacco.' He led people by the nose for the best part of a century and made his enormous fortune by giving them to chew that which they could not swallow."



Peter and George Lorillard,
No. 30, Chatham fireet, near the Goal,
TAKE this method to inform their cultumers,
that they have erected mills for the purpose
of manufacturing Scotch and Rappee Snuffs, of
which they have a large quantity ready for sale,
warranted equal in quality to any on the continent.
They have likewife, as usual,

The following kinds of Tobacco and Snuffs, viz. Best cut tobacco for chewing and sanaking; Kinetoot and common smooking tobacco; Segars, pigtail and plug tobacco.

Macoboy, raspee, rappee, Strasburgh and Curra-

They can make a variety of other kinds, if apblied for.

Should any of the above tobacco or fauffs not be approved of after bought, the purchaser may return it in whole or in part, and the cash will be delivered.

ALSO,

They have for fale, a fituation for a mill, with tor without a few acres of land, on that never failing ttream. Bronk river 34 miles from this city, across Morrifina, and one mile and an half from the landing August 35.

Early Lorillard advertisement offered for sale a mill site on the Bronx River in New York, which was part of an estate the Company purchased.

Chewing Tobacco's Day

(0000000

The United States, and with it the house of Lorillard, was growing and prospering when Americans took another leaf from the Indians' book of tobacco uses and began to chew. Clipper ships were carrying our commerce around the world, and their crews found it hard to keep a pipe going on deck and were seldom snuffers. Eagerly they took to the custom of chewing tobacco—a trend recognized by Lorillard which named a brand Sailors Delight.

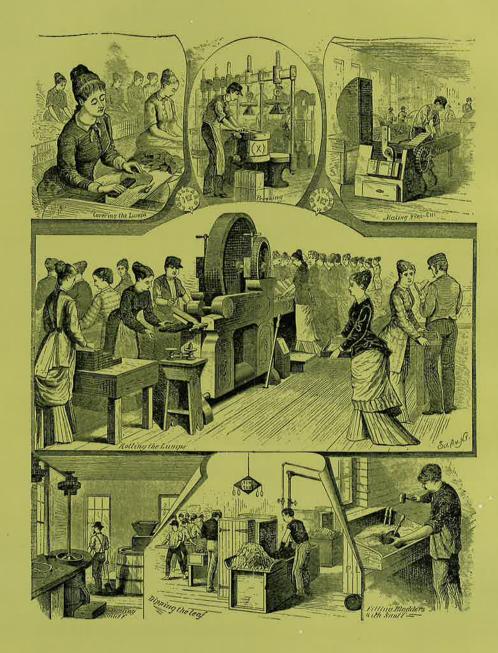
It was windy on the plains, too, and frontiersmen, pushing our frontier farther westward, favored "eating" tobacco also, though neither of the older tobacco uses was abandoned. As has been mentioned, they all overlap, and on one occasion almost all of them were combined in a simultaneous performance by one person, a South American who placed snuff up both nostrils, stuffed them with shag tobacco, put a coil of pigtail tobacco in each cheek, and lit up a Havana cigar.

In the first half of the nineteenth century when chewing tobacco began to be popular in the United States, it was sold loose in bulky packages. Then came the idea of moistening dried tobacco leaves with licorice and sugar and moulding them into lumps, more conveniently carried in pockets. Later on "flat goods" were developed when the lumps were sprinkled with aromatics such as rum, sweet oil, and spices and pressed into long rectangles which were sliced into plugs.

Chewing tobacco was a major product of the factory the Lorillards built in Jersey City, New Jersey, and the firm became a leader in that line. Girls in long gowns with bustles busily wrapped the plugs or packed them in boxes which were branded with a hot iron or stenciled with the Lorillard name.

And there was a great deal in a name, as customers insisted when unscrupulous dealers sold them inferior plugs, slipped into a Lorillard wrapper or box, or cheap snuff put out by slick and sly competitors in imitation. The Lorillard Company was badly worried until about 1870 when the third Pierre hit on the answer by good luck—by one of those accidents which a resourceful businessman can convert into a stroke of genius.

Looking over a day's output of chewing tobacco, Mr. Lorillard spotted a piece of tin packaged with a plug. Aroused to indignation, he made a note to fire the inspector; it would never do to have a loyal chewer of his plugs clamp



Lorillard's "ultra-modern" tobacco factory in Jersey City, New Jersey, was considered a showplace of its age and time—the late nineteenth century.

down on scrap metal. Adjourning to the office, he there found another complaint about imitations of his plugs. Now that bit of tin . . . couldn't it be made into an identification instead of a mistake, a tag instead of a tooth hazard? He ordered discs with prongs stamped out of tin and marked with his name and the brand. Clamped on each plug, they staked a rightful claim.

The first Lorillard plug to wear the novel disc was a brand suitably dubbed Tin Tag. Although the device had been patented, other manufacturers appropriated it as filling a long-felt need, and even makers of licorice bars for children began tagging. Firmly defending Lorillard tin tags used on plug tobacco to discourage imitation.

their own, the Lorillards in 1885 brought suit for infringement in the U. S. Circuit Court for the Northern District of Illinois where they duly deposed that:

"They are now, and for many years have been extensively engaged in the production and sale of manufactured tobacco; that their business was established upward of a century ago, to wit, about the year 1760, in the city of New York, and that from said date until the present time the business so established has been successfully carried on without interruption or substantial change, and is now a source of great profit. Indeed so successful has the said business become that your orators produce and market nearly twenty millions of pounds which is a very large proportion of all the plug tobacco sold in the United States; they have paid in Internal Revenue taxes about thirty-eight millions of dollars, and their goods are everywhere recognized to be of standard excellence, particularly the plug tobacco which enjoys and has heretofore enjoyed a higher reputation in the market and with customers than any other plug tobacco that is made."

While the Lorillards put facts that were first-rate promotion on the record, they lost the suit when the court ruled that the tin tags were not patentable.

Next various plug tobacco companies began offering premiums—prizes for customers turning in so many tags from their brands—but that stunt backfired badly for one firm after a gang of small boys discovered that the company had disposed of its redeemed tags by throwing them into an old well. From the bottom the enterprising youngsters fished 25,000 tags which they turned in again. Before their treasure trove was exhausted, they collected all the prizes in the catalogue.

A happy farmer explained his swollen cheek in a Lorillard advertisement, "It ain't toothache—it's Climax." The distended cheek was a national characteristic when the plug was in its prime. Charles Dickens and other foreign visitors objected vehemently to the profuse and careless spitting they encountered, and the novelist declared that he could not understand how Americans had won their reputation as riflemen, judging by their poor aim when they spit. However, Boz never saw such a marksman as the cowboy chewer who, sighting on a cuspidor twenty feet away, lived up to his word when he reassured a man

It ain't toothacheIt's

CLIMAX

seated between him and his target, "Sit still, stranger, I'll clear you."

Plug slowly faded as a favorite form of tobacco, and the ashtray supplanted the cuspidor, once an essential piece of furniture everywhere from the halls of Congress to Pullman cars. But many a chewer refused to abandon his plug; as late as 1894 the Lorillard firm met the demand by producing 20 million pounds of plug tobacco.

A reporter for The New York Sun confirmed plug's popularity and at the same time handed the Lorillard Company some splendid, free publicity, when he interviewed Thomas A. Edison in his New Jersey laboratory. Escorted on a tour by the electrical genius, the reporter saw him put out his cigar and ask an employee for a chew. From a drawer was produced a large golden-hued cake of plug, and as the inventor took a bite, he remarked to the newspaperman:

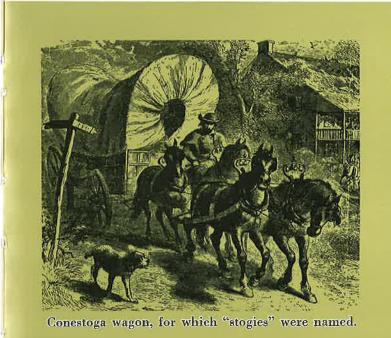
"Your paper ran an article saying I chewed poor tobacco. The Lorillards saw the story and sent me a whole box of the best plug that ever went into a man's mouth. Everybody around here is using it now, and I have noticed a marked improvement in the attitude of the men."

Today loose-leaf chewing tobacco is favored over plug and among the most popular brands with chewers are P. Lorillard Company's Beech-Nut, Bagpipe and Hayana Blossom.

Chewing tobacco had held the national stage when President Jefferson put through the Louisiana Purchase, but it yielded the limelight when the United States faced south again, and our armies moved into Mexico, land of the cigar.

The Cigar on the Scene

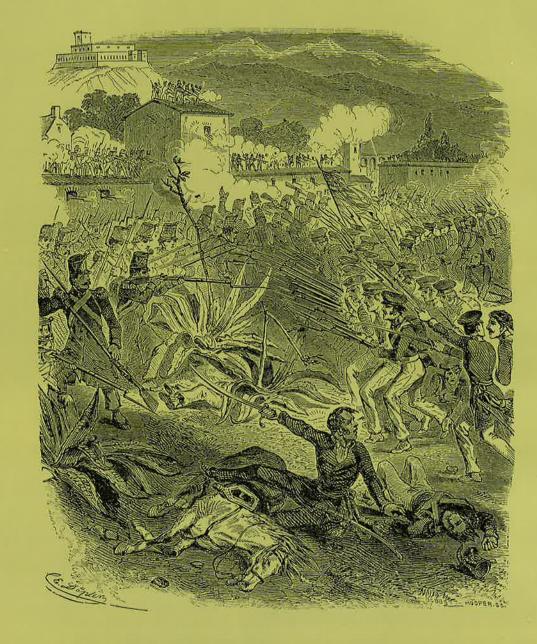
It is a proud boast of Lorillard, and only the oldest tobacco company in the United States can make it, that its products have served our Armed Forces in all American wars. Among its brands have been Army & Navy, Sailors Delight, and Union Leader (current today). Launching the last-mentioned, the firm announced—long before unification—that "The strength of the United States today lies in the union arms of her soldiers and sailors."



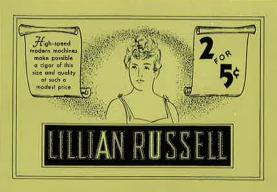
The Mexican War popularized cigars when our invading troops began smoking cigarros and cigarrillos south of the Rio Grande. Americans, making their own, took to puffing long nines, short sixes, and supers. The country's aspirations which had veered southward for a time, took a westward course again with the horse- or oxen-drawn covered wagons. Jutting out from drivers' faces were foot-long stogies, which took their name from the Conestoga wagons which they drove. Those wagons were often filled

with Lorillard tobacco for use or trade in the just-opening West.

Imported from Cuba or manufactured here with Havana fillers, the cigar gained social standing and became a symbol of prosperity. For a period it was more collegiate than the pipe and had still to be outrivaled by the cigarette. George Sand, the authoress, smoked cigars, and the poetess Amy Lowell laid in such a huge supply that many survived her when she died in 1925, but women as a rule left them to the men, who were banished to smoking rooms lest cigar smoke linger in feminine curls or parlor draperies.



Our army contacts with Mexican customs led to quick U. S. popularity of cigars.



A Lorillard cigar brand of the late nineties.

In the Civil War General Grant flourished a cigar stub like a baton when he captured Fort Donelson, and forthwith admirers showered him with gift cigars, estimated as high as 30,000. The French Marshal Prim presented Napoleon III with 20,000 cigars, stamped with the imperial "N," packed in inlaid cedar boxes and valued at \$150,000.

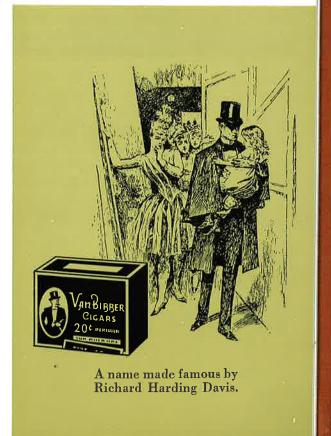
To have a cigar named for you was a mark of fame. Artists and lithographers were in great demand for the portraits and decorations adorning the inside of cigar box covers and the bands. Box wood costs increased till Lorillard, once more pioneering, eliminated them and introduced the first fiber boxes.

Sweet Moments, Two Orphans, and Old Virginia Cheroots were early Lorillard brands. Later came Muriel and Van Bibber, the latter a slender cigar with an air of elegance named after the debonair hero of stories by Richard Harding Davis. Mr. Van Bibber, a man-about-town and constant theater-goer, often sauntered back-stage and into the star's dressing room, where he lit a cigar between the wires of the gas-burner and left it half-smoked in the ashtray when he hurried back to his seat to watch the next act.

That hard necessity—abandoning a good cigar during the intermission—was a great annoyance to theater patrons. Many a lobby smoker, summoned back by the curtain bell, took his last few puffs so frantically that he had the appearance of a fire hazard. A happy solution was reached with Between the Acts Little Cigars, packed in a small and handy tin box.

The little cigar was a strong hint of things to come, and the succeeding years saw tremendous changes in the career of our nation—and in the uses of tobacco. This nation weathered a great war, a great depression, another great war; all the time growing greater, more prosperous and more mature as it faced up to grave responsibilities in an age of electrons, jet flight and invasions of space.

In 1956, Lorillard sold its regular cigar





lines, partly in deference to changing consumer tastes, but mainly because it preferred to focus its major time and effort on what had now become its main business—cigarettes. However, in the sale, Lorillard retained the popular Between the Acts, and marked sales increases of this brand in recent years serve as proof of how well the little cigar had anticipated the contemporary mood. Thus encouraged by Between the Acts, Lorillard added a companion little cigar brand, Madison, in 1959.

Lineal descendants of the urbane Van Bibber, the young executive and university undergraduate, have exchanged the starched collar and hansom cab for the buttoned-down collar and sports car, welcoming the modern masculinity of the little cigar that gives a flavorful ease to a tough conference moment and makes efficient use of the break between classes. Capturing the adherence of these men in motion, Madison won an immediate market which, together with the renewed success of Between the Acts established Lorillard more solidly than ever in the little cigar field.



Cigars and all other tobacco products are much more than a matter of tobacco. Paper has long played its part in tobacco's history. It banded cigars, and after the introduction of matches, it permitted expansive contemporaries of Van Bibber to make a flourish by lighting their cigars with it. Paper has served more seriously for wrapping and packages, while twists of paper, kindled in the hearth, fired the filling of pipes, and then, of course, paper allied itself with tobacco to give us the cigarette.

The Cigarette's Show

A flash and a roar, and a cannon ball smashed into the battlements of Acre, as an Egyptian army under Ibrahim besieged that old stronghold, held by Suleiman Bey and his Turks in the year 1832. But the artillery of Egypt, laying powder trains to the vent holes of their guns, could deliver only a slow rate of fire, until a clever gunner hit on the device of rolling the powder in handy paper spills. Then the cannonade grew so rapid that the delighted Ibrahim sent the efficient gun crew a gift of tobacco.

The cannoneers enjoyed it, passing around the one pipe the squad owned and puffing it in turn. But a Turkish battery lobbed in a ball that shattered that one and only pipe. Disconsolate Egyptians would have been smokeless if that same bright gunner had not picked up some of his paper spills, rolled tobacco in them instead of powder and offered his fellow artillerymen this early version of cigarettes.

Demolished pipes were again an opportunity for the cigarette in the Crimean War of 1854 when the clay of many a British soldier was crushed in the course of hard campaigns. But Turkish and French allies were able to come to the rescue of the Britons and teach them how to roll cigarettes. Carried back to England, the new smoke helped set a fashion and was joyfully adopted by American visitors who took it back home. The cigarette, born in the smoke of battle, was encouraged in its career; and the battling of anticigarette forces, arraying themselves against it, could never defeat it.

Actually cigarettes of a sort, or various sorts, had been known before the enterprising artilleryman devised his smoke. The Indians were smoking reeds filled with tobacco, and crude cigarettes with corn wrappers. Spaniards developed paper-wrapped cigarettes called papeletes in the early seventeenth century. The papeletes filtered through to Portugal and spread into the Orient through that country's world trading activities.

Cigarette smokers in the United States began by rolling their own, and Lorillard provided them with the "makings" in excellent, inexpensive fine cut tobaccos such as Ante, Caboose, Golden Floss, and Comet. Though the deftest rollers could manage in a high wind, the average smoker welcomed the advent of factory or tailor-mades. The original filling of straight domestic tobacco, bright flue-cured, came to be blended with the Turkish variety.



Lorillard brands went oriental in fact and in name: Egyptian Deities, Helmar, Murad, Mogul, Turkish Trophies. Gods of the Nile, harem beauties, and potentates appeared on boxes. The short, convenient cigarette was welcomed not only for its smoking pleasure but for its social value. Shy folk lit one up in embarrassing situations, and Lorillard took note with its memorable advertising series: "Be Nonchalant—Light a Murad."

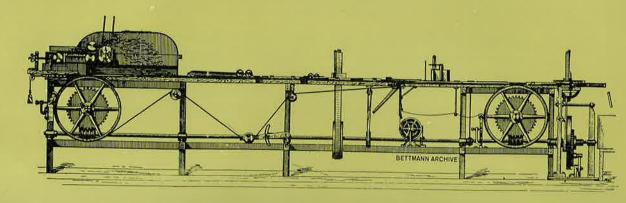
Selling cigarettes brought the age of premiums to maturity. It had begun when salesmen presented dealers with lighter devices and clocks along with displays, and it boomed when tobacco companies offered customers in exchange for brand coupons a vast variety of presents, ranging from shoelaces, garters, and silk stockings to lamps and hand-cranked washing machines.

Seldom have premiums caused such furor as the sales spur devised by Lorillard to signalize its hundredth anniversary in 1860. In honor of the occasion the Company brought out its Century brand, a fine cut tobacco well suited for the hand-made cigarettes of the time. Into a random package of each day's production of Century was slipped \$100 in currency—perhaps a single note or fifty \$2s or any denomination between them. Fortunate purchasers who hit the jackpot and others who kept trying, deluged smokers of the family with Century, until the authorities criticized the practice as too close to a lottery.

Also costly but highly effective were cigarette trade cards, placed in each

pack. Engraved or printed, paper or cloth, they were a riot of color and covered every subject under the sun. "A man bought not so much a box of cigarettes as a Yale pennant, a miniature oriental rug, a silk flag, a map of Portugal, or a picture of Lillian Russell," writes Joseph C. Robert in The Story of Tobacco in America. (New York. Knopf. 1949.) Lorillard cards featured actresses and queens, athletes and Indian chiefs, banners and mottos, fruits and flowers. birds and beasts. The cards





Early (1884) cigarette making machine turned out 50,000 cigarettes in a day's work.

roused the collecting mania, and they were briskly traded or pasted in albums.

With the invention of a marvelous machine for making cigarettes, an era of plenty appeared. Early models with an output of a few hundred cigarettes per minute were improved until today they turn out 1,200 per minute, whereupon another extraordinary contrivance takes over to package the cigarettes in cup or crushproof box, foil and cellophane. One billion cigarettes were produced in the entire United States in the year 1885. More than that amount is now smoked *daily*.

Lorillard held a dominant position in Turkish cigarettes when blended cigarettes of domestic and imported tobaccos became popular after the First World War. It responded to the new demand by introducing the blended Old Gold in 1926.

The brand name, Old Gold, dates back to the period when P. Lorillard Company joined a powerful combination, the great tobacco trust known as the American Tobacco Company, but did so with the understanding that it retain its separate corporate organization and its title. In 1911 the U. S. Supreme Court ruled that the combine was a monopoly and ordered it dissolved. Lorillard was re-established as an independent concern and was given back the rights to many of its own brands, along with a tobacco brand named Old Gold.

That was the brand name chosen when Lorillard entered the blended cigarette field in 1926.

By this time brands of blended cigarettes were already deeply entrenched in consumer markets. Brand habits and loyalties had been firmly formed by great masses of people. Hence, when Lorillard did move into this already highly competitive market, its planning and execution had to be both original and bold. As a matter of fact, many of the now accepted advertising and merchandising techniques were conceived and born during this introductory period of launching Old Golds.

Large-scale consumer testing first saw the light of day when Lorillard went to the public to determine the cigarette blend that should eventually

become Old Gold. Numerous distinctive new blends were created and rolled in plain cigarette paper. Then the Company bought up quantities of competitors' cigarettes and rerolled these cigarettes also in unmarked paper. The various cigarettes, thus identified only by a secret key symbol on each, were enclosed in unmarked packages and presented to thousands of smokers throughout the country. Pick your favorite, please, Lorillard asked, for taste, flavor, and aroma, and report it by symbol.

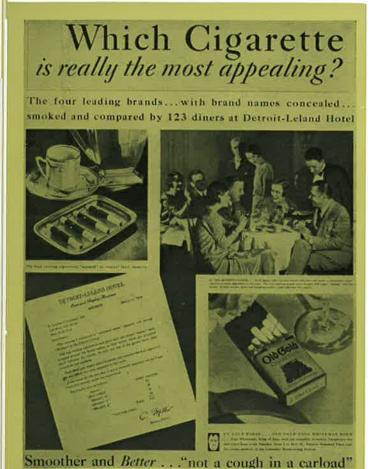
Returns came in so strongly in favor of one of Lorillard's new blends that there was no question of the samplers' preference. Named Old Gold after the old Southern belt of Virginia where the rich golden tobacco was grown, the new cigarette was aggressively introduced in New England, as a test market.

The well-remembered Old Gold "Blindfold Test" followed the first sampling. Old Gold and three leading brands were bound by a numbered outer wrapper which concealed their names. Guests at hotels and restaurants were asked to try them, make note of the one they liked best, then remove the

wrapper. Not only did this "prove it yourself" method click with the public, its dramatization in the printed press paved the way for expansion across the country. The smokers' overwhelming endorsement of Old Gold helped give it the momentum that, by the early 1930s, made it one of the country's leading domestic cigarette brands.

For some years the cigarette market enjoyed a steady placid growth—and Old Gold (by now entrenched as one of the industry's leading cigarettes) shared in this growth. As a matter of fact, Old Gold sales increased with almost monotonous regularity through most of the changes that lay ahead, right through the great depression, the Second World War and well into the post-war period.

But gradually, and almost imperceptibly, as the economy changed, consumer tastes began to shift. The "economy brands" and the first king-sized cigarettes made their appearance in the 1930s. The economy cigarettes were a depression phenomenon, rising in sales as the economy faltered, declining by the beginning of the 1940s

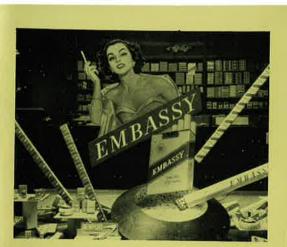


In an early campaign, Old Gold emerged as the undisputed winner in "blindfold" tests. and falling off sharply at the end of the war. They won an extended lease on life during the war because some smokers used them to supplement the war-limited supply of their favorite brands, but they carried a stigma of the bad old times and fell into insignificance as soon as smokers could buy as many of their favorite cigarettes as they wanted.

The progress of the king-sized cigarette was very different from that of

the economy brand. Although it was introduced back in 1934, the king size remained modest in sales until the mid-1940s when suddenly it became the "hand-writing on the wall" for the cigarette industry. Breaking free after the war restrictions on new developments, P. Lorillard Company introduced the king-sized Embassy in 1947.

In its attractive red and white pack, Embassy made a promising start in the domestic market but its popularity overseas soon made it one of the Company's leading export brands, while other Lorillard cigarette brands met the demands of the domestic market.



Window display of king-size Embassy.













In virtually every language and every country, the Kent story was heard—and heeded by smokers. In the eight years since Kent was introduced, filters have grown from less than one per cent of the market to half of all U. S. cigarette sales.

The Filter Trend

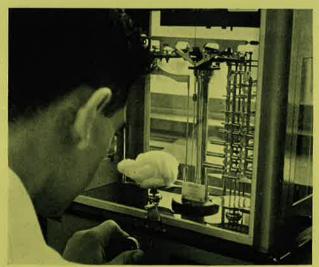
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In the mid-1950s came the next dramatic shift in the world of tobacco. Just as snuff gave way to the pipe, and as the cigar moved over for the cigarette, as Turkish stepped aside for the domestic blend, so in its turn did the filter cigarette appear on the scene and take over.

Here again Lorillard led the way, writing another major chapter in tobacco history: in March of 1952 Lorillard took the step that was destined to transform the whole industry, launching its new cigarette brand, Kent, with its now famous Micronite Filter, the forerunner of the now-legendary "filter landslide."

Behind this public event was a research, manufacturing and sales operation that rivaled classic military actions in strategic planning and secrecy. It was in 1951 that Lorillard first took serious note of the growing rend to filtered smoking abroad—in Switzerland and elsewhere. Despite the fact that filter cigarettes accounted for less than one per cent of all American cigarette sales of the time, Lorillard rapidly became convinced that the filter cigarette would play a major role in tobacco industry annals. Investigation turned up a revolutionary new filter material which was being used to screen out radioactive dust in atomic plants. When the secret material was declassified, Lorillard moved fast, obtained samples and subjected them to rigid scientific examination. Laboratory tests confirmed that a cigarette filter using the new material would substantially reduce the smoke-solids in the mainstream of cigarette smoke. Because of its exciting possibilities, the laboratory report was a carefully guarded document, seen by only a few company officials.

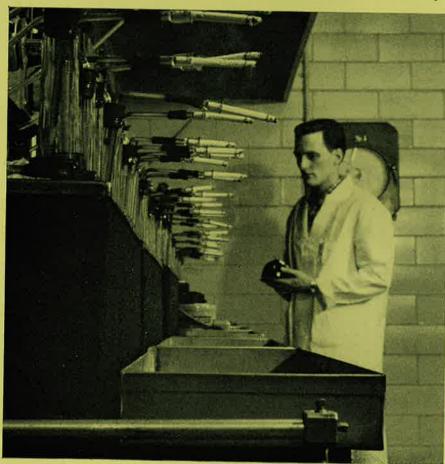
With the decision taken to create a new cigarette utilizing the atomic filter, Lorillard set up Project 7-11 in tightest secrecy, so effective that only a dozen people in the whole organization knew of it. The operations leading to the creation of Kent were so carefully managed that persons participating in the development knew nothing more than their own small segments; those testing experimental blends for taste, for example, did not know what they were smoking



Greensboro research includes weight check of filter "tow" on super-sensitive scales to ensure it meets prescribed rigid Lorillard quality standards.



Behind closed doors, top executives Harold F. Temple (left), now President of the Company, and Board Chairman Lewis Gruber lay plans for introducing "new" Kent in 1957.



Lorillard-designed smoking machine puffs 36 cigarettes at a time, plays a key role in Company research.

or why. For maximum security, private hotel rooms were rented so that executives from the Company and its advertising agency could draft the public announcement. Wholesalers were persuaded to buy quantities of the new cigarette without knowing what it was—on the basis of Lorillard's reputation alone. Retailers were warned to expect something new in cigarettes, while orders for labels and containers were placed at the last possible moment.

And in March 1952, Kents were launched—and immediately attracted the greatest consumer interest ever accorded a new cigarette up to that time. Through that year and into the next, Kent and Lorillard marched on, making cigarette history.

Then in 1953 came a series of anti-cigarette attacks, an intensive program of planned propaganda intent on tying in cigarettes with lung cancer, despite a lack of definite proof. Beginning in 1953 the industry was under constant attack. Nonetheless, for 1953, Lorillard saw its sales rise a vigorous 12.8 per cent despite the fact that industry sales fell off two per cent from the previous year.

Now the reaction set in. As Americans became more and more filter conscious, other companies followed the path that Lorillard had so clearly and confidently marked with its Kent cigarette: new filter brands were introduced; the anti-tobacco forces redoubled their efforts; and cigarette sales continued to drop. Kent cigarettes, the pioneer, had to fight off not only the industry drop in sales but the burden of its own premium price. In a market as highly competitive as the cigarette market of the mid-1950s, this was the final straw—and Kent lost its sales supremacy to popular-priced filters.

1954 was a disastrous story; and for the Lorillard Company, once so confident of its strength against the anti-cigarette campaign, 1955 was not much better.

In one of those stranger-than-fiction turns that occur every now and then in real life, Lorillard's fortunes shifted again when, in August 1956, the Board of Directors installed a new management under the leadership of Lewis Gruber, former Vice President for Sales. Putting first things first, the new President reorganized and strengthened the management team. From the ranks of the Company's sales organization, two longtime Lorillard men with outstanding achievement records were immediately advanced to Vice President: Harold F. Temple was given the assignment to increase sales and Manuel Yellen was placed in charge of advertising and marketing.

With these crucial spots filled, other management areas were re-evaluated:

To Harris B. Parmele, the Company's Vice President and Director of Research, went more authority and clear-cut instructions to step up and revitalize the Company's research operation.

George O. Davies, the Company's Treasurer, was promoted to Vice President and the top financial post.



George A. Hoffmann was advanced to Director of Manufacturing (later Vice President) and charged with responsibility for manufacture and production of all Lorillard products.

Back to the Board of Directors and out of retirement, Mr. Gruber called Herbert A. Kent, former Lorillard President and Board Chairman, under whom the Company had enjoyed some of its best years and after whom Kent cigarettes had been named.

Later, as things began to look up for the Company and in deference to the growing importance of Lorillard's international activities, Morgan Cramer who directs the Company's export operations was named a director.

Thus, over a relatively brief period of time, was the management team formed and the Company put on a new high road.

But in August 1956 immediate and drastic action was required: An ancient and honorable, but ailing, Company had to be nursed back to health—and the situation called for fast-acting "wonder drugs," not a slow recuperative process.

In a daring move, since volume would have to triple to compensate for the losses in unit profits, the price of Kent was cut. And what seemed a miracle ensued: Sales doubled almost immediately and continued on their upward trend.

Convinced that Lorillard's immediate growth was dependent on its leadership in research, the new management gave the Lorillard research operation more emphasis, facilities and manpower—and directions to move in all directions. Research was the key and everyone began to realize that Lorillard tradition did not mean doing things the old way; the tradition was big enough to include the most daring pioneering.

In line with this policy of innovation in depth, Mr. Gruber ordered an intensive research program to make the Kent Micronite filter even better. His directive emphasized the objective of a more flavorful smoke within a filter cigarette. Lorillard scientists developed and sent countless experimental filter cigarettes to headquarters over a period of many months. Each was tested and tried—until February 1957 when at last word went to the laboratory "you've done it!"

Once again secrecy was the order of the day. The new improved Kent was shipped to dealers in its unchanged package and without a word of the interior change, but, anticipating the great increase in consumer demand, dealers were persuaded to receive heavier than usual shipments. The timing could not have been better in view of the growing public awareness that other filters were not doing the job they were supposed to do. Lorillard knew that research organizations and journalists were investigating rival filter claims.



In supermarkets, tobacconists, drugstores, the call rose for more Kent cigarettes.

The Company was thus in an enviable position when a leading national magazine in that summer of 1957, followed by other independent research organizations and echoed by newspapers throughout the country, dramatically reported that the new improved Micronite filter was an advance in filtered smoking, worthy of special commendation from the author of the article.

Smokers went on a stampede

for the new Kent, and Lorillard had to use radio and television to appeal to the public to be patient, as retailers sold out. To supply this soaring demand, Lorillard ordered new machinery, tripled its production staff and kept the Greensboro and Louisville plants going day and night.

Kent sales tripled again—this time from 1957 to 1958, and the tobacco industry was electrified. By early 1958 Kent had become the largest-selling filter brand in many leading markets throughout the country. In a half-dozen years filter-tip cigarettes had rocketed from a tiny fraction of one per cent of the market to half of national cigarette sales! Once the "sick man" of the industry, Lorillard had been transformed and fairly crackled with new ideas and developments.

An authoritative report on the cigarette industry said: "The drift of consumers to filter-tip cigarettes is having its effect on the traditional alignment of cigarette manufacturers. The most striking example of changes in rank is the dramatic upsurge of P. Lorillard."

Lorillard's new response to shifting and more varied consumer demands caused the Company to present the smoker a "package" of innovations in a new cigarette brand, the lightly mentholated Newport. Introduced in May of 1957, Newport with its imaginative hint of mint swept to an immediate success among smokers who wanted only a touch of menthol with more tobacco taste than offered by other mentholated brands, thus enlarging the so-called "menthol" market.

Lorillard was meanwhile continuing its development of Old Gold, which had become a "family" with the introduction of Old Gold King Size in 1953 and Old Gold Filter King in 1954. With its faith in the quality of Old Gold and encouraged by the loyalty of Old Gold smokers, the Company signaled the revitalization of the established brand with a new name, a new blend and a brilliantly designed new package: In January of 1958 Old Gold Straights were introduced as the first new cigarette in nine years developed for the non-filter cigarette market. They offered smokers a natural all-tobacco cigarette, far milder than the previous Old Gold blend.

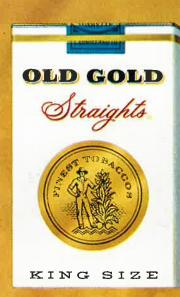
Taking over for the original Old Gold family, the new Old Gold family got still another member when Old Gold Spin Filter was introduced six months later as a new entry in the filter field, designed to appeal to a floating market of eleven million filter smokers who had not yet been won to a particular filter brand. Providing "the best taste yet in a filter cigarette," Old Gold Spin Filter was engineered to set up a miniature maze of filter channels that screened-out certain smoke-solids, spinned and cooled the smoke at the same time.

We have seen how Lorillard innovations took hold in two of the three elements of the cigarette—the tobacco and the filter. But Lorillard scientists were making deep studies of the third element, the cigarette paper, and once again Lorillard introduced another innovation and gave further proof of its pioneering leadership—this time with the launching of another new brand, Spring, the "Air-conditioned" cigarette, in July of 1959. The king-sized filter cigarette featured another Lorillard research "first"—a radically new Lorillard-developed cigarette paper "electronically treated to create uniform ventilation over the surface of the cigarette via hundreds of microscopic openings which take in fresh air and allow heat (but not smoke or flavor) to escape." Spring, presented in a striking white soft pack, banded with blue and green stripes, also featured a special blend of tobaccos and a new "honeycomb" filter composed of a maze-like fiber network providing a myriad of filtering smoke baffles. Spring also contained the merest "wisp of menthol" for a cool, light taste.

The sum of all these successes meant a growth and expansion of Lorillard that took form in broader, deeper operations in production, research, quality control, advertising and sales. Looking toward the company's future, certain executive changes were instituted to broaden the base of administrative responsibility and to ensure a continuity of seasoned management: Mr. Gruber, while remaining Chief Executive Officer, moved up to Chairman of the Board of Directors; Harold F. Temple was promoted to President and Manuel Yellen moved into the Sales Vice Presidency.

From the Turkish cigarettes to the original blended Old Gold and on to Embassy, Kent, Old Gold Straights, Old Gold Filters, Newport and Spring, is an eventful span of tobacco history, a period that saw many more revolutionary changes than any other half-century. The country was undergoing a transformation and Lorillard had moved with it. The whole era had put the Company to a series of severe tests, and required that it respond to the most varied consumer demands. Lorillard's ability to match the pace of history continued to keep it in its recaptured role of industry leadership.

Cigarettes themselves arrived through an eventful history that saw the varying fortunes of pipe tobacco, snuff, chewing tobacco and cigars. Ever since tobacco men improved upon the culture and preparation of the crude leaf of the Indians, manufacturers have sought to convince tobacco users of the quality of their products by word of mouth, in print and art, through radio and television, as well as by a range of other techniques.



Mild

SPRING

Tillers

KING SIZE CIGARETTES









"It Pays to"

2000000

"Advertise the product so that everybody will know it's available," runs a cardinal principle in P. Lorillard Company's basic formula for success. On the sidewalks of New York and in the woods of Westchester, from fashionable Tuxedo Park to the ancient ruins of Yucatán, four generations of Lorillards lived up to that principle by keeping their name before the public. Ways and means ranged from stamping tin tags to printing a national magazine and from winning the English Derby to slapping a large mosquito.

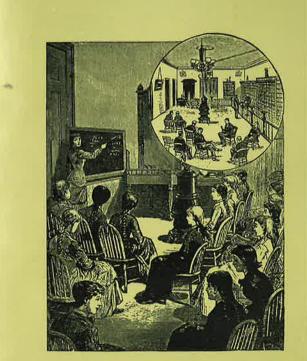
Peter and George Lorillard were firm and imaginative believers in the art of advertising. Like other merchants they made use of bill posters, a classic technique of the time, but their advertisements in the New York Daily Advertiser were directed not only to the consumer but also to country storekeepers who came to town to buy merchandise. The Lorillards offered "proper allowance . . . to those that purchase a quantity," and customers were invited to drop in at the "manufactory" on Chatham Street, which they could find easily enough because it was near that well-known establishment, the town jail.

After these vigorous beginnings came the broadsides directed at postmasters throughout the country, and then the steady increase in the use of advertising

until it culminated in the mighty campaigns of press, radio and television today. In 1882 a house organ, Puffs of Wisdom, was distributed in quantity to employees and dealers. It printed anecdotes and proverbs and items: that Lorillard customers numbered 5 million, that the firm sold 15% of all tobacco products marketed in the United States, and that its factories covered five acres.

In 1913 the Company branched out into publishing a national magazine. Its very name, Lorillards Magazine, was an advertisement, but its content was in the great tradition, featuring Booth Tarkington's immortal Penrod and stories by O. Henry, Ring Lardner, and Irvin S. Cobb. Illustrators





The school and library at the Lorillard factory in Jersey City. Reprinted from Leslie's Weekly magazine-1885 edition.

were also first-rate: Rose O'Neil, Gordon Grant, Fred Opper, comic strip artist and cartoonist. Dr. Frank Crane editorialized, "No man comes rolling home and beats his wife under the influence of tobacco." And there were—naturally enough—advertisements in full color of Lorillard brands. These continued the tradition of Lorillard "firsts," for the Company had led off in the use of four-color lithographs for brands and advertising.

Good employee relations have always been an aim of P. Lorillard Company. Since the building of workmen's cottages near the old snuff mill, Lorillard always had fostered the welfare and contentment of people in its employ, with knowledge of their vital importance to high standards in manufacturing and selling. In 1885 the Company inaugurated a surprisingly modern practice: it hired baby sitters for the women in its factory.

That same year Leslie's Weekly praised the library and school, installed by Lorillard in its Jersey City factory, as the greatest advance in employee relations that had come to the attention of the editors. In all its factories and leaf departments today the Company maintains harmonious relations with its employees and their unions.

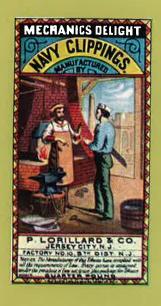
A colorful figure headed the family and the firm in Pierre Lorillard IV. Highly successful in the tobacco business, he often inspected products at the factory where workers found him an approachable, friendly man who joined them in their recreation rooms for games or a smoke. He added to the large acreage in Orange County, New York, bought by the family in the early nineteenth century, and the discovery of mammoth bones there prompted an interest in archeology which led him to share with the French Republic in financing expeditions to Central America and Yucatán. On the Orange County property he established a hunting and fishing preserve, but his keen interest as a sportsman never kept his mind off tobacco.

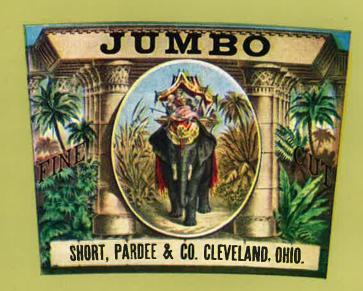
While he was gunning for ducks in a marsh, a large mosquito lit on Mr. Lorillard's neck. The hunter slapped hastily but missed, and the insect buzzed triumphantly away, its sting delivered. Ruefully rubbing the spot, the victim exclaimed, "What a sensation!" Then and there a new brand





















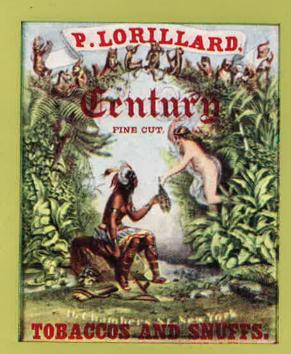




Colorful tobacco labels and cigarette premium cards used by Lorillard 50 and more years ago. Dealers' names appear on labels which were used on tobacco pails.







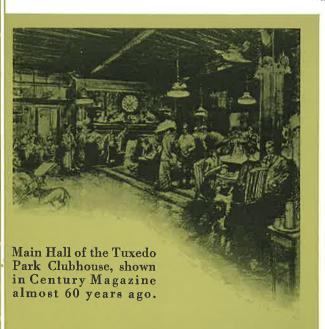


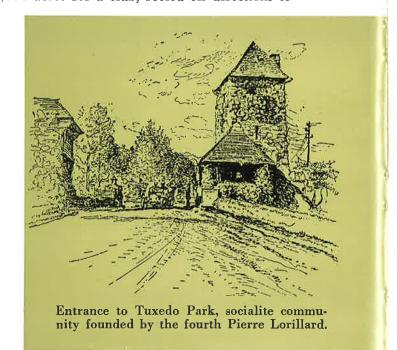
name was born—Sensation—and on each of its boxes of cigarettes or on the cans or humidors of its cut plug pipe tobacco was pictured a zooming mosquito. When later on it was omitted from labels, many customers complained, and the mascot was ordered back on the brand.

Another symbol of Pierre Lorillard IV's career as a sportman is the hunter and his setter depicted on FRIENDS smoking tobacco, for the New York preserve was stocked with pheasants, wild turkey, and quail, and its lakes with trout. Moved to share that pleasant estate, Mr. Lorillard set aside 5,000 acres for a club, reeled off directions to

his architect, Bruce Price, and ordered everything to be ready in seven months. An army of 1800 workmen laid out a park with flower-bordered roads and built a clubhouse, many cottages, and an entire village at the gates. In June, 1886, special trains brought 700 guests to the formal opening of the Tuxedo Park Club, and a celebrated community dawned on the American social scene. Emily Post, the etiquette authority, later chronicled it approvingly in a Century Magazine article, charmingly illustrated by Vernon Howe Bailey.

The Lorillard name and





fame were further enhanced that autumn at a Tuxedo Park ball when a new garment, designed by Pierre IV, made its debut. Struck by the idea that something less formal than the tail coat of full dress was needed, he ordered a tailless jacket to be tailored on the lines of the "pink" or scarlet coat, worn by fox-hunters in riding to the hounds. However, the head of the family conservatively let the younger generation do the modeling at his design's debut. A gossip sheet entered a protest:

"At the Tuxedo Club ball young Griswold Lorillard appeared in a tailless dress coat and waistcoat of scarlet satin, looking for all the world like a royal footman. There were several



others of the abbreviated coats worn, which suggested to the onlookers that the boys ought to have been put in straitjackets long ago."

Such was the first appearance of the Tuxedo, as it came to be called, nor could it be laughed off. Modified to black, the Lorillard dinner jacket became a permanent part of the male wardrobe, and in recent years younger wearers have brought back some of its color with maroon waistcoats and ties.

There are more ways of selling wares than direct advertising. Irish Sir Thomas Lipton helped sell his brand of tea by sailing international yacht races, though he always lost to the United States. Pierre Lorillard IV won horse races and incidentally kept his tobaccos in the running.

His fleet brown gelding, Parole, named for one of his brands, started in 137 races and won 59 of them, with purses amounting to \$83,000. In 1877, no session of Congress was held the day of the Pimlico Sweepstakes when Parole, with the odds against him, was matched with the Kentucky thoroughbred, Ten Broeck, and George L. Lorillard's Tom Ochiltree. Parole came from behind to win by four lengths.



Samples of Lorillard cigarette cards, popular as sales promotion devices.









Another racer, Iroquois, carried Pierre Lorillard's colors, cherry and black, to victory in the English Derby of 1881, the first American horse to win the classic, and the news touched off a widespread celebration in the United States. Many another winner, shod with the light aluminum plates introduced by Mr. Lorillard and made to order by Tiffany, came from the Rancocas Stud, founded by the sportsman in New Jersey.

Although there are no members of the Lorillard family in the firm today,

P. Lorillard Company continues to see to it that the name means what it always has—the best in tobacco. We have seen how the Old Gold blend itself was chosen by consumers in the first mass consumer testing program—an operation that had tremendous promotional value besides giving the consumer the kind of cigarette he wanted. The Old Gold "Blindfold Test" and many other ideas stemmed from this Old Gold introductory campaign and went on to make advertising history.

An unceasing series of innovations extended to the broad range of Lorillard's sales program. The Company introduced vocal sky advertising in 1927 when it



Old Gold's voice from the sky!

Here's the big aleplane, "The Veice of the Sky, that recently broadenst dur message of Old Gold Caperettes over vour city. This bage ship, a Folker, is an exact displicate of the plane that carried Communder Bord to the North Pole. It is driven by three mesters, weight six rems and carries a crow of five. The powerful amplifiers, through which the sound is transmitted from the clouds, have a range of weerful miles from a shroule of NAW Sect.

A "famous first" was scored by Old Gold when it broadcast advertising messages from an airplane in 1927. The stunt captured the fancy of an increasingly air-minded public.

chartered an airplane equipped with a loudspeaker, piano, announcer and a singer—known as "The Voice from the Sky"—to promote Old Golds. In its print advertising Old Gold used the first comic strip in advertising, and employed such public favorites of the times as the John Held flappers, Petty girls and Ripley's "Believe It or Not." In its radio advertising, Lorillard helped popularize such entertainers as Paul Whiteman, the Dorsey Brothers, Ferde Grofe, Bing Crosby, Frank Sinatra, and Fred Waring and his Pennsylvanians. Lorillard's sponsorship of Whiteman was the occasion for another "first," a coast-to-coast radio network program in 1928. Lorillard was also the first to use a Broadway theater for a radio program, when it sponsored a show in 1932 designed and produced by the great George M. Cohan.

Lorillard's sponsorship of radio and television programs reads like an ever-renewed history of the communications field. Back in 1944-45, Lorillard was sponsoring Jackie Gleason on the radio. A few years later it was presenting a visible Jackie Gleason to television audiences.

The invitation which came with the advent of television to take graphic sales messages into millions of homes prompted Lorillard's advertising architects to seek a new, dramatic manner to identify Old Gold cigarettes. The famous Old Gold Dancing Pack-one of early television's most striking trademarks—was evolved. With new developments, the Dancing Pack got one and then two partners as Old Gold King Size and Filter King demanded to be represented. The Dancing Pack had such a hold on people's imaginations that even now, years after it made its final appearance, Lorillard receives many requests from persons who want to know how to design the costume, and the Dancing Pack-in homemade giant Old Gold Packs—continues to make innumerable appearances at Hallowe'en parties and costume balls throughout the country.

As the public indicated its desires in the entertainment medium, Lorillard sponsored the various and changing types of programs designed to gain entry into television homes. It sponsored newscasts, exciting quiz shows, westerns, detective thrillers, baseball telecasts and variety shows.









While Lorillard was achieving coverage of more than 90 per cent of television homes, it was also continuing effective use of the more traditional broadcasting medium of radio with both network and local radio programs and spot commercials. Each new brand and Lorillard innovation receives maximum advertising and promotional backing commensurate with realistic advertising budgets. Lorillard also makes heavy use of the classic print media with black-and-white and fullpage color advertisements in newspapers, Sunday supplements and leading national magazines.



Old Gold Dancing Packs became one of television's most famous "trademarks."

Lorillard's drive for prog-

ress extends to the all-important point of sale. The average American consumer takes for granted those new conveniences that appear, sometimes literally, at his elbow. Thus, right after the Second World War, he began finding cigarette vending machines where and when he wanted them, as the vending machine industry went into a great expansion. Lorillard noted this expansion and recognized this growing industry by making full use of its machines.

Lorillard also had been observing the growing food markets and it responded with swift action in 1950. Making more and more of her purchases in the supermarket, the housewife could find her favorite cigarettes alongside the other household staples right within reach—in Lorillard pioneered self-service racks containing cartons, half-cartons and individual packs. Already an estimated 50 per cent or more of all cigarettes sold are reaching the consumer via the supermarket, with racks encouraging carton purchases both at the store's center and at its check-out counters.

Long sensitive to its civic responsibilities, Lorillard, across the years of its growth, has consistently demonstrated its readiness to serve. Countless hours of television and radio time have been given to fund-raising efforts for cancer, heart, poliomyelitis and other campaigns. On one occasion, early in 1950, Constitution Hall in Washington was packed to witness the greatest array of amateur talent ever assembled. Lorillard had taken the Original Amateur Hour, which it had long sponsored, to the nation's capital to help subscribe a fund for the heart campaign. Among the leading "amateurs"

who appeared on the show were the Vice President of the United States, prominent Senators, Representatives, Cabinet officers and diplomats.

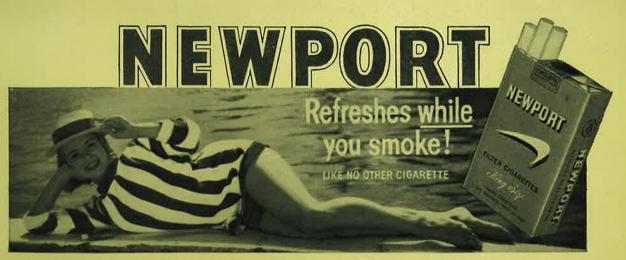
Lorillard field representatives have shown another aspect of civic action by their efforts in disaster areas. Working after hours and going into danger zones they have joined rescue workers to set up the distribution of free cigarettes. Within hours after a far-traveling tornado struck in Michigan and Massachusetts, Lorillard men were treading their way among live wires, falling buildings and debris. Field representatives have waded through knee-deep mud and water to distribute cigarettes in flooded regions of Connecticut and Pennsylvania, causing one Winsted, Conn., man to say he would "never forget my first cigarette in 48 hours."

When Lorillard learned that in many of the RFD areas of Kentucky young people had no library, it subscribed the cost of three Bookmobiles, libraries-on-wheels, and stocked them with more than 600 volumes each to bring the nourishment of knowledge to the hungry minds of tomorrow's men and women in that tobacco state.

The Bookmobiles illustrate Lorillard's approach to its civic responsibilities in any area where it has facilities. It feels it must pull its own weight—and more—in maintaining and improving community conditions. Thus Lorillard has expended many thousands of dollars to participate in anti-soot campaigns in such communities as Jersey City, N. J., and Danville, Va.

Early in 1949, Lorillard broadened the scope of its public service program by underwriting a series of documentary motion pictures on the Indian, to whom chief credit for today's widespread enjoyment of tobacco is due. These eight films have won many awards and received extensive critical acclaim.

The Saturday Review commented: "There's no doubt about it—these Lorillard films are putting real meaning into the 'public relations' film." The films have been made available without charge to schools across the land, to civic and fraternal groups, veterans hospitals and organizations, clubs and church and servicemen's groups. They have also been shown



Even billboards carry the advertising story for Lorillard brands to the American smoker.







THERES NOTHING SO REFRESHING AS SPRING!

A Product of P Lonllard Company—First with the finest capacities—through Corollard Research!







through television. Critical acclaim for the films' quality is shown by the fourteen awards they have won, while popular judgment raised the demand for showings well in advance of the supply of prints for an extended period. So many persons have seen more than one of these eight films that an estimated quarter of a billion individual viewings throughout the country have been recorded to date.

In 1958 Lorillard inaugurated the first institutional corporate advertising in the history of the cigarette industry that was aimed at a mass consumer audience. The continuing campaign has been built around the Company's pioneering leadership in research: "You can depend on Lorillard to be first with the finest cigarettes . . . through Lorillard research." Full-page advertisements have stressed Lorillard's integrity, its long history of achievement and its constant quest for improvement. As an aid in building the corporate image and impressing it on the public mind, all of the regular product advertising began to carry the phrase, "A Product of P. Lorillard Company—First with the finest cigarettes—through Lorillard Research."

"Keep Making it Better" COMOS

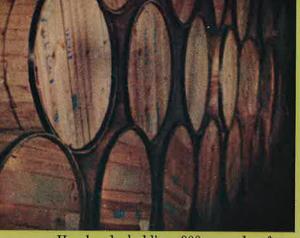
Those watchwords are signposts for Lorillard tobacco on the long journey it takes from the selection by buyers in auction warehouses on through leaf departments and factories. Throughout its route it has expert guidance and attention, from the choice of best grades, checked by laboratory tests on through constant inspection of manufacture to catch any imperfection. At journey's end when a match flames at the end of a cigar or cigarette or makes a pipe bowl glow, every smoker will call the trip worthwhile.

Buyers make their purchases of the "bewitching vegetable" at auctions and from farmers in the tobacco belts where the various types are grown and send them to the Lorillard leaf department located in that vicinity—in Pennsylvania, Wisconsin, Virginia, or Kentucky.

From the leaf departments tobacco travels on to the cigarette factories in Greensboro and Louisville, and the plant for Little Cigars at Richmond. For any smoker a tour of a Lorillard factory is a treat to nose and eye. Take a tour of the modern Greensboro plant and the fragrance of fine tobaccos surrounds you—Virginia, Burley, Maryland and Turkish—each with its distinctive aroma. Here is the leaf, the Indians' gift, the native American plant so celebrated that it is carved in stone on columns in the Capitol of Washington. Its hues shade from the light gold of Virginia to the deep or golden shades of Burley. Unpacked from the hogsheads and bales, the leaf is carried on conveyor belts toward its ultimate destiny: the giving of smoking pleasure.

There is no need for a human hand to touch the tobacco from the moment the giant hogsheads of tobacco move on automatic conveyors into the processing areas of the new Greensboro plant until the time the finished cigarettes roll out of a making machine at a rate of 1,200 a minute. When it was opened, the Greensboro factory was named one of the ten "Top Plants of the Year" by Factory Magazine—the first time any tobacco factory had been so honored. The only major cigarette factory of this design in the United States, it is, with minor exceptions, a single level operation, so that the straight-line, almost completely automatic flow of tobacco in the various processing stages is nowhere impeded by elevators or other floor-to-floor handling. The leaf is blended, moistened and steamed in a series of processes designed to preserve its freshness and flavor.

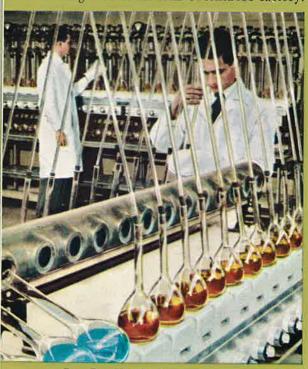
Among the special Lorillard equipment at its Greensboro plant are unique automatic feeder-conveyors which move the processed tobacco in a steady



Hogsheads holding 900 pounds of tobacco are aged for an average two years.



Mammoth cigarette making and packing area at modern Greensboro factory.



In Lorillard laboratory, researchers check all constituents of leaf tobacco.



Miniature electric furnace is essential part of research apparatus. Here, nicotine salt is isolated, reduced to ash.



In one of eight Lorillard research laboratories, scientists and technicians conduct experimental and control tests.

flow above the cigarette making machines, feed it into these machines and automatically maintain the precise level of tobacco in the hoppers. This not only eliminates cumbersome hand-feeding of the cigarette-making machines, but ensures uniform filling of every single cigarette.

In processing, two other devices of basic Lorillard design provide for the perfect blending of the Kent, Old Gold, Newport and Spring tobaccos. One is a bulk blending line, where the individual grades of tobacco are automatically laid down in layers to form a uniform "sandwich." The second is the unique "flow and weight control system," which automatically controls the precise amount of each blend by weighing it "in flight" as it flows along on its conveyor.

After the making machines have rolled the tobacco in the long cylinders of pure white virgin flax paper, the packaging machines take up the intricate task of putting them into the distinctive Old Gold, Kent, Newport and Spring packages.

A visitor to the Greensboro plant is immediately struck by its vastness, stretching as it does for more than a fifth of a mile. Totalling more than 13 acres of itself, the plant is set in an 80-acre plot which provides ample room for expansion. All the facilities, both in processing and manufacturing, are geared to expansion as well as any changes in machine layout demanded by future marketing needs and consumer tobacco tastes.

The Greensboro Research Division is equipped with the most advanced devices for scientific tobacco research and includes seven separate laboratories, plus an engineering laboratory for experimental work on new types of production machinery. The various laboratories pursue basic research as well as test everything that comes into the plant or goes out of it. They carry on a great range of regular and special projects.

The emphasis on research and scientific development is dramatized by the new filters and brands that have made Lorillard's recent history so exciting. The Kent filter, revolutionary when it first appeared in 1952 and brilliantly improved in 1957, showed how scientific innovations anticipated, and kept pace with, consumer demand. Old Gold's new Spin Filter and Spring's "honeycomb" filter, as well as Spring's "air-conditioned" cigarette paper, and Newport's "hint of mint" are other examples of the unwearying drive to "keep making it better."

The Louisville plant has been consistently modernized with new equipment so that it can keep pace with new needs. A Branch Control Laboratory established in 1958 in the Louisville factory plays its role in Lorillard research and contributes to the uniformity and precise caliber of Lorillard products.

The other plants form the elements of an integrated operation. They include the factory at Richmond, Virginia, for the production of Little Cigars, the leaf processing and storage plants at Danville, Virginia, and Lexington, Kentucky, and facilities at Madison and LaCrosse, Wisconsin,



and Lancaster, Pennsylvania, for leaf receiving, storage and re-shipment to the manufacturing plants. Also, the Lorillard subsidiary, the Federal Tin Company, turns out tin and paper-board packs for Lorillard and other non-competitive products. Modern, six-color rotogravure presses as have been installed there for high speed cutting, creasing and printing of paperboard for cartons, crush-proof boxes and many other products requiring the use of paperboard in their finalizing process.

These manufacturing activities in this country join with Lorillard's inter-

national operations to make the Company's products known and available throughout the world. In 1959 Lorillard formed a new subsidiary, P. Lorillard Pan American Inc., to handle its expanding export operations and provide maximum service to the parent company's export customers. Depending on the tariff, and manufacturing and sales situations overseas, Lorillard brands are being manufactured in foreign countries as well as exported from the domestic plants.

The Company's leading cigarette brands are being produced on a license or royalty basis in the Philippines, Venezuela, Panama, Luxembourg, Switzerland (and others to come) under rigid specifications set by Lorillard and supervised by Lorillard's own technical advisers.

The loop is thus drawn from the initial purchase of the best tobaccos to the sale to the individual consumer—no matter where he may be. Scientific and manufacturing skill produces an ever-improved article. The lively art of advertising tells the world what it is and how good it is. The miracle of distribution continues the tradition set by Peter and George Lorillard when they circularized American postmasters. Thousands of distributors and a million and a half retail outlets give the consumer the Lorillard products he wants, when and where he wants them.

Bright threads of obligation are woven into the fabric of Lorillard's history. They began and continue with the manufacture of tobacco products which make and maintain the Company's reputation. Through the pattern run strands which represent fair dealings and relationships with the suppliers of the product and the skilled hands and minds that turn it into finished wares—with those who advertise them and market them—with all who play their part in an old and long-successful enterprise. Still other strands are the obligations toward stockholders who have displayed their confidence in the firm and the worth of its products. Among the brightest in the Lorillard fabric are the threads which symbolize its 200-year history of good citizenship.

