

# The General Store Era: Memoirs of Arthur and Harold Mittelstaedt

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*Editor*

From colonial times to the early twentieth century, the general store was an important part of almost every rural community and small town in America. Although there is a tendency to emphasize its social role, either as a gathering of Yankee story tellers around a potbellied stove with a cat dozing in an open cracker barrel or as the basis for a "leading family's" power in some Faulkneresque Deep South village, the general store survived in rural America because it performed two important economic functions. First, it made available a diversified inventory of nonlocally produced goods and, second, it served as a marketing agency for locally produced commodities and crafts.<sup>1</sup>

While bearing some resemblance to their Yankee and Southern predecessors, the general stores of the small towns in South Dakota reflected a different set of conditions. Their origins were as part of a business district in a town, probably founded by the railroad as the tracks were laid, which had been consciously intended as a trading center for the simultaneously developing cash farming operations that would surround it.<sup>2</sup> Since these new towns also included single-line competitors, such as drug stores, apparel stores, and hardware stores, in addition to hotels,

1. Gerald Carson, *The Old Country Store* (New York: Oxford University Press, 1954); Lewis E. Atherton, *The Southern Country Store, 1800-1860* (Baton Rouge: Louisiana State University Press, 1949).

2. James F. Hamburg, "Railroads and the Settlement of South Dakota During the Great Dakota Boom, 1878-1887," *South Dakota History* 5, no. 2 (Spring 1975): 165-78.

taverns, and banks, the social role of these general stores was certainly different from that of their Eastern and Southern counterparts. Further, their economic functions were different, at least in degree. The presence of specialized firms such as elevators, creameries, and produce buyers to handle the bulky cash crops precluded the general store from playing a dominant role in the collection and resale of agricultural crops, although almost all general stores did buy and resell the "barnyard commodities," butter and eggs. Consequently, general stores were not much involved in providing production credit to farmers, which was viewed as a banking function. Finally, although the South Dakota farmers of the late nineteenth century were partially self-sufficient, they were cash farmers and, of necessity, purchased much of what they ate. Thus, while almost every new town had some highly specialized retailers such as jewelers or milliners, grocery stores, as such, were almost nonexistent. The typical general store of this time and place was essentially a grocery store that handled one or more other lines, but usually without fresh meat since butcher shops were quite common. The prosaic definition of the country general store used by the first Census of Retail Distribution in 1929 fairly portrays these firms:

These stores are nearly always located in places of less than 10,000 population and correspond roughly to the classification known as general merchandise stores in the larger cities. These stores as a rule handle foods which constitute an important part of their sales. Under this heading there are three related kinds of stores. First, there is the general store carrying, in addition to groceries, a general line of other merchandise. Next there is the grocery store carrying clothing and often a limited line of shoes. The third kind of store, falling under this general heading, is the grocery store selling dry goods and notions. These stores may also carry fresh meats and still retain the classification of country general stores.<sup>3</sup>

For the purposes of the census, stores with sales exceeding one hundred thousand dollars per year or stores that were departmentalized regardless of size were not country general stores but, rather, general merchandise stores, while stores with sales of groceries exceeding two-thirds of their total sales were counted as food stores.<sup>4</sup>

According to that 1929 census, there were 1,030 country general stores in South Dakota accounting for 15 percent of all retail sales. Excluding the cities with populations of over ten

3. U.S., Department of Commerce, Bureau of the Census, *Fifteenth Decennial Census of the United States, 1930: Distribution*, 1:32.

4. *Ibid.*, p. 33.

thousand, which included Aberdeen, Huron, Mitchell, Rapid City, Sioux Falls, and Watertown, country general stores were responsible for 21 percent of all retail sales in the smaller towns. Including proprietors and partners, country general stores employed 3,782 persons in South Dakota in 1929, or slightly over 3 percent of all nonagricultural employment.<sup>5</sup>

Yet, by 1929, the automobile and the all-weather roads were already bringing about the decline of the general store. Although there seem to be no comparable figures for South Dakota, one author reported that, in Kansas, about one general store in five went out of business during the 1920s.<sup>6</sup> Of course, many were only disappearing statistically as they dropped one or more of their merchandise lines and became grocery, dry goods, or apparel stores, while others changed their methods of operation and became department stores. Whatever their individual fates, each subsequent census report shows a decline in the number and importance of general stores in South Dakota, with slightly over one hundred surviving into the post World War II years.

Among those towns founded during the Dakota Boom was the Grant County community of Milbank. As Doris Black described its 1880 beginnings:

Unlike the railroad of the East, the railroad of the West preceded all but sparse settlement and, because it did, it arbitrarily laid out town sites and named them for wives, daughters, sons, friends or officers of the railroad. No better example could be noted than Milbank itself—a town located in a wheat field, with no ambitions whatever, and named for Mr. Jeremiah Milbank, one of the directors of the company.<sup>7</sup>

By 1890, Milbank had a population of 1,207, which had increased to 1,426 by 1900. Grant County, for which Milbank was both county seat and primary trading center, contained a population of 9,103 in 1900, including 2,179 persons who were foreign born.<sup>8</sup> Almost 60 percent of those foreign born were natives of either Germany or Sweden; in fact, only four South Dakota counties had more German-born residents and only five had more born in Sweden.<sup>9</sup> Originally, Grant County farming was largely restricted to wheat growing, but the Panic of 1893 and the severe

5. Ibid., pp. 955-80.

6. Henry F. Holtzclaw, *Principles of Marketing* (New York: Thomas Y. Crowell, 1935), p. 77.

7. Doris L. Black, *History of Grant County, South Dakota, 1861-1937* (Milbank: Milbank Herald Advance, 1939), p. 76.

8. *Twelfth Census of the United States, 1900: Population*, 1:781-82.

9. Ibid., p. 539.



drought of the following year appear to have encouraged substantial crop diversification.<sup>10</sup>

To serve this market, Milbank's business district included both single-line and general merchandise retailers. Black quoted the *Grant County Review* of 4 November 1881, as reporting fourteen general stores in Milbank and was able to list eleven as being in business in 1882. A "souvenir booklet" published in 1900 named five general stores, of which three were founded in the early years: M. S. Druecker and Sons (1880), Erlandson and Johnson (1881), and Mittelstaedt Brothers (1883). By 1915, a full-page publicity advertisement in a Minneapolis paper claimed that Milbank had four general stores of which only one, Mittelstaedt Brothers, appears to have been a survivor from the 1900 group. By 1928, Mittelstaedt's, as it was then called, was Milbank's only general store although, since it was departmentalized, it may not have been counted as a country general store in the following year's census. However, statistical designations aside, the era of the general store in Milbank reached its end when Mittelstaedt's closed its grocery department in 1943.<sup>11</sup>

What follows are some recollections of Milbank and Mittelstaedt's from the general store period. To provide the reader with some framework it is necessary to summarize briefly the history of the firm and its partners. Gustav and August Mittelstaedt were born in Germany in 1856 and 1860, respectively. They came to Portage, Wisconsin, in 1870 with the other members of their family. In 1883, after first settling in Andover, August opened a general store in Milbank. Three years later he was joined by Gustav who had been working in a dry goods store in Carson City, Nevada. Mittelstaedt Brothers, as the partnership was called, occupied a twenty-five-foot front building, and by 1906, the business was moved to a larger, fifty-foot front building known as the Telephone Block. When that building was destroyed by fire in 1921, August retired from the firm, and later that year, the store reopened in the same location as Mittelstaedt's, with Gustav's sons Arthur and Harold as active partners.<sup>12</sup> In 1931, Harold joined Marshall Field and Company and, following a succession of executive positions with several na-

10. Black, *History of Grant County*, chap. 8.

11. Ibid., p. 31n.34, 31n.35; *Milbank, South Dakota: A Souvenir* (Minneapolis: Wall and Haines, 1900); *Minneapolis Journal*, 2 May 1915; *Milbank Herald Advance*, 26 Sept. 1928.

12. August died in 1928. Arthur Mittelstaedt was born in 1894, and Harold in 1896.

tional firms, assumed the management of the men's wear manufacturing firm Towne and King, Ltd., of Redwood City, California, in which he was the major stockholder. Following Gustav's death in 1943, Arthur continued to operate Mittelstaedt's until 1963 when the business and building were sold to Jim Wilson, who is the proprietor of a clothing and dry goods store known as Wilson's in the same location.

Following the sale of the store, Arthur joined Harold in his business and both retired when Towne and King was sold in 1967. Arthur continued to live in California until shortly before his death in 1975, and during that period he wrote the following memoirs. Since he had only his memory on which to rely, he constantly checked his recollections with Harold. Thus, while the original manuscript from which these reminiscences have been transcribed and assembled is in Arthur's handwriting, it represents the times and events as recalled by both brothers.

Nearly seventy years have passed since I began my apprenticeship in the store business. My father and uncle had been operating a general store in Milbank since 1883 and, by the time I was a lad of ten or eleven, I was doing my stint at the store on Saturdays, the day when everyone came to town to trade and to visit with their neighbors. I learned to sweep floors, wash show windows, pack eggs, and carry out groceries including the inevitable forty-nine-pound sack of flour. Nowadays this would be considered child labor in its cruelest form, but I can't honestly say it hurt me, although at the time I often felt it was unfair because my playmates spent their Saturdays having fun. However, little by little I learned the fundamentals of storekeeping by actually doing all of its chores. It was good training for I spent most of my life in retailing.

When my Dad and Uncle August went into partnership, they started in a rented building, but in less than two years they were able to put up their own. It was one of the first on that end of Main Street of all brick construction. False fronts of wood, sometimes covered with fancy metal sheeting, were still popular. Built of gray brick, 25 by 100 feet in size, with full basement and one story in height, it also had a 25-square-foot lean-to in back. This was made of wood, sheathed with metal corrugated to look like brick. It was hoped that the metal would make it fireproof as well.

In those days, general stores varied greatly in the kinds of mer-



*The interior of Mittelstaedt Brothers' General Store  
about 1896. Above, Gustav is standing at left;  
below, August is at right.*





chandise carried; but I still remember the major items. The grocery department occupied the back of the store, and a large section along one side was taken up with piece goods, blankets, and bedding. On part of the other wall, shoe shelving went up to the ceiling, supplying the needs of the entire family. Wall cases held racks of men's suits and overcoats, and tables were piled with work clothing and "furnishings." Ready-to-wear for the ladies consisted mostly of coats, suits, and cloaks, but there were racks of blouses, skirts, and cotton house dresses. There was also a section for china and glassware.

Store hours were from 7:30 a.m. to 9 p.m., Monday through Friday. On Saturday the store stayed open until the saloons closed at 11:00 at night, and some of the farmers would return to the store where their wives and children had been waiting. There was always a last minute scramble while customers' bundles were carried out, egg cases picked up, and butter jars replaced. After all the customers had left the store, the doors were locked and the shades pulled down. Sweeping compound was sprinkled on the hardwood floor and the push brooms were brought out to sweep behind the counters and along the aisles. Some of the clerks brought out huge white muslin coverlets, which were spread over the dry goods on the counters and tables. By this time it was a half-hour after closing time meaning that, on Saturdays, the men worked from 7:30 a.m. to 11:30 p.m. with an hour off at noon and an hour for supper, actually "on the floor" for 14 hours. The girls worked from 8:30 a.m. to 9 p.m., or 10½ hours. There were no coffee breaks in those days.

Instead of the usual round iron stoves of the time, the building was heated with a big coal-burning furnace in the basement, sending up the heat through a big cast-iron register in the floor. Coming in from the bitter cold on a winter's day, I can still almost feel the waves of heat swirling upward as I stood on it—meantime taking care that my real rubber overshoes didn't ignite on my feet.

A large skylight illuminated the store during daylight hours. In the evenings the only light available was that supplied by large kerosene lamps. Huge chandeliers suspended from the ceiling held several of these "coal-oil burners." These lamps were larger than those used in the homes and had circular wicks and globular chimneys to give out additional light. However, they also smoked easily and one of the nasty jobs was to keep them bright and shining by daily trimming the wicks and cleaning the chimneys.

At about the turn of the century, the new gasoline-vapor lamps

became popular, especially in a country town that had no gas. I recall the big metal cabinet fastened outside at the rear of the store, which housed the revolutionary new "Albert Lea System." It was simple and, by modern standards, frighteningly explosive, but it worked! The system consisted of a sturdy, cylindrical copper tank into which was funneled several gallons of raw gasoline. The spout was removed and a tight-fitting metal cap was screwed into place, making the tank fully airtight. A heavy-duty bicycle pump was attached, forcing compressed air into the tank and pushing the gasoline through the copper tubing when the lamp valves were opened.

To carry the gasoline from the tank to the lamps, a series of wire-like copper tubes about 1/8 inch in diameter were used. These were carefully fastened to walls and ceiling with special care being taken to make sure that no leaks occurred. However, before the lamps could operate, gas had to be "generated" by heating a tiny portion of this tubing directly above each lamp. This was accomplished with a special metal holder containing a wick soaked in alcohol. When this was lighted below the tubing, the gasoline within was changed to illuminating gas. Woven mantles of asbestos fabric were attached to the gas burner and, when they were lit, gave off an intense white light. This was a tremendous improvement over the pinkish glow of the picturesque kerosene lamps and the system was used until electricity came to Milbank many years later.

In this day of supermarkets and discount houses with their self-service, it seems hard to believe that there was ever real "clerk service." Yet, seventy years ago, when the customer entered a store, even a food store, she was seated at a counter and a salesman was assigned to her personally. The customer never waited on herself. Unthinkable!

As for selection, nothing was left to chance. First on the list were the routine items. Sugar? There was a certain mystique as to whether cane or beet sugar was preferable. Some women were positive that, in making jams and jellies, cane sugar was a must or the batch would not thicken properly. Sugar came to the store in 100-pound bags and the affluent housewife usually bought this quantity, "So I won't run out when I need it." However, the most popular quantity was 20 pounds. This had to be weighed out into a kraft bag, and the top had to be specially folded and firmly tied with cotton string so there would be no leakage.

Flour was another big item because the "good housekeeper" baked her own bread and only used the bakery product as an



emergency fill-in. The normal unit was a tough white cotton bag filled with forty-nine pounds of flour. These bags, when empty, were highly prized as dish towels and the maker made sure that the printed trademark on the bag would bleach off after a few washings. Because bread making was a special custom-made process, and mishaps in quality were always attributed to "there was something wrong with the flour," food stores had to carry many brands to satisfy their customers.

I recall that we always carried the World Famous Gold-Medal Flour and its competitor Pillsbury's XXX Flour. Each brand had adherents who swore by its quality and under no circumstances would use any other. North Dakota was famous for its hard winter wheat, so we had a brand milled in Fargo and it, too, had unswervable customers. Milbank had its local flour mill, but distance lends glamour and the local mill always had a rough time selling its product. Because our business covered a trade area of considerable extent, we also had to keep in stock flour made in Revillo, Watertown, and Appleton, Minnesota.

Coffee came to the store in 100-pound bags of whole roasted beans. This was weighed out and ground coarse, medium or fine, according to the customers wishes. When I was a boy the only canned coffees were Chase and Sanborn's Seal Brand and White House. Arbuckle's brands were packed in one-pound fancy paper bags. These were also whole bean.

Tea arrived in the original lead-foil lined wooden chests from Japan and China. Usually there was a brightly printed poster carefully placed underneath the cover of the chest. The tea was weighed out into small paper bags containing a half pound. Only our "Russian" customers, who had emigrated from Southern Russia but were originally German, bought black tea; everyone else preferred the green. Tobacco was another big item. There was a cigar case filled with various brands, packed fifty to the small wooden box. The best sellers were priced at a nickel. "Henry George" was the biggest seller, as I remember, but there were some that sold for as little as two or three for a nickel and the deluxe ones we carried were a dime each (I think "Tom Moore" was the brand.)

Smoking tobacco came in various kinds and sizes of package. There was Bull Durham, sold in small cloth bags with drawstring top closures. Tailor-made cigarettes, often called coffin nails, had not yet caught on in a big way and Bull Durham was the major ingredient of the homemade variety along with thin rice paper cut in the proper size and imported from France. These were sold to

the young and daring and once in a while Harold and I would sneak a package. It was the Victorian equivalent of "grass," and it sold for a nickel a bag. In addition, there were pipe tobaccos of various colors, shreds, and strengths. The cheaper kinds were packed either in paper bags containing a half pound or in little tin pails with tight fitting covers, which held a pound of the stuff. Later on, when these would be emptied, they became the lunch buckets for the school children in the family.

But, looking back, the variety I remember best was plug tobacco. This has almost disappeared from the American scene. Yet, when I was a boy, this was often the number one item on the farm wife's grocery list because, if the butter and egg credit wasn't enough to pay for all the things the family needed, some items would have to be eliminated, but never the plug tobacco. It was called "plug" because the tobacco was compressed into thin bricks about twelve by four inches in size and about a half inch thick. A sweetened additive had been put in so it would permanently keep its shape because, in use, it would be carried in the hip pocket of the farmer's overalls. This tobacco was packed into wooden boxes called butts, each of which, as I recall, contained twenty-four one-pound bricks. These were very hard and the storekeeper used a lever-type blade, called a tobacco cutter, to reduce them to a size small enough to fit the man's pocket. It took many brands to satisfy the finicky tastes of the users, but one brand I recall is Star, which had four tiny pronged tin stars imbedded in each brick and spaced so it could be cut into equal parts. The deluxe brand, I have forgotten the name, was packed in a flat tin box decorated with a glowing champagne bottle because its contents were supposed to be flavored with this exotic drink. In fact, its beauty so enamoured me that one day I stole one of these little boxes and took it home and then went out in the barn to sample it. It had a perfectly hideous taste and I spat it out, but Harold, who was two years younger, also tried it and must have swallowed a little of the juice because he soon became violently sick to his stomach. When he went into the house and Mother smelled his breath, she knew at once what had happened and, as I had lured my little brother into the deal, I was quite severely paddled. The pretty chewing tobacco boxes never had any allure for me after that.

Our Scandinavian customers preferred snuff or snose. Of course, this is still available and, just as now, it came in tiny pillbox-like tin cans that were a little larger than a stack of silver dollars. There was a slip-off metal cover and inside was a solidly





*The exterior of Mittelstaedt Brothers' store in 1903*

packed mass of minutely shredded tobacco. A tiny pinch between the teeth and cheek would start to dissolve and the user had the pleasure of spitting out the bitter, black, salivary liquid, but never the cud. As you can imagine, this kind of tobacco was only for the pros.

I can recall a Main Street with four general stores. Drueker's was the most imposing, as it had a fifty-foot front. They had "the Catholic trade" and stayed open on Sunday mornings so those attending mass could do their buying afterward. Stone and Sullivan was also one of the old timers, but I do not recall ever going inside their building. Mittelstaedt Brothers catered to those of Germanic background and all the salespeople had to be able to speak German as well as English. The families of the "Russians" also spoke a mixed German dialect, but it was often difficult to tell exactly what they wanted to buy. Erlandson and Johnson's was the "Swedish" store and their salespeople had to be conversant in either Swedish or Norwegian.

As "town business" was only a small part of a store's volume, the farmers' wishes were always uppermost and long term credit with no interest charged was the expected service. Most of the farmers raised wheat, flax, rye, and barley—grain crops harvested only once a year. When these were sold, bills were paid

and what was left applied to the loans and mortgages held by the banks. But outside of small herds of pigs and milk cows, only chickens provided a little cash for their needs the rest of the year. When one harvest was completed, another year of buying on credit was begun. I can remember some of these accounts totaling well over one thousand dollars per family before a settling-up time.

Meanwhile, financing the store's purchases was a serious problem. Wholesale grocery bills had to be paid monthly, while dry goods bills were usually settled twice a year, on 10 May and 10 November. Getting enough cash on hand for the May period was always a problem as the store's customers had been charging since the previous fall and, unless they had cattle to sell in the interim, wouldn't have money for payment on their accounts until autumn. Large bank loans had to be made to cover the store's bills as they became due. Wholesalers granted a 2 percent discount for accounts paid on time and Dad paid them meticulously to take advantage of this considerable saving and keep the store's credit at top level. On the other hand, banks charged 8 percent on open account loans of proven quality (usually 12 percent on small accounts of lesser grade). Through the years our store had always cleared up with the bank in full at least once a year, so they were able to borrow the needed amounts without security. When fall came and the farmers paid their store accounts, the partners made substantial reductions of their bank loans. If crops were good, sales during the last quarter of the year were far larger than any other period so, before the first of the year, all loans from the bank were settled in full.

Only once during the many years my father and uncle were in business did this plan fail. In 1894, the year I was born, no rain fell during the growing season, which meant that the farmers couldn't pay the merchants and the merchants couldn't pay their wholesale bills or bank loans. Everyone was in the same bind and the local bank agreed to extend their loan for another year but, to stay in business, additional wholesale credit was needed. Dad, who managed the store's finances, took the train to Chicago, headquarters of the John U. Farwell Company, their biggest dry goods supplier and to whom they already owed for a half-year's merchandise shipments. The story that Dad told Mr. Farwell came as no surprise as that company's road salesman had already reported that conditions in South Dakota were going to be tough because of bad crops. Mr. Farwell also knew that the partner's record of payment was excellent and, when Dad asked, "What



shall we do?" Mr. Farwell replied, "We're going to turn another page in our account book." In other words, the past account was extended and an additional line of credit available until the next crop was harvested. Luckily, the following year, crops were excellent and all accounts were paid in full. While writing this, I cannot help but marvel at how much a man's word was worth in those early days. The store's notes were not secured by mortgages nor were their goods shipped C.O.D., but on open account as before. Just a man's promise, "We'll pay as soon as we can," and a handshake to complete the deal.

The partners split up the buying of merchandise for the store. My Dad did the buying for the grocery department and the men's wear department and Uncle August bought the piece goods, notions, women's wear, and shoes. While the grocery buying was a biweekly event, fruits and vegetables were purchased weekly. The wholesalers of the latter were located in Minneapolis and shipments were generally split to arrive twice a week by refrigerated railroad car so they would be fresher and suffer less spoilage. At home we always had the finest but, if any fruit was left over and likely to spoil, it was taken home by the partners. Thus, mother never knew when she would be confronted with a crate of peaches or plums or whatever, which would have to be saved by canning.

The other lines of merchandise were bought on a seasonal basis with orders being placed months in advance. With the exception of ready-made clothing and shoes, purchases were made through dry goods wholesale houses such as Wyman, Partridge Company in Minneapolis and John U. Farwell or Marshall Field and Company in Chicago. The representatives of these firms were called trunk salesmen because they used a dozen or more large trunks to carry samples of their many lines. Unloaded from the trains' express cars and brought to the store by horse-drawn drays, they made an imposing pile on the sidewalk in front of the store.

To save time, both for the store owner and the "traveling man," one trunk at a time was brought into the store and the contents of one tray at a time spread out on a vacant counter. This colorful array usually captivated the women customers who were in the store, but their curiosity about what a merchant paid for these items was thwarted because the cost marks were always in code. In fact, some items were not marked with their cost at all and the tag showed only the stock number. If the merchant wanted to order one of these items, the salesman had to refer to his price book. Prices were usually quoted depending on the

number of units wanted—one price for a dozen, a lower price if a case of several dozen was ordered. Item by item, the buyer would try to estimate the requirements for three to six months ahead. Page by page the salesman's order book grew as attention turned to each successive trunk. Whenever the store filled with customers, buying would stop as my father and uncle helped wait on them. Much of the buying was done in the evening when there was less activity, but sometimes it took two days or more to completely check through the many lines shown by a single trunk salesman.

Men's clothing and women's ready-to-wear were usually selected at a sample room at the Hotel Saint Hubert. Sample garments were placed on hangers and hung on racks of iron pipe. These samples would show the new styles for the coming season and were yet to be in production, so whatever was selected was not delivered for several months. Most styles shown were available in several fabrics and a variety of colors. Sizes had to be specified. Even in those days style was most important and the buyer tried to guess, months in advance, what his feminine customers would be likely to buy when the time came. Buying needed both concentration and a gambler's spirit, so it could best be done in a quiet room with no customers around for distraction.

When I was young, one sometimes heard a person described as a big butter and egg man. I have no notion about the origin of this saying, but I would bet that many butter and egg men were, in fact, not big but, rather, young boys working in the back rooms of the general stores. Thus, my apprenticeship in store business began in the lean-to section at the back of the old store. It was there that I was introduced to the mystique of candling eggs and other duties. Part of the back room was used for storing 100-pound bags of sugar and there were rows of canned goods in cases. Along part of one wall was the egg department and from the time I was ten years old I spent the greater part of each Saturday in this unesthetic spot. When my brother Harold reached this advanced age, he joined in these labors. Nowadays most kids wonder what to do with their spare time. We had it laid out for us, and we didn't particularly like it. Our playmates, whose fathers were not in the store business, could play on Saturday to their heart's content, but we had to work or we received no spending money.

In a farming community such as ours, the bulk of a farmer's cash income came in the fall when the year's grain crop was sold to the elevators. To increase in-between income, it was necessary



to raise chickens and keep cows. Thus, most of the family's groceries were bought by the eggs, cream, or butter taken to town and traded to the general store.

Egg production, at that time, was hit and miss. The farmer's hen house was built to protect the chickens from such nighttime prowlers as skunks and foxes. Although there were nesting boxes inside the henhouse, doors were open during the daytime and the hens found other places to deposit their eggs. It was one of the duties of farm children to find these eggs hidden in haystacks, mangers, or in the groves of trees around the farm. The farm wife was well aware of how many laying hens she had and how many units they should be producing daily, so the kids had a "par" to work against and kept looking until they found their quota. Of course, it was never known for sure just how long these eggs might have been in their hiding places. Since there was always the possibility that they might be fresh, it was considered fair game to take them to town and have their fate decided at candling time. If the buyer was careless or assumed that the entire lot was fresh, a credit slip would be issued in full. However, when the eggs were repacked by the wholesaler, the discovery of "rots" would be deducted from the merchant's check. During hot weather, with no refrigeration, eggs spoiled quickly; so I was sternly told to trust no egg until it proved itself innocent.

While a few farmers brought their eggs to town in crates, most came in some sort of pail. To prevent breakage during the bumpy ride to town, the eggs were carefully packed in oats—a layer of oats, a layer of eggs, a layer of oats, another of eggs until the pail was filled. Because they were so firmly packed, a special technique had to be learned or disaster would follow when you tried to remove them. If too much pressure were exerted as you tried to wiggle your fingers around the egg to extract it from the bucket, it would suddenly break in your hand—a mess at best and a smelly mess if it proved to be on the ripe side.

As the eggs were removed from the oats, they were candled by passing them in front of a small opening in a tin box, which had a lighted kerosene lamp behind it, sending its beams through the hole. The light, shining through the egg, made it translucent and thereby revealed its quality. If the egg was clear and pinkish, with a tiny air space at one end, it was unquestionably fresh. However, if the light revealed slight streaks in the egg, the diagnosis was that the hatching process had begun and it was no longer fit for food. But should portions appear black, the egg had started to rot. If the eggs were slightly cracked, these marks

showed up in the candling and they were put back in the pail to be used by the farmer's wife. But state law decreed that rots must be destroyed at once and there was an old wooden fence across the alley from the store against which we pelted them. This was a challenging game because too much enthusiasm in throwing could result in clutching a broken shell, its smelly contents running through your fingers.

Packing eggs introduced one quickly to the necessity of accuracy in mathematics. Problems such as 11 7/12 dozen at eleven cents per dozen were daily routine and the answer had to be correct or I would hear about it twice—once from the farmer's wife who knew to a penny what she should receive and a second time from the sales clerks in the store who felt duty bound to correct the boss's son.

The process of trading farm produce was a simple matter because the day's buying price for eggs was written on a slate nailed to the back door. If a farmer wished to shop around before selling he could do so, but at best there would have been only a penny a dozen difference between all the stores in town that purchased eggs, and usually no difference at all. Collusion? Hardly. It was much simpler than that. Each Monday the Minneapolis produce market mailed out its quotation for country eggs, the price its members would pay per thirty dozen case for all eggs received until the end of the week. They paid transportation charges and there were no grades as such, just deductions for cracks and rots. The merchant knew exactly what he would receive for everything shipped.

Traditionally, at least in our area, storekeepers paid the farmers exactly the same price as quoted by the wholesale markets, with one difference—the exchange had to be taken out in trade. No cash. Definitely! Merchants felt that this was no more than right, as they actually handled the eggs at a loss. There were out of pocket costs for the time and overhead consumed in candling, repacking, taking the crates to the depot every night, and inevitable claims from wholesalers on losses for bad eggs when they were again recandled. Thus, the farm family decided where to sell its produce, not on the basis of the prices paid, but on the basis of where they wanted to buy their needs.

After unpacking the eggs, I would make out a credit slip showing the name of the customer, the quantity of eggs brought in, the price per dozen, and the total value of the transaction. This slip was placed on top of the customer's egg bucket or carried into the store where the lady was already busy with her grocery list, and



it was quickly checked for accuracy, both as to count and arithmetic. Some problems occasionally occurred about the count. "I know I brought in 10 dozen," the lady would say when the slip showed 9½ dozen. I had to be prepared to prove that my count was correct and soon learned that I had to have an explainable system. I still remember it, almost seventy years later. Since the thin basswood egg crates in which eggs were shipped held exactly thirty dozen, as I started to unpack a customer's egg pail, I would mark on her credit slip the exact number of eggs then in the crate and when I finished, again note how many it now contained. The difference in these figures was the amount taken from the customer's container. When this impregnable system was explained, most customers would be convinced, I hoped.

In time this matter of credit slips became a nuisance. Some customers brought in more produce than they wished to trade out at that particular time and would keep the slips. Sometimes slips were lost. Finally, someone devised a simple solution—aluminum due bills made in coins of common denominations. One face showed the amount and the other gave the name of the store issuing them. To complete this illusion of money, the one cent pieces were made of copper and, in the small quantities the store had them made, they actually cost many times their face value. But it was the principle of the thing that was involved. Not even a cent would be paid in cash for produce, even if the "pennies" cost a nickel.

Besides candling eggs, there were always plenty of other chores to do, but the one job that we really hated was to pack butter. This was another commodity that farmers' wives brought into the store to trade. Before refrigeration on the farms, cream was skimmed and stored and once or twice a week churned into butter. Depending on care and know-how, there was tremendous variation in the quality of this home-made butter. Yet, all of it was brought to town, in two-, three-, or five-pound crocks, which were furnished by the store. Such was the volume of this trade that we bought Red Wing crocks by the freight-car load. The farm woman usually placed an identifying mark on the top of each freshly packed crock using her wooden paddle. Some of these marks were local symbols of quality.

In the store the butter was classified into three general groups. The "best" butter was of superb quality and the farmers' wives who brought it in knew that it would be sold without nose test to our best grocery customers. Town housewives often requested the butter of a particular maker and paid a premium of a penny or

two a pound, which was passed on to the farm wife whose hallmark had been requested.

"Regular" or "average" butter had a slightly strong flavor and was sold for cooking purposes, although many families also used it on their tables. Altogether, much butter was sold in town. Incredible as it seems now, most families used a pound per person per week, as a sort of rule of thumb for the good housewife who did her own baking.

However, it was the other butter that was the problem—butter often made from overripe cream by farm wives not too fussy about cleanliness or other musts. This was purchased at a lower price than the premium stock and as its quality made it impossible to sell over the counter; it had to be disposed of as packing stock. This meant that it was repacked into barrels and shipped to the Minneapolis market where it was rendered and the resulting butter oil was sold to large bakeries who featured butter cakes.

Once or twice a week, when we were teen-agers, my brother and I prepared this butter for shipment. Several apple barrels would have been filled with water the night before making the wood swell and, by tightening the metal hoops, these barrels could be made water tight. Early in the morning, before the store opened, we were on the job for this hated task. The barrels were emptied and fully lined with wrapping paper. Then the jars of butter were taken out of the big store refrigerator and, with a special spatula, they were emptied into the barrel, using a large wood stomper to pack it solidly with no air spaces. When filled to capacity, the wooden cover was fitted into place and carefully nailed to prevent its opening during shipment.

One of the men in the grocery department who usually took care of this butter when we were not available told this story on himself. One morning he was still engaged in packing butter when the store opened and a farm woman who made notoriously bad butter brought in her crocks and went into the store to do her trading. The last barrel was not quite full, so he dumped some of this late arrival on top just as this woman unexpectedly returned. Seeing what she considered her prize butter being packed into the big barrel, she was highly incensed. Caught in the act and not wishing to offend the customer, he said, "It was lucky for us that you brought in that butter when you did. We always put some extra good butter on top of the barrel so those city folks will think the whole barrel is of that fine quality."

I graduated from Milbank High School in 1911 and, for several



reasons, it was decided that I would delay a year before attending college. Milbank High School started its first business courses in the fall of 1911 and my Dad, who kept the books at the store, thought I should learn bookkeeping. I returned to school, as a part-time student, to master the rudiments of double entry and, with my new found knowledge, began helping with the store's bookkeeping.

Since a large part of the store's business was done "on time," the majority of customers would charge their purchases. Until about 1905, the sales slips in our store were posted, item by item, in ledger books. However, by the time I became involved the store had purchased a "McCaskey System," in which the actual sales slips were kept in special clips and each customer had an assigned number identifying his account. The clips were fastened to both sides of a metal sheet, I believe ten or twelve accounts to a side. These sheets were hinged at the center and kept on a special countertop desk to be easily available to all sales people and could be removed and put in the big safe for fire protection. At first, the idea had been that each clerk would post his own sales, always bringing forward the total balance owed on the account. However, in practice, it was found that many errors in arithmetic occurred, so the bookkeeper computed and filed the sales slips daily, posting the credits as payments were made. McCaskeys became almost standard equipment in most small stores during the 1910s, but I'm sure they are now collector's items.

In many ways, our home life was affected by the store. After all, my Dad spent fourteen to sixteen hours a day there, six days a week. He always kept to a precise schedule, arriving home at twelve noon and six for meals. My mother was an excellent cook and my Dad, although a small man, delighted in good food. We had the grocery department in the store to draw from at will and in all my boyhood years I never heard the price of groceries discussed at home. We always had fresh fruit, rather a rarity on many tables at the time, because it was constantly available in the store. But Dad let nothing go to waste, so we'd either have the finest in the market or things that had been brought home to eat before they would spoil. As a result, I came to know that spotted bananas really tasted best and that shrunken grapefruit produced the sweetest juice.

As in most kitchens, the range dominated the room. Ours burned wood and it was the duty of my brother and me to keep the woodbox filled. The wood cost nothing because it was a store by-product. All merchandise arrived in wooden boxes and these

boxes were hauled to our house, knocked to pieces, and chopped into stove lengths. It was an endless job because the boxes kept coming and coming. Dry goods, especially, were shipped in packing cases that were very large with boards that were thick and strong. They made great playhouses and, if we could con the other kids into dragging some of them home, we would have less to chop.

In 1920, Dad and Uncle August wanted to retire. Harold and I were in the process of taking over the store when it was destroyed by fire on 5 January 1921. Because the takeover had been planned for 31 December, much of the insurance had lapsed. Thus, while we had a fire sale of the merchandise that was par-



*Arthur (left) and Harold (right) Mittelstaedt about 1917*

tially damaged, the old partnership did not end, financially or otherwise, as it had been hoped. However, Harold and I were eager to reopen and Dad agreed to finance our inventory purchases and help in setting up a corporation to rebuild and own the building. Several old customers participated as stockholders. It was decided that construction would start as soon as weather permitted.

Meantime, I was twenty-seven and Harold twenty-five, both unmarried and living at home. We had both attended New York University's School of Commerce. World War I service interrupted my schooling, but Harold had graduated in 1917. From the school's catalog we learned that during the winter session a new



course in retailing was being offered. Most of the instructors were the New York representatives of A. M. C., the nation's biggest group-buying department stores, and Macy's. Furthermore, and not incidentally, New York was having one of its best theatre seasons in years. All of this looked much more inviting than spending the rest of the winter in Milbank.

Because we were spending our own money, we tried to get the maximum out of school by attending all lectures and getting to know our instructors personally, so that we could pump them for additional merchandising knowledge. The accounting idea of valuing an inventory at retail rather than at cost was very new. By allowing the store owner to get a book inventory at any time, he would be better able to control his turnover and investment. At that time, general stores bought almost everything from wholesalers. However, to our surprise, we learned that manufacturers would ship direct to a small store like ours, providing credit was good and the orders placed and delivery taken when the items were still "on stream" in the factory.

At the end of the semester, we returned home and began working toward our grand opening in September. It was an event. On the evening before our first day of business, we had a style show, the first one ever held in Milbank, and while no merchandise was sold, hundreds crowded into the new store. We had several other "firsts" for the community, including rugs on the floor of the ready-to-wear department, individual fitting rooms, and separate chairs instead of the usual benches in the shoe department. Probably the biggest change of all was the open display of merchandise atop the counters and on the aisle tables. Self-help merchandising had just begun in the larger cities; until then, even groceries were kept on shelves and separated from the customer by counters. Grocery orders were written on sales pads and then filled, piece by piece, by the attending salespeople. While our store still was not a supermarket, customers could examine the products which, by this time, were increasingly prepackaged. It was a time of transition and we were eager to change the traditional patterns of the small town store.

Because much of our stock was style merchandise, we changed our fiscal year to end on 31 January. This enabled us to run a series of sales in January, turning winter stock into cash, and cutting down our inventory to actual value. When we totaled our first five months operation, we showed a small profit even though we had marked down the inventory realistically instead of the then customary method of taking it at actual cost. Harold and I

were somewhat disappointed at the results, but mother tried to cheer us by remarking that "if it were easy to make a big profit in the store business, everyone would be in it." As the farm depression of the twenties snowballed into the debacle of the thirties, this remark became a family classic.

With low farm prices and a restricted borrowing ability because of the heavy investment in the building, we were forced to turn our stock more rapidly than most stores. Also, we were "promotion-minded" before this phrase became common. As a result, our season-end sales brought in customers from ever increasing distances. One of the most talked about events was a Ten Dollar Dress Sale. While Harold was in New York on a buying trip, he had an opportunity to buy several hundred dresses as a close-out from a well-known manufacturer. To give a little background of that time, although the wages of working girls were usually \$25.00 a week or less, we sold dresses to these same girls priced up to \$59.50. Now, for the first time, we offered cute styles at only \$10.00. To build anticipation, we showed many of these dresses in the display windows a week ahead of time. A crowd of several hundred gathered in front of the store before it opened on sale day and, within minutes after 9:00, the store was packed. We had made temporary fitting rooms by putting short-length fabrics over clotheslines; but soon things were so hectic that women were doffing their own dresses in the aisles and trying to slip on the desired new ones before someone else took them away. Never before or since this event had we seen such a madhouse. I'm sure many of these customers were shocked at themselves when they got home with their purchases. Ladies simply didn't appear in their slips except in the privacy of their own homes and here they had unmindfully walked around the store, sometimes wearing even less. For days afterward, this unexpected exhibition was the talk of the town.

During this period, the trade papers were carrying stories about a small southern grocery chain, Piggly-Wiggly, that was causing quite a stir with their unorthodox methods of selling foods. Goods were set out in piles and customers helped themselves, carrying out their purchases through special gates where the amount was totaled on an adding machine and immediately paid for. This was considered a revolutionary way to sell goods because it lowered the cost of doing business, enabling Piggly-Wiggly to undersell their competitors and yet make a good profit.

Because most of our grocery business was done on a charge and





*Mittelstaedt's bargain basement about 1928*



*Mittelstaedt's grocery department, 1938*

deliver basis in town and on a long-term credit basis in the country, we decided to build a cash-and-carry Groceteria in the store basement. A wide stairway was cut in the main floor leading to the new selling section below. We joined a newly formed merchant's co-op and selected only standard, not fancy, quality canned goods of this previously unknown line. The simple shelving was open to the public and mass displays were piled on the floor. Only the fastest selling items were included and they were marked at cut prices, with additional savings if purchased in half-dozen, full-dozen, or case lots. Everything was clearly marked to eliminate possible misunderstandings and facilitate quick check-out.

Thus, we had two grocery departments in the same store selling at two sets of prices. Customers who wanted national brands and full credit service had to pay for it. Those who weren't quite so fussy and wanted to save as much as they could, bought in the Groceteria. It caused quite a stir and was one-of-a-kind operation so far as we knew. As it became established, more and more customers, many of whom previously bought at other stores, discovered that the products in this private label line were as tasty and reliable as the advertised brands that cost considerably more.

Since less than half the basement was used for this new operation and much of this new traffic consisted of people who had not done much buying in the store previously, we made another change. A Bargain Basement was begun, selling lower-priced lines of merchandise than those featured on the main floor. By this time farm prices were in real trouble, wages were being cut, and people were trying to stretch their purchase dollars in every possible way. Mills, too, were in trouble and through our New York office and our frequent trips to New York, Chicago, Saint Louis, and the Twin Cities, we were able to pick up many remarkable bargains. The big selling room was filled with racks of low-priced dresses and coats, racks and tables full of low-priced shoes for the family, tables piled with inexpensive piece goods, manufacturer's close-out lots of curtains, underwear, and countless other necessary items. At Christmas time we added toys to this varied assortment.

While all of this is now ancient history, this way of selling was very new then, and probably was the major cause of the dissolution of Harold's and my partnership. Marshall Field and Company, then the most powerful wholesale distributor in the country, had recently purchased two of the largest retail stores in



northeastern South Dakota, at Aberdeen and Watertown. Their district managers had heard of our store and dropped in to see us and observe our methods. Shortly afterward, both of us, in separate meetings, were invited to Chicago and it finally wound up that Harold was offered the opportunity to manage a dry goods store they had purchased in Sterling, Illinois.

Because of local conditions, extremely low farm prices, and serious problems concerning bank loans for expansion, it looked to us that our profits would be limited for a few years. It seemed wise to cut overhead by separating temporarily, planning to recombine forces when the effects of the depression had abated; and we parted on this hopeful note.

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