

# THE Chocolate MAN

BY SUE DE PASQUALE



*"I have always worked  
hard, lived rather simply,  
and tried to give every  
man a square deal."*

MILTON S. HERSHEY, 1938

**I**N A CAVERNOUS hall at the World's Columbian Exposition of 1893 in Chicago, Milton S. Hershey stood transfixed. Planners of the exposition, which celebrated the 400th anniversary of Columbus' discovery of America, had pulled out all the stops, erecting a "White City" of gleaming alabaster marble buildings. It was here that millions of visitors from all over the world would get their first taste of Cracker Jack and Pabst beer, their first ride on a Ferris wheel, and the rollicking experience of attending Buffalo Bill's Wild West Show.

But Hershey was drawn to the Palace of Mechanic Arts, where J.M. Lehmann of Dresden, Germany, had erected a small factory that transformed raw cocoa beans into chocolate bars. At 36, the soft-spoken Hershey had built a highly successful caramel company in his native Lancaster, Pa. But now, intoxicated by the rich smell of cocoa, and the mesmerizing rolling, mixing, squeezing and molding that turned beans into delicious candy bars, Hershey decided to change the course of his confectionery zeal.

"The caramel business is a fad," he would say later. "But chocolate is something we will always have."

Hershey ordered every last piece of Lehmann's equipment, and when the exposition ended on Oct. 30, the machinery was all loaded up on a train and shipped to Lancaster, where Hershey established a small chocolate-making factory.

During the next decade, the slightly built man with the bushy mustache and the unflagging work ethic would create a brand that would make his name synonymous—all over the country and eventually around the world—with delicious, affordable milk chocolate.

But Milton S. Hershey's vision was far grander than great-tast-

ing candy. In the rolling rural hills of Lebanon Valley, Pa., he dreamed of creating a company town where factory workers and their families could own homes and live happily on tree-lined streets, with parks, good schools and cultural attractions. His dream included a place where orphaned boys could find comfort, education and the stability he had dearly craved as a child.

Today, more than a century after M.S. Hershey first began carving out streets and building homes and factory buildings, the "great American place" that he envisioned continues to flourish as idyllic Hershey, Pa.—"Chocolatetown, U.S.A."

**BORN ON SEPT. 13, 1857,** Milton Snavely Hershey spent much of his young childhood on the move, as his father, Henry, chased one moneymaking venture after another. Eloquent, well-dressed and a dreamer, Henry Hershey was sure that he, and by extension his son, was destined "to do big things."

Veronica "Fanny" Snavely was her husband's opposite. Short, hard-working and practical, from a Mennonite family with means, she was at first smitten by Henry and his grand plans. But it wasn't long before she grew resentful of his get-rich-quick schemes that never panned out. Time and again, the

Snively family would swoop in to provide financial rescue. When Milton's little sister Sarena died from scarlet fever at age 4, Fanny rejected Henry for good (though the two never officially divorced). Milton, who attended seven different schools, was never a good student; he quit school at age 12. He was briefly apprenticed to a local printer but after purposely dropping his hat in the printing press, he was let go.

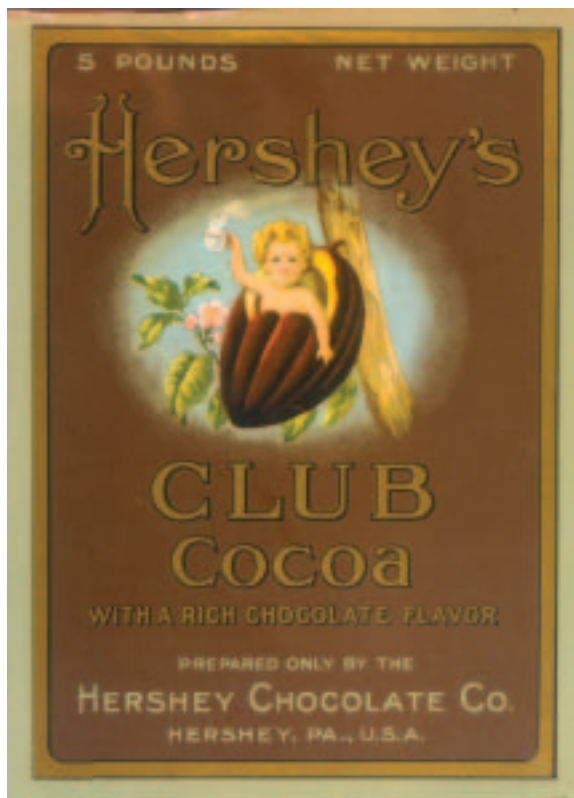
Fanny eventually moved with Milton to a small house in Lancaster, where the 15-year-old took on his first paying job: at Royer's Ice Cream Parlor and Garden. Just half a block from City Hall, it was a popular spot for pretty girls, ambitious men and famous visitors.

It was here, at the side of Joseph C. Royer, that Milton first developed his passion for making candy, pleasing customers and doing honest business, notes biographer Michael D'Antonio in *Hershey*. At 19, Milton was ready to go off on his own, and the 1876 Centennial Exposition in Philadelphia served as the perfect launching point. More than 180,000 people would visit the exposition and many would find their way to M.S. Hershey's Spring Garden Confectionary Works, just blocks away. His soft chewy caramels made with milk were an immediate hit.

Despite a promising start, business eventually went badly, due to slow payments from wholesale customers and tight credit from his main sugar supplier. Milton dismantled the business and spent a few years traveling with his father and working at candy businesses in Denver and Chicago before returning east to open a candy shop in New York City. This venture also failed—primarily because Henry had persuaded his son to invest in making and selling cough drops. The project sent Milton

into debt and eventually drove him out of business.

Finally, at age 28 and back in Lancaster, Milton found success. By adding more milk to his caramels, he created a creamy candy that wouldn't stick to the teeth. Locals bought the candy up, and a British importer passing through town placed an order for



a huge shipment. Working night and day with his mother, aunt and others, Milton filled the order, shipped it off to London and then held his breath. The check from the importer arrived just days before the bank was to foreclose on Milton's bank note. "When I opened my mail and saw that, I just went round in circles," he would later say.

Over the next five years, Lancaster Caramel Co. would see tremendous growth. Hershey might well have ridden the caramel train to riches—were it not for that fateful trip to the Columbian Exposition.

#### AT 40, DESPITE HIS BUSINESS

success, M.S. Hershey longed for a soul mate. In 1897, while passing through Jamestown, N.Y., on business, he found her. Catherine Sweeney, 25, was the daughter of Irish Catholic immigrants. Witty and flirtatious, "Kitty" captured his heart immediately and the two began a long-distance

courtship. Within a year, Milton brought her home to Lancaster as his wife. Kitty shared her husband's Progressive ideals and encouraged him over the next few years as he sold his caramel business for \$1 million (worth \$26 million today) to finance his dream for "Chocolatetown."

Milton chose an isolated area in Derry Church, Pa., surrounded by dairy farms and close to railway lines. He hired an architect to create the town grid, and soon began laying trolley lines and building homes and the chocolate factory.

There was only one problem. Hershey had not yet perfected the process for mass-producing tasty milk chocolate with a shelf life; the chocolate he sold locally turned rancid quickly, limiting how far it could be shipped.

It would be a race against time. Even as the factory walls

went up, Hershey and his team sequestered themselves on his homestead, experimenting 16 hours a day to find the right formula. One breakthrough came when they switched to using skim milk from local Holsteins, reducing spoilage. Then came the big break: On his first day in Hershey's employ, chemist John Schmalbach introduced the idea of using liquid condensed milk. Hershey had the winning recipe he so vitally needed.

In June 1905, Hershey opened his expansive new plant—18 buildings, with six acres of floor space. The factory uti-



Left: The Hershey Chocolate Corporation office building in Hershey, Pa.; a street light at the corner of East Chocolate Avenue and Cocoa Avenue in downtown Hershey. Far left: Label, Club Cocoa, 1915-1920.

lized an assembly line approach (similar to that made famous by Hershey's friend Henry Ford) and efficiently moved supplies and products by spurs that connected to nearby railroad lines. Hershey had found the formula for producing high-quality chocolate at low cost: Americans could afford a five-cent candy bar and Hershey's chocolate bars flew off the shelves. In the factory's first year, net sales of Hershey's chocolate topped \$1 million.

Meanwhile, Hershey's factory town (officially named "Hershey" in 1906) flourished from the start. Hershey encouraged homeownership. His Hershey Trust offered terms that made it easy for workers to afford their slice of the American dream. And Hershey didn't skimp on small-town amenities. He provided a public library, a gymnasium, golf courses, company-sponsored sports teams—even a 150-acre park with a band shell, a zoo and a sprawling swimming pool. Because all of these amenities were subsidized by Hershey's company, residents enjoyed property taxes that were half that of other American cities.

Hershey's financial success allowed him to build a stately mansion, where he enjoyed relaxing with Kitty. But the couple's loving marriage was marred by a sad reality. The youthful Kitty suffered from a debilitating illness (today, writes D'Antonio, believed to be advanced syphilis) that left her increasingly weak and unable to bear children.

## Hershey might well have ridden the caramel train to riches—were it not for that fateful trip to the Columbian Exposition.

So, at age 53, Milton Hershey created the family he and Kitty could never have, by establishing a home for orphan boys on the hill overlooking town. The Hershey Industrial School, which included a series of small cottages overseen by married couples, was aimed at preparing needy, wayward boys for jobs in industry or agriculture. Discipline was strict, but Milton was a frequent and benevolent presence.

On Nov. 13, 1918, Milton secretly placed all the Hershey Chocolate Co.'s stock into a trust to benefit the industrial school, effectively ensuring his legacy. The stock at the time was worth more than \$60 million (\$855 million today). Coca-Cola would be sold a year later by its founder for \$25 million (\$310 million today). The move was an unusual one, since it effectively made the school the majority owner of a wildly successful company and all its enterprises—including Hershey's amusement park, factories and a department store.

The trust effectively solved the problem of what would happen to his fortune, notes biographer D'Antonio. In Hershey's words: "I never could see what happiness a rich man gets from contemplating a life of acquisition only, with a cold and legal distribution of his

wealth after he passes away. After all, what good is one's money unless one uses it for the good of the community and humanity in general?"

**MILTON HERSHEY WOULD LIVE** to 88, outliving by decades his beloved Kitty, who died in 1915. In the years after her death, Milton turned to Cuba, where he replicated his Pennsylvania utopia with a sugar factory, railway, town and school near Havana.

The Hershey Chocolate Co. survived the world sugar crisis of 1921 and the Great Depression, and flourished during World War II, when Hershey's chocolate became a staple of U.S. troops' rations.

Milton S. Hershey succumbed to pneumonia on Oct. 13, 1945. Some 10,000 people came to pay homage. Today, Hershey's "Chocolatetown" remains a tranquil spot for its 13,000 residents. Hersheypark, popular for its roller coasters and other rides, draws millions of visitors a year. And the Milton Hershey School, now a co-ed boarding school for needy children of all backgrounds, serves 1,800 students. With a staggering \$6 billion in assets, it is one of the wealthiest schools in the world.

Like the milk chocolate that financed his vision, Milton S. Hershey's legacy is surely a sweet one. ■