## It's in the Mail

Aaron Montgomery Ward pioneered the mail order catalog, forever changing the way we shop

> Point. Click. Buy.

Online shopping is as easy as it is prevalent. More than 85 percent of the world's online population has used the Internet to make a purchase, and it seems consumers are using their smartphones and tablets to shop wherever they can. A November 2012 Harris Interactive poll found that more than 38 million Americans admit to shopping while on the toilet; some 9 million people said they secretly shopped during a business meeting.

Whether we're talking about Amazon or Zappos, the \$256 billion-a-year e-commerce industry has Aaron Montgomery Ward to thank. With the debut of the Montgomery Ward mail order catalog in 1872, the creator of the world's first large mail order house pioneered the concept that one could shop without setting foot in a store.

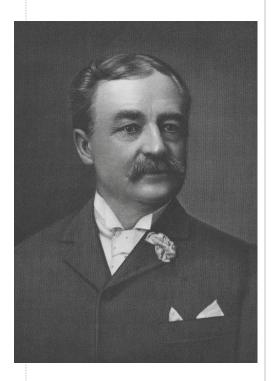


Aaron Montgomery Ward was born in Chatham, New Jersey, on February 17, 1843. Ward was 9 years old when his large family moved to Niles, Michigan. Five years later he started working as an apprentice to help support his family. In his memoirs Ward recalls earning a quarter per day at his first job operating a cutting machine at a barrel stave factory. His pay increased to 30 cents a day when he moved on to stacking brick at a kiln.

Ward's career in retail began in St. Joseph, Michigan, where he worked in a shoe store. He soon became a clerk in a general store for a salary of \$6 per month plus board. Within three years his skills as a salesman were recognized with a promotion to head clerk and general manager—and a salary boost to \$100 per month (about \$1,850 today).

In 1865, Ward moved to Chicago, at that time the center of the wholesale dry goods industry, and soon took a job at the dry goods wholesaler Field, Palmer & Leiter, which became Marshall Field & Co. His experiences traveling and listening to the needs of rural customers led him to launch a pioneering new business model: He aimed to sell low-cost goods by mail directly to people in rural areas.

Montgomery Ward's first catalog was a single sheet advertising 163 items. Three years after it debuted, the retailer began promising consumers "satisfaction or your money back"— and business really took off. Within a decade, the number of products



offered in the Montgomery Ward catalog grew to 10,000—everything from clothing and household goods to barbed wire, saddles and even steam engines, according to the Chicago Historical Society.

Ward promised—and delivered—excellent customer service. And his catalog copy, which he wrote or reviewed himself, was clever. A copy of the 1895 Montgomery Ward catalog featured more than 600 pages of items ranging from a \$200 piano to Madame Foy's improved corset to an 18-karat gold wedding band for only \$5. By 1926, the catalog was advertising a kit to build a "splendid home with six bedrooms," for \$3,095.

Other businessmen, notably Richard Sears and Alvah Roebuck, soon created competing mail order catalogs, but Montgomery Ward dominated the mail order business for years. By the time of Ward's death from pulmonary edema, at the age of 69, in 1913, A. Montgomery Ward & Co. was earning \$40 million per year (\$4.9 billion today), according to *The New York Times*. The company

didn't open a retail store until 1926, 13 years after Ward's death. At its height, Montgomery Ward operated 400 department stores in 43 states.

Ward was a private but passionate person. He retired from active management of his company in 1901, and in 1906 he campaigned to save Chicago's Grant Park from development and keep it "forever open, clear and free." Twice Ward successfully sued the city to force the removal of structures from the park and prevent the building of new ones. He became known as the "watchdog of the lakefront."

In Ward's only newspaper interview, in 1909 after the Illinois Supreme Court upheld his argument for the third time that Grant Park should be free of all buildings, the millionaire businessman

told the *Chicago Tribune*, "This is one of the best things I've ever done for the city of Chicago. I fought for the poor people of Chicago, not the millionaires. ... I have nothing at stake in this fight

at stores like Wal-Mart and Target. The company discontinued its mail order catalog in 1985, filed for Chapter 11 bankruptcy court protection, and closed its remaining 250 stores by 2001.

A copy of the 1895 Montgomery Ward catalog featured more than 600 pages of items, ranging from a \$200 piano to Madame Foy's improved corset to an 18-karat gold wedding band for only \$5.

but the good of the people now and for future generations. Perhaps I may see the public appreciate my efforts, but I doubt it."

Sadly, the business Aaron Montgomery Ward founded fell victim to a changing retail market where goods could be purchased more inexpensively But the retailer known affectionately as "Monkey Wards" still endures. Several months after it closed, Montgomery Ward reopened as an online retailer. In February 2009, the company introduced something new, yet familiar: a mail order catalog.



WWW.DIXONVALVE.COM SUMMER 2013 ■ BOSS 7