
The Pittsburgh and Wheeling Goblet Company

By James S. Measell

DURING the last decades of the nineteenth century, cartels, holding companies and "trusts" were common in many American industries.¹ Heretofore, the only such enterprises known in the glass tableware industry were the United States Glass Company and the National Glass Company, formed in 1891 and 1899, respectively. Both trusts were headquartered in Pittsburgh. The United States Glass Company encompassed 10 plants in western Pennsylvania, three in northwestern Ohio, and two in Wheeling; a new plant was built in Gas City, Indiana, in 1892, and the Ohio branches were closed. The National Glass Company began with 19 firms (11 in Ohio and Indiana), but only nine were in production a few years later when the company, in financial turmoil, chose to concentrate on its large Pittsburgh-area firms. This essay discusses the formation and operations of a small cartel, the Pittsburgh and Wheeling Goblet Company.²

In response to the financial panic of 1873, numerous manufacturers

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1 On the operations of the early cartels, see William J. Ripley, *Trusts, Pools and Corporations* (Cambridge: 1905); for a thorough discussion of American business developments in the late nineteenth century, see Alfred D. Chandler, Jr., *The Visible Hand: The Managerial Revolution in American Business* (Cambridge:1977), especially Chapter 10, "Integration by Way of Merger."

2 The minutes and other papers of the Pittsburgh and Wheeling Goblet Company (copies of which are now in the Historical Society of Western Pennsylvania Library) were found in the files of the National Association of Manufacturers of Pressed and Blown Glassware, a large Pittsburgh-based group founded in 1893 for the sole purpose of negotiating with the American Flint Glass Workers Union; the association disbanded in the early 1950s. I am indebted to Frank M. Fenton, a trustee of the association, for making these records available to me at the Fenton Art Glass Company in Williamstown, West Virginia.

of similar products formed trade associations, usually to limit production and to control prices. The legal entities known as "holding companies" and trusts were the favored organizations of a later period, especially around the time of passage of the Sherman Antitrust Act in 1890.³ Despite its name, the Pittsburgh and Wheeling Goblet Company was really just a gentlemen's agreement among a few specialized glass manufacturers. Except for some notes in the glass trade periodicals and a printed circular directed to its member's customers, the short-lived Pittsburgh and Wheeling Goblet Company had limited influence.

In early 1877, the glass tableware manufacturers in the Pittsburgh district faced several problems. The fledgling American Flint Glass Workers Union was testing its strength, eventually mounting a strike which lasted from June 1877 to July 1879, to protest the introduction of a machine used by unskilled laborers for crimping lamp chimneys. Many manufacturers affected by this strike also made tableware, and price competition among them was extraordinarily keen on goblets. This rivalry was compounded by the non-union tableware firms, such as the large Bellaire Goblet Company of Bellaire, Ohio, which enjoyed the advantage of lower labor costs.⁴

On February 26, 1877, the Pittsburgh and Wheeling Goblet Company met to make final its organizational structure.⁵ Legally, the cartel was intended to be a limited partnership (no public record has turned up) of the member firms, managed by four elected officers. The rules provided for three to be Pittsburgh-based, while the fourth, a vice-president, had to be from Wheeling. Each member firm was required to deposit \$100 with the bookkeeper, who also acted as sales agent.

The cartel planned to offer goblets for sale "at such prices as may be determined on by the Board of Managers." Benjamin J. Bakewell of Pittsburgh presided at the meeting, during which 18 factories, includ-

3 Chandler, 315-320.

4 A Pittsburgh report dated February 5, 1877, in the trade publication *Crockery and Glass Journal* (February 8, 1877), suggests that the Bellaire Goblet Company may have been, in part, the impetus for the cartel: "The establishment of a goblet company at Bellaire, and the low scale of prices has had the effect of stirring up the Pittsburgh folks in that line. The result is that a combination is being made, and a company is organizing of some of the most influential glass men here, to be called the Pittsburgh Goblet Company, and they will sell goblets down to cost, if not lower. There's music in the air, and a tough fight ahead for somebody...."

5 An undated document had been signed by eight Pittsburgh firms (Adams and Co.; Bakewell, Pears and Co.; Doyle and Co.; Richards and Hartley Flint Glass Co.; and Ripley and Co.; two from Wheeling (Central Glass Co. and J.H. Hobbs, Brock-unier and Co.) and the LaBelle Glass Co. of Bridgeport, Ohio. The other seven signators to the March 10, 1877, circular were present at the February 27, 1877, meeting.

Pittsburgh, Pa., March 10, 1877.

TO THE JOBBERS AND DEALERS IN
GLASSWARE,

The undersigned manufacturers of GOBLETS in Pittsburgh, Wheeling and their vicinities, believing that the present cutting in prices of Goblets is injurious to both manufacturers and dealers, have mutually agreed that after this date they will sell no Goblets below a certain price, which is fixed in their articles of agreement, and rely on your assistance in carrying out a plan which is undoubtedly for our mutual benefit.

As there will, of necessity, be some slight variations in prices, owing to differences in style, finish and manner of making, we will issue no joint circular of prices, but each manufacturer will send out to the trade his own list.

GEO. DUNCAN & SONS,
 BAKEWELL, PEARS & CO.,
 J. H. HOBBS, BROCKUNIER & CO.,
 BELLAIRE GOBLET CO.,
 MCKEE & BRO.,
 ADAMS & CO.,
 KING, SON & CO.,
 O'HARA GLASS CO., LIMITED,
 RICHARDS & HARTLEY FLINT GLASS CO.
 DOYLE & CO.,
 RIPLEY & CO.,
 CENTRAL GLASS CO.,
 LA BELLE GLASS CO.,
 EXCELSIOR GLASS CO.,
 BELMONT GLASS CO.,
 BRUCE, WALKER & CO.,
 CAMPBELL, JONES & CO.,
 CRYSTAL GLASS CO.

ing the Bellaire Goblet Company ⁶ formed a partnership, according to the minutes of February 26, 1877, which pledged to "sell no Goblets at less prices than those based on schedule as below." The price schedule reflected formulas based upon the relative costs of manufacturing several different types of goblets (joint goblets, joint goblets with finished bowls, and cup foot goblets). The formulas entailed "adding to the price of the glass by weight the (cost of) labor," the results of which "shall not be divulged to anyone outside of the manufacturers." A printed circular, dated March 10, 1877, was distributed to the trade and sent to *Crockery and Glass Journal*. It appeared in the March 29, 1877, issue.

The company met several times in May 1877, to deal with alleged violations of the agreement by members. Three firms — George Duncan and Sons, and King, Son and Co., both of Pittsburgh, and the LaBelle Glass Co. of Bridgeport, Ohio — had apparently committed inadvertent breaches, but Bellaire Goblet was charged with offering only goblet "seconds." As was customary in the industry, glassware of lesser quality was routinely sold by manufacturers at deep discounts, but the Bellaire firm may have been selling its first-quality products on the open market while disposing of "seconds" through the trust. The difficulty was apparently resolved, for Bellaire Goblet remained in the partnership.

On May 23, a special meeting convened to discuss violations by Doyle and Co. of Pittsburgh. When a committee from Pittsburgh and Wheeling called on Doyle, the latter refused to act with the partnership and "considered their connection severed," according to the meeting's records. This development led to a motion calling for the association's dissolution. Minutes from a May 29 meeting show that the motion failed, and the members sought to prevent further precipitous withdrawals by agreeing to a provision for 60 days notice, during which the partnership's goblet prices had to continue to be observed.

Further allegations of violations appear to have been made in June

6 The members within the cartel were apparently able to convince the Bellaire Goblet Company to join its ranks. A report from Wheeling dated February 15, 1877, in *Crockery and Glass Journal* (February 22, 1877) had the firm on the outside and predicted fierce competition: "I inquired as to the bearing the Pittsburgh Goblet Company would have upon their trade, and was told that they (Bellaire Goblet) intended to 'face the music' and continue. To those wanting to buy goblets, there is a 'good time coming.' When they get so cheap that a free chromo is given to each purchaser, I think of buying a half-dozen myself, just to encourage the trade. There is one thing certain, and that is this rivalry will for a time serve the branch of glass manufacturing like the whale did Jonah: it is going to swallow the *profit*; yea, verily, it will gobble it."

1877, but the Pittsburgh correspondent for *Crockery and Glass Journal* reported June 21, 1877, that members were able to restore stability to their organization:

The Pittsburgh Goblet Combination lately held a meeting and, in the most solemn manner, renewed their vows and pledged themselves anew to carry out their design to keep goblets a certain figure. They had suspected one of their number of having broken the agreement, but as he came up to the bar and said he had done so under a miscoception, misconstruction, mistake, or misunderstanding, they declared him "not guilty," and everything is serene with them once more.

The fragile combination of goblet manufacturers survived the summer of 1877, but the competitive pressures of the important fall sales season may have been too much for it. On September 11, 1877, the group met for its final session. No specific difficulties are mentioned in the minutes, but this terse entry tells the whole story: "On motion Mr. Adams that the Goblet Combination be cancelled. Carried." By October 1, secretary/treasurer A.H. Heisey had closed the financial books, meeting the accrued expenses by assessing signators of the partnership agreement the amount of \$5.50. The brief glass tableware cartel came to an end.⁷ ■

7 Plans for a large-scale trust among the glass tableware firms surfaced again in 1884; see James S. Measell, "The Western Flint and Lime Glass Protective Association, 1874-1887," *The Western Pennsylvania Historical Magazine* 66 (October 1983), 329-333.