

## INTRODUCTION

The people of Suffolk and the surrounding communities have for decades been heirs to a legacy of health and hope through the generosity of Amedeo Obici, the founder of Planters Nut & Chocolate Company and the Louise Obici Memorial Hospital. The Planters Company has provided employment for 70 years for many thousands of Suffolk People and became the City's largest employer. Likewise, the Obici Hospital provided the medical care for every member of the community, regardless of any individual's ability to pay for needed services.

This booklet was prepared in response to the many requests, not only from area people but people from many parts of the United States. The story of Obici is the story of the American Dream. From "rags-to-riches", he found and built the giant Planters Company, the largest manufacturer of nut products in the entire world. But most important, he eventually left his fortune to benefit the people of Suffolk and the surrounding area. Obici was a self-taught Italian immigrant who through hard work and study became a "Captain of Industry" and a great and admired philanthropist. It is with a great deal of pleasure that I have researched and put together the most pertinent facts of Obici's life. Information was obtained from articles printed in the past and from my personal knowledge, having known and worked for Obici since 1935 until his death.

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## THE OBICI STORY

The peanut and its more noted commercial promoter traveled as odd companions. At first both had been unimportant in the United States; but over many hills lay the land of riches. When their rugged way was only as a memory and they journeyed into the verdant vale of success the promoter was known as the "Peanut King" who had dignified the peanut as "Mr. Peanut".

They joined company about 1889 and parted in 1947, and as they bade their farewell all well knew they had trod the rags-to-riches way.

The peanut, more curious of the pair, upon the meeting had struggled long for recognition in the United States.

Then about 1876 near Venice, Italy, in the small town of Oderzo and in the province of Triviso there was born on July 15, 1877 one given the name of Amedeo Obici, a musical "Ah-may-da'o O-bee'chee" rolling from the lips of friends.

A few years later the lad's father's death widowed his mother. When he grew old enough to dream his eyes sparkled with thoughts of opportunities that lay in far-away America from whence an uncle's glowing letters had come.

One day in 1888 an Italian tramp steamer pulled up at Bush Terminal in Brooklyn, New York. An Italian lad of about twelve years was tagged and put on a Delaware, Lackawanna and Western train for Scranton, Pennsylvania.

He arrived a day ahead of schedule. No one met him at the station. A policeman came by and saw the little boy sitting on a nearby street curb in the cold rain crying. The officer read the tag and rode him in horse and carriage to the uncle's home.

Shortly afterwards the sprightly young immigrant began making his acquaintance with America at one dollar a week as a bell-hop in the McCassey Hotel in Scranton.

Amedeo's uncle owned a fruit-stand in Scranton and after graduating from Grammar School, Obici worked for his uncle selling fruit.

It was Amedeo's job to set-up the fruit display in front of the store. He would arrange the apples, oranges and bananas in an artistic design to attract attention and hope to increase sales. This daily chore became monotonous and soon Amedeo became disenchanted and was ready to give-it-all-up and return to Italy, until one day something happened that changed the course of his life. He noticed a passerby eating roasted peanuts and dropping the shells on the sidewalk. Obici followed the man and picked up the shells and this ignited a thought in his young mind. He convinced his uncle that they should roast and sell peanuts in the fruit store. There was no money to buy a roaster, so Amedeo went to a local junk yard and purchased a sheet of metal which he had a sheet-metal shop roll into a cyclinder, from which he built a crude roaster.

Amedeo roasted and packaged peanuts at night and then sold them during the day along with the fruit. Business was very good at the beginning. The first 100 pound bag of raw peanuts that he purchased resulted in a profit enough to purchase 2 - 100 pound bags of raw peanuts. Sales increased every week for several months, but then reached a stand-still. Obici concluded the reason sales did not continue to rise was due to lack of customers - if people did not come to his store, then perhaps he should go where the people are. He built a

push-cart from two used wagon wheels he found in the junk yard - mounted his roaster on the wagon and every day he would push his cart through the street of Scranton, yelling "Come and get your hot roasted peanuts". Sales increased tremendously and working 18 hours per day was beginning to show its effect on his health. What tired him was the yelling, so he decided he could save his vocal chords if he had a way to attract attention without yelling. Obici noted that in roasting peanuts, the moisture removed would emit a steady stream of steam from the roaster. He decided to mount a tin whistle at the point where the steam came out of the roaster. The result was a continuous shrill high-pitched whistling sound that attracted attention - thereby saving his voice and having the distinction of inventing the peanut vendor's whistle.

In one year's time, the sales of peanuts had increased to the extent that Obici outgrew the space his uncle allotted him in the fruit store and he was forced to find larger quarters.

Amedeo had a friend in Wilkes-Barre, Pa. and they corresponded. Obici explained his predicament to his friend who in turn found a store in Wilkes-Barre that could be rented for \$25.00 per month. He moved to Wilkes Barre and opened a fruit stand of his own.

Omedeo was in a way like the peanut, eager to rise with each new opportunity. He studied the English language, mostly at night, and read many books to improve his general education. He never forgot the frugality essential in his native Italy. When he neared adulthood he was saving most of the sixty dollars a month he was earning. He was able to pay the passage to the United States of his mother, sisters and a brother.

Surely carefully roasted peanuts were "splendid sellers," and when young Obici opened his own fruit stand he invested in peanuts and sought to improve their taste.

Within a few years he dubbed himself "The Peanut Specialist" and turned peddler using a horse and

wagon to take his peanuts about Wilkes-Barre and the nearby countryside jobbing to other storekeepers. He had developed his own method of blanching whole roasted peanuts doing away with the troublesome hulls and skins. Early success made him envision an ever-widening market, but changing from retailer to processor also made him realize that he must maintain both freshness and rapid turnover. When he thought he had the solution, he carefully laid his plans for expansion.

In 1906 at age of twenty-nine and with many years of vending experience Obici went into partnership with his future brother-in-law, Mario Peruzzi, a native of his region of Italy. They rented a small factory for twenty-five dollars a month, occupied two floors, installed two large roasters and some crude machinery and employed five girls and a man.

"Planters" sounded "important and dignified" and this, Obici thought, was just the name. A sign on front of the building identified the business as Planters Peanut Company. A horse and cart distributed the plant's production to stores. The dealer was supplied with glass display jars and a cup to measure out the right quantity. Ten-pound cans were supplied as refills.

Two years later, in 1908 with Obici still serving as president and general manager, the firm was incorporated as Planters Nut and Chocolate Company and capitalized at \$50,000.

Significant, indeed was the addition of "chocolate" to the firm name. With early new ideas tested the company looked to new ways of expansion. It began to combine peanuts with chocolate and syrups to produce tasty confections. Success followed. Sales innovations lay the foundation to future growth. Obici introduced a brand new business formula selling dealers on the reasoning that "prices and first profits were not nearly so important as repeat business. Quality, brand name and creation of consumer demand ... were far more important to the retailer and his continued success".

Although Spanish-type salted peanuts were available at as little as ten cents a pound Obici chose the large Virginia peanut that usually sold in bulk for about twenty cents. The company introduced the idea of selling branded whole salted nuts of distinctive high quality in penny and nickel bags. The two-ounce nickel bags retailed for forty cents.

Sales the first year was \$25,000, but there were no profits for four years until returns in 1910 netted \$4,000 on a sales volume of \$100,000.

Glassine had been brought to the United States from Germany in 1904 and its manufacture was commenced by Hartford City Paper Company in Indiana in 1905. Its grease-proof quality made it useful in packaging potato chips. When about 1910 Obici learned of a machine that would form the material into bags he promptly developed the see-through bags for salted peanuts. By 1912 the company was well established as a merchandiser of packaged confections.

Nonetheless speculators were taking much of the profits, both from the farmers and Planters. Their influence on the market was beginning to be felt about 1900, and in 1906 farmers of North Carolina and Virginia organized the "Peanut Growers Association" to demand better prices. Gilbert T. Stephenson of Pendleton, N. C., contended the farmer 'should get more than three cents for an article which, with a little rubbing and handling, brings fifteen cents'. J. N. Vann of Ahsokie, N. C., observed "Slowly we are beginning to perceive that the farms upon which the farmer realized the plain-living yields enough to keep the warehouseman above want, is swelling the bank accounts of the manufacturer and making millionaires and multi-millionaires of the speculators..."

By 1912 Planters' demands were so great and the speculators' holdup on prices so threatening Obici took a step that eventually would undermine the middle-man's profit-taking power and put more money in the pockets both of the farmers and processors. He decided to establish the company's own processing plant for raw peanuts.

Since Planters was using Virginia peanuts what better place was there for the plant than Suffolk in the Virginia-Carolina belt? Labor costs and freight rates were favorable.

Obici had friends in Suffolk, and one day he drove a motorcar into Milton T. ("Pete") Elliot's Model T. Ford Garage on East Washington Street. He had taken the train to Baltimore, the scenic water route to Norfolk, and the muddy road to Suffolk. His car was pulled from the mire twice enroute to Norfolk.

Elliot presented the "Colonel" he had nicknamed, to John P. Lee, real estate dealer. With \$25,000 in borrowed money Obici purchased and arranged for equipping the small brick building on East Washington Street that had been occupied by Thompson Feed Company.

Planters' Suffolk factory began operation in 1913. It soon proved one of the more advantageous moves the company had made. Business growth accelerated. A few years later the confectionery-manufacturing business was moved to Suffolk to be near the source of supply while the executive and sales offices remained in Wilkes-Barre.

Suffolk holdings expanded. In 1926 the cleaning properties of the John King Peanut Company were purchased and modernized. In 1927 cold storage plants capable of storing 600 carloads of peanuts were erected and the Old Dominion Peanut Company's factory purchased and modernized. Planters had become an industrial giant. Eventually its Suffolk holdings would include 36 buildings and 38 acres of land. Meanwhile other factories were built in San Francisco and in Toronto, Canada. Obici continued as the company's president until his death May 21, 1947. He was succeeded by his friend and partner M. Peruzzi. Then in 1960 the industry became the property of Standard Brands, Inc. Nabisco and Standard Brands, Inc. merged in July, 1981. The new name of the corporation is Nabisco Brands, Inc.

As business grew and prospered Obici's policy ever was in evidence. A series of innovations lengthened the company's leadership strides. Significant was the birth in 1916 of "Mr. Peanut" and his association with the company's brand name.

Seeking an animated symbol Obici offered a prize for the best sketch. A fourteen-year-old Suffolk school-boy submitted the winning drawing, an animated peanut. A Wilkes-Barre commercial artist added the cane, hat and monocle to the peanut figure. Immediately the jovial little peanut person began to please the public eye.

Obici crashed into national advertising in 1916, and numerous promotions of ensuing years reflected a simple magic touch.

Soon "Mr. Peanut" was everywhere one found Planters, in advertisements and displays, on containers and as statues at all company buildings.

In 1916, at forty, Obici and Louise Musante, for many years operator of a small peanut and confectionery stand in Wilkes-Barre, were married. They were congenial in spirit. They identified themselves more and more with Suffolk and at length listed their legal residence as "Bay Point Dairy Farm", a 260 acre estate on the Nansemond River near Driver, not far from Suffolk.

Suffolk was rightfully proud of the Obicis and Planters; by 1925 the company was funneling eight million dollars a year into its business life. Still Obici pioneered. In 1930 he launched a campaign to popularize edible peanut oil, "believing there is a place for it in every home:.. As others grew cautious he increased investments in advertising.

The long-popularized "Nickel Lunch" enabled his company to hold up well during the depression. In 1932 cellophane replaced glassine as the material for the five-cent peanut packages and a little later automatic machinery for forming and filling was installed.

Milton T. Elliot whom Obici dubbed "Boy" says the "Colonel" remained "as plain as an old shoe" and that he was ever ready to listen to his friends and help them. H. Marshall Clark, director Tidewater Experiment Station, recalls him as a man of vision and good business intuition activated by an urge to work.

Newsmen found Obici a "most colorful character" possessed with simplicity, straight-forwardness and approachability.

The "Peanut King" became associated with Suffolk's civic life and was a generous benefactor. Mrs. Obici fell in love with the city. In 1936 at the Granby Theater in Norfolk she told Mrs. Milton T. Elliot, "I want to live long enough to build a hospital in Suffolk." She did not, for death came in 1938. In 1942, however, her husband began the move by which he endowed the hospital and school of nursing which would rise after his death. Both memorialize Louise Obici.