



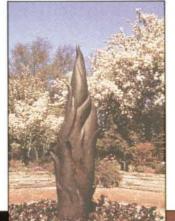
THE FIRST 50 YEARS

BECKETT ---THE FIRST 50 YEARS





1937 Commodore burner



The purpose of this book is to provide a window... past, present, and future... into the R.W. Beckett Corporation: its history, its people, its products, and the philosophies that have shaped the company.

As Beckett commemorates fifty years in the oil burner business, this book provides a nostalgic look back at the history, not only of the company, but of the industry itself.

Most who will read this book will have had some relationship to the Beckett Corporation -- as an employee, a customer, a supplier, or a business associate. You've been part of the first fifty years, for which we sincerely thank you.

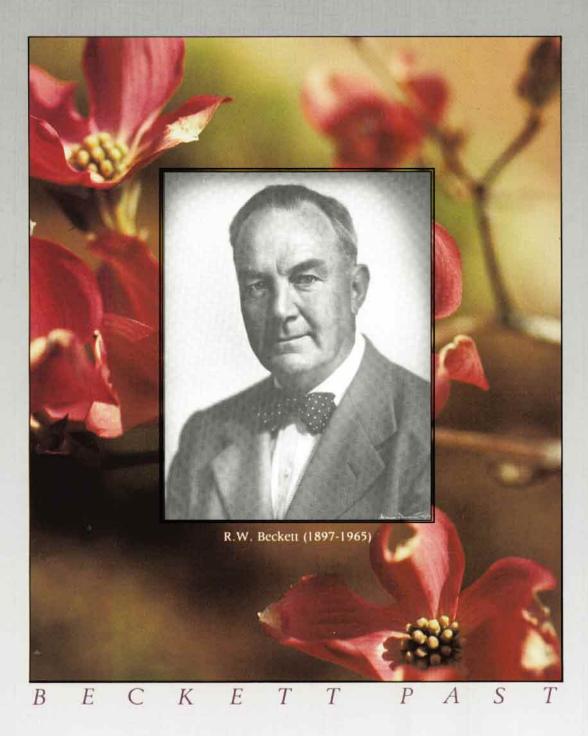
We trust you will enjoy this look through the window, and that as it rekindles old memories, it will also help us appreciate more fully the present, and rise to the challenge of the future.

Beckett plant in 1952



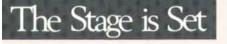
Dedicated, with gratitude to the Lord, to Reginald and Jean Beckett





Chapter one

The story of a man's company...is even more the story of the man himself.



When Reginald Beckett set out to start a company in late 1937, the oil heating industry was far from stable. In the twenties, a major market had opened up: the conversion of coal furnaces to oil heat. In response, hundreds of companies jumped into the production of oil heating equipment, and dozens in oil burners in particular.

Burner manufacturers of all sizes and descriptions were cropping up, merging, and washing out at a rapid rate. Many operated on a shoestring from a basement workshop or a backyard garage.

Too often, the inferior quality of early products reflected the instability of the equipment producers themselves, prompting some "bad press" for the industry, and customer reluctance to change to oil heat. In some areas, the effect of that bad press still lingers today.

All the same, opportunities for oil burner producers in the twenties and early thirties abounded, especially in the conversion market, where automatic oil heating was a welcome replacement for bothersome hand-stoked coal boilers. But starting out in business was a risky proposition, as Reg Beckett with his fledgling company soon learned. Almost from the outset, the company was severely tested, and great determination was required to keep it afloat.

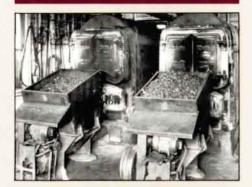
THE

EARLY

YEARS

The story of how Beckett survived and eventually rose to prominence in the industry is a classic account of business success achieved through hard work, unswerving commitment to excellence, and an awareness of the importance of serving the customer.

But as is usually the case, the story of a man's company -- its purpose, and personality -- is even more the story of the man himself.





An early coal-to-oil conversion

The Man Behind the Business

In his teens

Reginald Walter Beckett, born in 1897, the fourth oldest son in a family of six boys and one girl, was not raised in the oil burner business. His father, H.C. Beckett, was a well-known manager and senior partner of a large wholesale grocery business based in Hamilton, Ontario, Canada. Early in Reg's childhood, one thing became clear. He had a knack for business.

As a young boy, Reg earned money by using his little wagon to haul the rich soil from the top of nearby Hamilton mountain to the city below, where neighborhood residents used it for their Victorian rose gardens.

His next business venture was selling neatly wrapped bundles of mint from his parents' garden to local grocers, who included a sprig of the mint with each order of spring lamb they sold. From the Beckett family album (Reg seated at right)



Determined to Succeed

His determination wasn't restricted to business, however. When World War I broke out in 1914, an underage Reg watched with dismay as his older brothers signed on with the Canadian Army. Why couldn't he join in the great patriotism sweeping the nation?

Persistence (and a little fudging on his age) paid off, and Reg finagled his way into the Canadian Field Artillery shortly after... at the tender age of 17. His basic training at Camp Petawawa focused largely on horsemanship, though once he arrived at the European front, actual duty was nearly all trench warfare. After three years in Belgium and France, with all the glory of heading off to war long past, he returned to Canada, hampered only by impaired hearing from a bomb blast and a skin sensitivity due to mustard gas exposure.

Only later did he learn that his greatest ambition. flying World War I fighter planes, had been quietly but systematically thwarted by his father through highly placed contacts in the Canadian military. Fatalities among World War I pilots were so great that apart from this loving subterfuge, there might not be a Beckett Corporation today! In fact, it wasn't much safer on the ground, and of his 67-man regiment, only Reg and one other survived.

Immediately after returning from the war, he undertook a night and day study program, finished his high school



matriculation, and then enrolled in a special program for veterans offered by the University of Toronto. After graduation with honors in Electrical Engineering in the spring of 1923, he became part of a select group invited by the General Electric Company to work in Schenectady, New York, where he had an opportunity to assist the renowned engineer, Charles Steinmetz.



Reg. the fourth of six brothers



Of his 67-man regiment, only Reg and one other survived.

The gray

His first job was the engineering design for a major electrical substation -- the topic for his thesis at the University of Toronto. He was so confident of his workmanship that when the substation was due to be activated. Reg alone stood by the unit and threw the main switch. Other G.E. managers, fearful of an error and an electrical mishap, walked far off into the surrounding field. But young Reg had done the job right, and n operated perfectly.

Memorabilia from Reg Beckett's World War I foot locker Just as his career seemed to be aking off at G.E., however, he riscovered that the particular air pollution around Schenectady was producing severe skin problems, a reaction to the war-time mustard gas sensitivity. On the advice of a doctor, Reg moved from the area. He ended up in the emerging "Motor City" of America --Detroit, Michigan, where he became chief engineer in 1925 of a newly formed oil burner company, the Silent Automatic Corporation, manufacturers of "The Noiseless Oil Burner."

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Meeting Stanton Fitzgerald

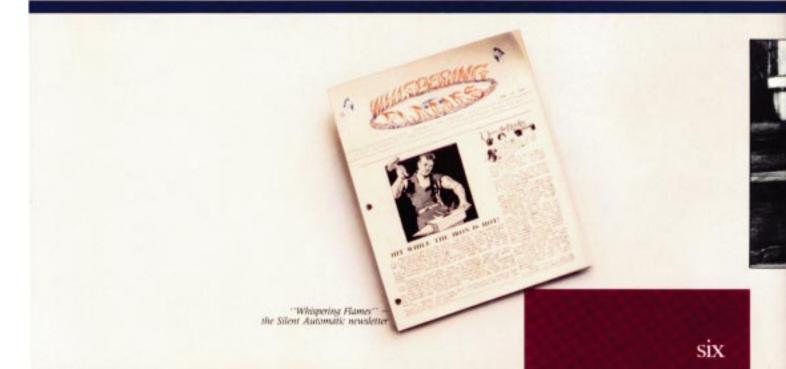


Silent Automatic days

Silent Automatic provided Reg's first exposure to oil heating, and he thrived in his position there, receiving the commendation of company personnel. From Silent Automatic's company newsletter, "Whispering Flames":

"In the front rank of the men to whom laurels are due for the scientific progress of Silent Automatic, Mr. R.W. Beckett, the engineer in charge of the research laboratory, occupies a place of honor.... True to type, according to the annals of the scientific men of history, Mr. Beckett is known to be a tireless worker whose intense devotion to his chosen profession inspires the respect and esteem of his associates...."

An early acquaintance at Silent Automatic was Stanton Fitzgerald, who had distinguished himself in the company's sales department. Their time together at Silent and the contact they reestablished years later fostered a lifelong business relationship.



On August 19, 1933, he married Mildred Jean Patterson.

But Silent Automatic, along with Reg's total savings which he had invested in the company, fell victim to the Great Depression. prompting Reg to move in 1932 to Cleveland, Ohio. The Depression not only altered his work -- it also postponed his plans for marriage. a commitment for which he was determined to be financially prepared.

In Cleveland, he worked as Chief Engineer for the Toridheet Division of Cleveland Steel Products. where he was able to rebuild his savings. On August 19, 1933, he married Mildred Jean Patterson from Galt. Ontario, his sweetheart for the past five years. The date was picked to coincide with Reg's 36th birthday. This way, he reasoned, he would be less apt to forget his anniversary!



Stanton Fitzgerald



CONTRACTOR OF CO

Certificate of Marriage

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Opportunity In Disguise

In 1936, Reg took a position as laboratory engineer with the Fox Furnace Company in nearby Elyria. There, Reg and Jean moved into a small wood-frame home at 312 Ohio Street. A year later, Fox's parent company, American Radiator, decided to move its engineering offices to the New York City area. The thought of relocating to stay with American Radiator did not appeal to Reg, and he considered his options.

The most attractive, though highest risk, was to launch into business for himself. With all his entrepreneurial instincts stirring, he chose this option, beginning the development work for his own oil burner line in the basement of his home on Ohio Street.

One of his first steps was to write a letter, dated September 8, 1937, to Stanton Fitzgerald, then with York Oil Burner Company in York, Pennsylvania, to explore whether he might be interested in some form of partnership. Here are some excerpts:

And Andrew Andre

"Well, Fitz – here's a bit of news for you – I've resigned from Fox Furnace Co.! You know I've never been very well satisfied there, but I stayed on thinking that in time everything might work out O.K. Now, however, I've given it up as a hopeless proposition.

"I haven't made any other arrangements as yet, but in thinking things over I recalled a conversation which we had not so long ago when we talked of getting into business for ourselves. Remember? Well, right now is the most opportune time I have ever had for consideration of such a proposition...." "...we talked of getting into business for ourselves...Well, right now is the most opportune time..."



312 Ohio Street - where it all began

A Partnership Begins

Fitzgerald's response to the letter was positive, and within months he had moved to Elyria. The R.W. Beckett Engineering Company, a partnership between Reg and Fitz, was formally under way.

The company's first location in the Beckett home on Ohio Street was a beehive of activity. Jean, Reg's wife of four years, now pregnant with their son, John, did double duty as wife and office assistant. She typed correspondence, kept the books, answered the phone, and entertained visitors while Reg worked day and night with draftsmen and suppliers, running test after test, preparing his burner for the marketplace.

The "Model OB" was first demonstrated in a trade show in 1938 at the Commodore Hotel in New York City, prompting the trade name that was used for thirty years, the "Beckett Commodore" oil burner. But the event that really got things launched was the company's first order. It was for fifty burners from the C.A. Olsen Company, a local furnace manufacturer begun by Clarence Olsen. who had formerly been the president of Fox Furnace.

Fitz and his wife. Dorothy



1

Bookett's carefully engineered products stood out in significant contrast to many of the other burners being manufactured at the time, a fact that was underscored in the company's first piece of literatore:

"There are counties manufacturers of oil burners. But you have no assurance that any oil burner will operate properly or heat your home economically because its manufacturer is engaged also in making velocipedes or steam engines...."

So the company was launched. And so was the family. Always enjoying a flamboyant touch. Reg and Jean managed to have the birth of their son, John, take place on the nation's anniversary, the Fourth of July, 1938. The same year, the company rented some manufacturing space at the Whidden Machine Shop near downtown Elyria for their manufacturing operation, keeping the office in their home. The family, as well as the office, moved to 210 Columbus Street in 1939. The next year, both manufacturing and offices were moved to a rented plant at 960 West River Road, which would be the company's home for over a decade.

Actual Informent to Filz by Reg - 9/8/37)

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A World Facing Peril

Hicker Works Out Strategy

THE CHRONICLE-T

Will Avoid Haste

Hitler Reassures Europe That Germany Will Avoid Hasto

Contrary to the nise of that newspaper headline on September 2, 1938, rermany hastily plunged the world into a global mflict that made its impact on every front, including American businesses

The late thirties were perilous times, not only in business, but in the world at large. Almost exactly a year to the day after Reg Beckett's letter to Stanton Fitzgerald, a front-page article in Elyria's newspaper. The Chronicle-Telegram, featured the new and growing R.W. Beckett Engineering Company. The same front page carried an ominous photo of German soldiers on parade, with reports of the growing Nazi war machine. The headline read:

"Hitler Reassures Europe That Germany Will Avoid Haste" -- a promise that proved patently untrue.

Meanwhile America, slowly emerging from the Depression. had other interests besides war. Ads in the same newspaper reflected other matters of public interest: high fashion ladies' hats at outrageous prices (from \$1.85 to \$3.95), a theater ad for Irving Berlin's "Alexander's Ragtime Band" starring Tyrone Power, Alice Faye, and Don Ameche, plus an ad for a new type of girdle offered by Venus Foundations under the brandname of "Y-B-Stout?", which guaranteed to "banish figure fatigue."

Contrary to the promise of that newspaper headline on September 2. 1938. Hitler's Germany hastily plunged the world into a global conflict that made its impact on every front, including American businesses.



960 West River Road

The Supply Lines Are Cut

Three years later, the nation was on a war footing, with almost every available resource channeled toward the mounting conflict. Production in other important but expendable areas came to a virtual standstill... and that included oil burners, burner components, and the fuel to run them.

Faced with a virtual stoppage in burner production, Beckett shifted its emphasis to the home insulation business. For the next four years, the same work crew hired to build burners did the insulation work. No one was fond of the uncomfortable itch produced by the black rock wool insulation, but at least everyone was kept working. This alternate business also fit well with the wartime restrictions. Homeowners were able to reduce their consumption of precious energy resources, and the young partnership was able to contribute something of value to the war effort.

The detour into the insulation business enabled the company to survive, and as a side benefit, build a potential customer base for future coal-to-oil heating conversions. The war years provided another benefit to the Beckett household: daughter Bev, and then daughter Susan were born -- both a great joy to the war-weary family.





Beckett insulation truck

Faced with a virtual stoppage in burner production, Beckett shifted its emphasis to the home insulation business.



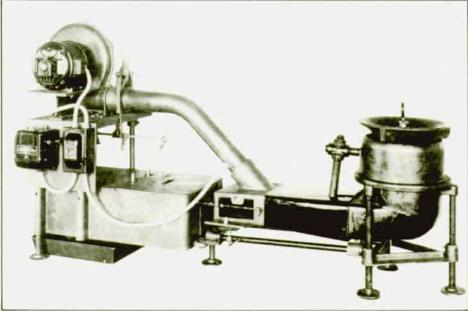
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Chapter two

A BRIEF HISTORY OF THE OIL HEATING INDUSTRY

The Revolution of Automatic Heating

During the initial years at Beckett, a massive shift from coal to oil-fired heating equipment was under way in American homes and businesses. But the events leading to this shift were eons in the making, as seen by a look at the colorful background of the oil heat industry.



"State of the art" oil burner around 1915

Back In Time With Oil

References to oil being used for heating and lighting date back to the beginning of recorded history. The Bible cites the use in Moses' time of olive oil for light, and ''oil from a flinty rock.'' perhaps a reference to fossil fuel.

The records of Plutarch, Marco Polo, and other early historians and explorers indicate their familiarity with areas known for richness in oil.

The memoirs of George Washington include references to oil. Washington, on a trip to Western Pennsylvania in 1763, purchased land that he knew to be rich in oil deposits. His memoirs clearly reveal his belief that the oil on the property would someday make it more valuable. At the time, few people would have shared his conviction.

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An event just over 100 years ago marks the birth of the modern oil burner.

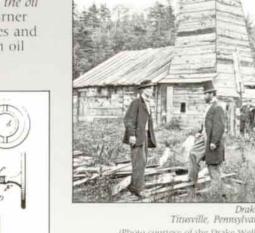
The Birth of the Oil Burner

In Western Pennsylvania in 1859, E.L. Drake drilled his first successful oil well. Two decades later, residents in that area used oil for a primitive type of home heating. Oil was piped directly from barrels put up on stilts, and simply allowed to drip on the open hearth of a heater where it was ignited by a manually kindled fire. This approach was probably one of the most convincing arguments for some kind of burner implement to regulate the flow and combustion of the oil.

Such devices were already in use in other parts of the world. In Prometheus, U.S.A., a history of the use of fire and various heating fuels, author Ernest Greenwood states that some of the first oilburning devices appeared in the

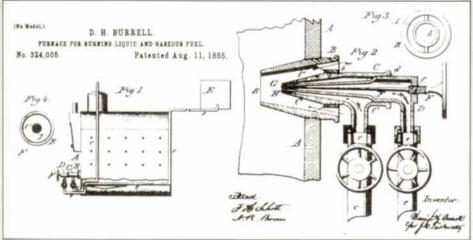
oil-rich Caucasus region of Russia as early as 1861. But because of the remoteness of this region, these devices remained in obscurity, out of the flow of marketable goods.

However, an event just over 100 years ago marks the birth of the modern oil burner. On August 11, 1885, the U.S. Patent Office granted a patent to David H. Burrell of Little Falls, New York, for a "furnace apparatus for combining and utilizing oleaginous matters." As noted in a June, 1985 centennial issue of Fuel Oil News, Burrell's invention "... was the forerunner of today's modern oil burner and is generally accepted as the one that started the oil heat industry." This early burner embodied modern principles and techniques still employed in oil heating today.

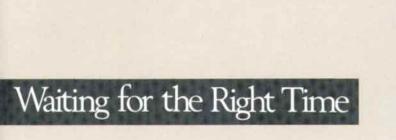


Drake's Well Titusville, Pennsylvania (1859) (Photo courtesy of the Drake Well Museum)

thirteen



Burrell burner patent -- August 11, 1885

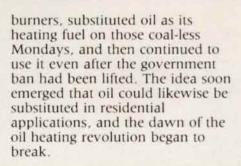


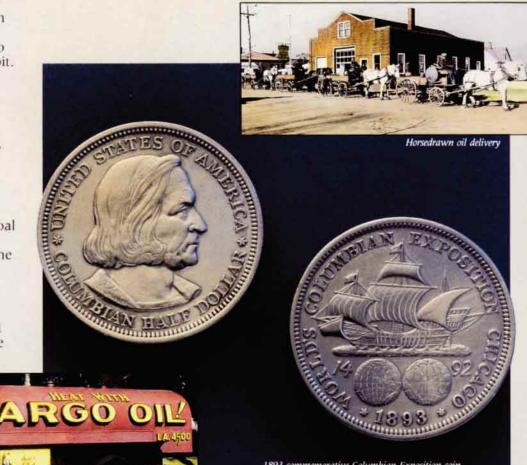
Surprisingly, years went by, and little was done commercially with any of the nineteenth century oil burner breakthroughs, including the Burrell patent. The oil burner was in commercial hibernation, even though extensive experimentation with it was going on.

Dramatic public exposure of oil heating occurred during the Columbian Exposition of 1893 in Chicago, At this Exposition, 54 boilers, all oil-fired, were used to provide heat for the entire exhibit. These boilers unexpectedly became a main attraction. rendering the viewing masses awestruck at their collective display of flame, heat, and technology. But the interest they generated was short-lived, and there was little progress in oil burning over the next several years.

Ironically, improvements in coal furnaces during the late 1800's and early 1900's were to pave the way for automatic heating with gas and oil. Innovations in thermostats and controls, transportation of oil, and other heating inventions all dovetailed to oil's advantage when the time was right. And the time eventually became "right" during World War I, when the government's restriction of coal consumption on

"Coal-less Mondays," also called "Heatless Mondays," and "Fuel-Less Mondays," caused people to turn to oil for some relief. One Detroit firm, the General Engineering Company, which manufactured





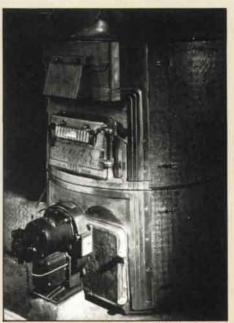
1893 commemorative Columbian Exposition coin







The Uniqueness of Oil Heating



No more coal in this furnace!

Until the development of automatic home heating, man in the Twentieth Century was bound to the same basic drudgery as earliest man: he had to kindle a fire by hand, and then spend time and energy tending it. The lone exceptions, late in the 19th Century, were complicated coal systems which were semiautomatic.

But oil heating brought to the homeowner a marvelous difference. For the first time in history, all a person had to do was set the heat regulator at a desired temperature and walk away! The fuel for the fire was supplied automatically, without man's direct involvement or labor. The age of automatic heating had arrived -- pioneered by the use of fuel oil. The age of automatic heating had arrived - pioneered by the use of fuel oil.

fifteen

The public in the "Roaring Twenties" began to acknowledge the oil heat advantage. Oil heating was "in," and interest was high among many would-be suppliers of oil-heating equipment, including Reg Beckett's first oil-industry employer, the Silent Automatic Corporation. Dozens of companies sprang up overnight, most of which would not succeed. It was a risky, high-stakes process.

The activity surrounding oil heating, including some need for self-regulation of the industry from within and a unified posture toward outside obstacles, prompted the formation of the American Oil Burner Association in 1923 and the Oil Heating Institute soon after. These national organizations were dedicated to the resolution of important issues such as building codes, insurance laws, and fire laws, as well as the promotion of the oil heat industry. Appearing around the same time were national publications such as Fueloil and Oil Heat, first named Fuel Oil for Heat and Power, with other publications like Fuel Oil News (first published in 1935), appearing in later years.



In spite of a multitude of challenges, the momentum behind this new industry was building at a feverish pace. Even the Depression could not dampen the logic and compelling advantages of oil heating, and the stronger companies survived.

Intensive direct mail campaigns were undertaken to inform the business and residential world of oil heat's benefits. National advertising in publications like the *Saturday Evening Post* strengthened public receptivity to oil, hitting hard at the inconvenience of coal, especially for women. A most compelling theme, and one of the most effective ads ever run by any industry, declared: "No coal shovel was ever made to fit a woman's hand." And the public kept buying.



The 1920's at Silent Automatic

The public in the "Roaring Twenties" began to acknowledge the oil heat advantage.

sixteen

Exciting Times in the Industry

Much more could be said about the exciting early years of the oil heating industry and the adventuresome people who pioneered its innovations. Men like Leod D. Becker, founder of Fueloil and Oil Heat Magazine, and organizer of the American Oil Burner Association; Frank Scully, owner of Scully Signal Company and developer of the Ventalarm signaling device that simplified automatic oil delivery; Charles H. Burkhardt, an oil company veteran and former president of the New England Fuel Institute; Fred Heaney, first fuel oil distributor to become president of the Oil Heat Institute of America; Herb Witte, a legend at

Underwriters' Laboratories; Curtis C. Klinger, publisher emeritus of *Fuel Oil News*; John M. Sibarium, chairman of the National Old Timers' Association, the fraternity of key contributors to the oil heat industry; and many others.

Those early years were exciting times. For many, they were overwhelming times, as first the Depression, and then World War II drew down the stamina and resources of many of the heartiest of the early oil heating pioneers.

But to those who survived, the euphoria of the era following World War II produced rewards that made all the hardship of the early years worthwhile.



... More from Silent Automatic Days



Early industry literature

Chapter three

THE EMERGING BECKETT BURNER BUSINESS



Russell Sage

A Seller's Market

The war's close in 1945 prompted the rebirth of the oil burner market, beginning in 1946. No one could have predicted just how explosive oil industry sales would be. Consumers went on a buying binge... oil burners included. For Beckett, burners became the number one priority. The insulation business now became secondary, and was discontinued in 1947.

eighteen

After the War: The People Who Made It Go

In addition to Reg Beckett and Stanton Fitzgerald, the early postwar staff of the R.W. Beckett Engineering Company included a secretary, a production supervisor, and a skeleton crew involved in burner assembly.

Wherever possible, Reg Beckett drew his associates from former acquaintances. One of the earliest, a draftsman named Russ Sage, had known Reg in his days as an engineer at Fox Furnace, and had actually sold some burners for Beckett in the late 30's, as well as doing some of the original drafting work. He recalls:

"It was about a year after V-J (Victory in Japan) Day when I went to see Reg. I was between jobs, and I twisted his arm a little to give me work ... and he did." Sage started as a draftsman, but also did a variety of other jobs.

The climate in the company was one where everybody pitched in to do whatever was needed, from assembling burners or painting, packing, and stacking them, to drawing plans, or even handling service calls.

Howard Rathwell, who started the same week as Sage, recalls his unorthodox hiring experience.

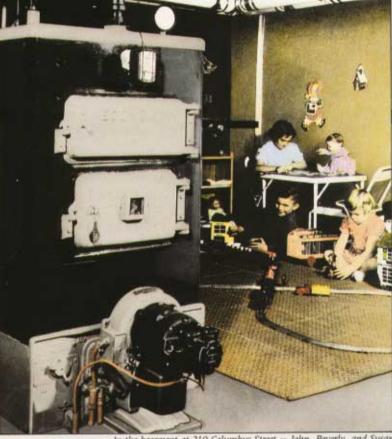
The climate in the company was one where everybody pitched in to do whatever was needed.

'In the summer of 1946, I was looking for work. I walked over to the Beckett company and approached George Waller, plant superintendent, who was standing on the loading dock. When I asked if I could do some work for the company, Waller said to me, 'We've got a load of fire-brick coming in. Unload it.' "

Rathwell went to work immediately, and at the end of the day, Waller simply said, "Be back to work on Monday morning." Rathwell came back that next Monday, and every Monday thereafter for the next thirty-three years until his retirement in 1979.

Another long-term employee, George Merle, joined the company just five days after Rathwell's hiring. Merle worked for Beckett for the next thirty years, with a nearly flawless work attendance record.

nineteen



In the basement at 210 Columbus Street - John, Beverly, and Susan

Making Burners...One Way or Another

Gradually, the official post-war restrictions limiting the flow of burner components eased. But actually getting parts was a challenge. For a time, Beckett had to find and purchase copper motor wire wherever it could be located, shipping it to Ohio Electric, its motor manufacturer.



The West River facility

The conversion market continued to increase, and so did sales for Beckett burners. Reg Beckett's emphasis on engineering and quality was reflected in his products. His slogan, which appeared in early literature and the company letterhead, told the story: 'In the final analysis, it's Engineering that counts!''

As the demand for burners increased, so did the need for added staff and space. In 1951, Betty Baracskai, still a very special employee in 1987, was hired as a bookkeeper. She recalls:

'The company was outgrowing the West River Road facility. Not only was it limited in size, but it presented the added liability of regular flooding in its basement, a constant threat to the company's inventory, stored below and brought to the production floor by conveyor. Along with the other employees, I looked forward to a change of plants.''



Flooding at West River plant

twenty

Building the Home Plant







BUSH

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The plant and landscape design was developed by Reg's eldest brother, Harold C. Beckett, a highly regarded Canadian architect. The construction, once begun, meant total "hands on" involvement by Reg. He did the surveying and was the general contractor, tending to most every detail, including the planting of a vibrant array of flowers, shrubs, and trees.

In 1952 the company moved in, and that year burner volume hit an all-time high of 24,000 units. The debut ad in the trade journals announced, "We're busy at Beckett's." Sales increased each succeeding year until 1955 when they peaked at nearly 40,000 units.

In the early fifties, construction was begun on a tract of land in Elyria's adjoining neighbor village, North Ridgeville. Wisely, Reg Beckett had purchased the land during the depression years of the 30's, anticipating that someday it might be suitable for a manufacturing plant. During the war, the vacant land had been put to good use by employees and area residents for "victory gardens" to help relieve food shortages.

twenty~one

• Elyria, Ohio • On U.S. Boun 20

There Must

REASON

The First Signs of Trouble

The momentum of the early fifties gave way to some unforeseen reverses in the following years. A combination of factors greatly concerned both Reg and Stanton Fitzgerald, and in retrospect, came close to derailing the company's great progress to that point.

The first irritant was the "eminent domain" assumed by the Ohio Turnpike Commission, which unceremoniously cut the company's 25 acres of land in half for the local link in the nation's burgeoning super-highway system. At about the same time, Reg discovered that one of his major competitors was infringing several of his burner patents. Both incursions prompted a legal response, consuming tremendous energy and expense. "In the end," grumbled Reg after the experience, "the settlements only paid the lawyers' bills."

Even more worrisome to Reg was his assessment of the future of oil heat. Natural gas, cheap because of government-controlled well-head prices, had begun to encroach upon traditionally strong oil heating areas, especially in the Midwest.

Reg's concern made him reluctant to commit the company's limited resources toward a changing market. Instead, he shifted his attention to what he considered more promising ventures, such as the analysis and purchase of Canadian mining stocks. As a result, needed development of the burner product line stalled.





twenty~two



The Need for Change Intensifies

C/20

Understandably, Reg was reluctant to redesign the burner he had originally developed. It was a great product, his pride and joy. The Commodore had incorporated unique design features for which Reg had obtained over twenty U.S. and Canadian patents. It was the epitome of engineering quality.

Not only was the burner noted for its efficient performance and quiet operation, but it had also been meticulously designed for easy servicing. One of the early Beckett ads pictured a serviceman working on a Commodore from a rocking chair, emphasizing its reputation as 'The Serviceman's Favorite Burner.''

But at the peak of the Commodore's heyday, changes had begun to appear in oil burner design. New burners were more compact and used inherently lower-cost components. Reg's reluctance to redesign began to have serious repercussions, as the company began to lose market share.

Still, the conviction to change came slowly. With Reg, as with many other entrepreneurs, the determination that built the business was now obstructing its progress. He held to his view that the Commodore was an excellent burner... which was true. But he also held firmly to his belief that it therefore should not be tampered with or redesigned... which was not true. To redesign would be copying the competition, a repugnant idea. And to downgrade in the interest of size and economy? It shouldn't be necessary.

"The Serviceman's Favorite Burner"

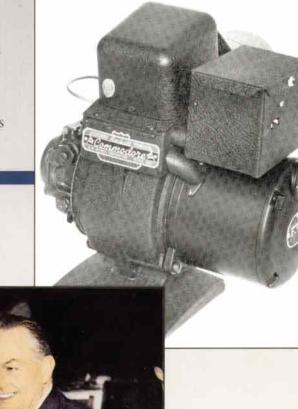
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The Breakthrough

But along with the idealist was also the realist. If Reg wasn't able to change the market -- *he* would have to be the one to change. And so he began a redesign, working within the size and cost constraints required by his customers, ultimately producing a burner labeled Model S -- the ''S'' signifying ''small''.

When he accepted the task, it was with characteristic intensity and commitment. The redesign activity even brought a change in his outlook. So pronounced was the change that Ed Walter, who sold transformers for the France Manufacturing Company, remembered it almost thirty years later: "Reg had become discouraged in the late fifties. His sales had dropped. He was not making progress. He was having trouble holding on to his accounts because of price pressure. But when he got involved with the "S" burner, in three months you could see the change in attitude. The enthusiasm really rebounded, along with his

willingness to talk. Prior to that time, he had become more silent... more a listener and not a talker. Suddenly, he was dominating the conversation every time I called on him, expounding on just what was going on in his mind, what he was thinking of doing, and how he was going to get there."



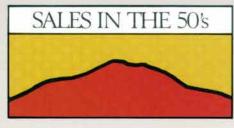


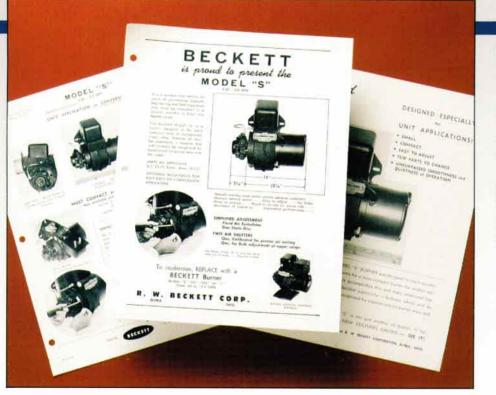
An Unsettled Season

With the completion of the development work and testing on the Model S burner, Reg wasted no time in getting it exposure. At a convention in New York, he would work all day in the display booth introducing his new product to attendees, and return to his suite in the Essex Hotel in the evening to entertain potential customers. Reg had conscripted Ed Walter to go with him to the New York show, and Ed recalled that Reg, now in his sixties, was "... like a twenty-one-year-old boy at that convention. He'd be on his feet eight or ten hours a day, but his eyes never quit sparkling. He was just as enthusiastic as I'd ever seen him."

The Model S eventually provided the needed turnaround for the Beckett Corporation. In its humble beginnings in 1961, just over 4000 units were sold, not an insignificant number in a year when total sales volume slid to 12,000 units and the company sustained its second loss year in a row.

Those losses weighed heavily on Reg and Fitz, even prompting some discussions about the possible sale of the company to the C.A. Olsen Company, then a division of Westinghouse, and Beckett's largest customer through the 50's. The discussions bogged down over price, and were never The Model S eventually provided the needed turnaround for the Beckett Corporation.





consummated, which was fortunate indeed when viewed with hindsight's 20/20 vision.

Though the business side of life was somewhat disconcerting, 1961 had many happy moments for Reg and Jean, as first their daughter. Bev, was married in June, and then John, in August, married Wendy Hunt of Toronto, Canada, whom he had met four years earlier at the family's summer cottage in Algonquin Park, Canada.

twenty~five

The Road to Recovery

The development of the Model S burner at Beckett was to pave the way for the company's increasing share of the burner market, though not right away, and not without difficulty.

The years prior to the development of the Model S burner were tough ones for the company, and they took their toll. In 1961, the year that the Model S was introduced to the marketplace, burner volume at Beckett slid to its lowest level since 1949. But new customers who were interested in the smaller-sized burner helped initiate the turnaround.

Particularly strategic during that critical period were three major customers: the Glass-Lined Water Heater Company, an innovater in oil-fired water heating, Johnson Furnace, a residential furnace manufacturer, and the International Oil Burner Company (later to become Intertherm), a pioneer in the use of oil burners to heat mobile homes. The markets represented by these companies grew substantially during the early sixties, and Beckett, with its new model, was able to share in the growth.



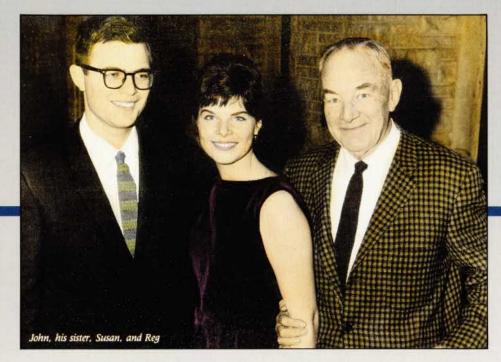
John Beckett at M.I.T. - 1960



Reg & Fitz -- 1963



An Exit and An Entrance





In 1963, Stanton Fitzgerald told his long-time business partner of his plans to retire, bringing to conclusion a working career spanning fifty years. Almost forty of those years had been in the oil heating industry, principally in association with Reg Beckett. The two had enjoyed a fine business relationship, with Fitz serving as a devoted partner and trusted. friend. While Fitz had primary responsibility for sales and finances, he was also a key sounding board and catalyst for his senior partner's creative ideas.

The invitation to work with his father had strong appeal for John.

Fitz's retirement decision was accompanied by an agreement that Reg would buy his stock in the company. Now, as sole owner, Reg felt at liberty to approach his son, John, about joining him in business.

John had graduated in 1960 from the Massachusetts Institute of Technology (M.I.T.), where he had majored in Mechanical Engineering and Economics. He then began working in an engineering capacity at Lear Siegler's Romec Division in Elyria, helping design and test electrohydraulic components for aircraft and missiles. The invitation to work with his father had strong appeal for John, and in December, 1963, he began at Beckett.

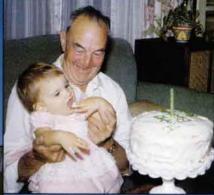
Salaried employees at that time included Betty Baracskai, Russ Sage, and Howard Rathwell. Howard supervised the 12 hourly plant employees. Burner production that year totaled 23,000 units, a nice rebound from the low point in 1961, and the best year since 1956. The company even managed a profit, just over \$1 per burner.





With granddaughter, Kirsten.





His tireless enthusiasm (at work and at home)



Working Together

A major initial assignment for John was in product testing and customer applications. He spent many hours and days with the CO_2 analyzer and smoke tester, getting acquainted with burner performance. Important contacts were made with key people from Beckett's major accounts. But the tutorial process was much broader for John as the first full year, 1964, unfolded.

Reg systematically exposed John to every facet of the burner business -- marketing, engineering, manufacturing, administration, finance, and personnel. He introduced him to suppliers and business associates, and made sure that John was exposed to as much of the background of the company as possible,

A significant level of contact in that first year was with the major oil companies, who were getting into the burner market at that time. Together. Reg and John visited with Gulf Oil, American Oil, and Sohio. Through this exposure, John became increasingly convinced that the greatest challenge facing the Beckett Corporation was marketing, and that oil companies played a key role. Success with them could open many doors to other market segments. The Beckett product was fundamentally good... it just needed to be distributed much more extensively and effectively.

John recalls the delight he had in this new business relationship with his dad: "It was different than being his son growing up. It was different than his being a parent whom I would visit with my wife and young daughter, Kirsten, for dinner after church on Sunday. Here we were, working together. I plugged into his world, and saw a greatness I'd never seen before – his tireless enthusiasm, his passion for things being done correctly, his persuasiveness with customers and suppliers alike. More than that, he gave room for my ideas, and took as much delight as I in our many discussions of the business."



Reg and Jean, John and Wendy, and daughter, Kirsten

twenty~nine

Those in the industry who knew Reg recognized the gigantic void his passing would leave.

The Next Leg of the Race

Industrial executive stricken

R. W. Beckett of 210 Columbus St. president of the R. W. Beckett Corp. at 32531 Center Ridge Rd., North Rudgeville, was pronounced dead at Elyria. Memorial Hospital at 10:55 a.m. today.

a.m. today. Funeral services will be ar ranged by the Harold Dicker

Funeral Home. Mr. Beckett was found in his car parked in front of 153 Longfellow SL, Elyria police said.





The opportunity for John to work closely with his father provided priceless insight and experience for him. But on February 6, 1965, after just a year of working together, suddenly -tragically -- that all changed.

A former employee recalls what happened: 'It was a Saturday morning. A number of the office people were talking in the hallway when all of a sudden, John rushed past us, struggling to get his coat on. He pushed through the door and ran to his car. We had no idea where he was going or why. But we knew something was terribly wrong.''

John had just received a call from the Elyria Police Department informing him that his father had been found slumped over the steering wheel of his parked car, and was being rushed to the hospital. The likely chain of events was later pieced together. As Reg was driving to the office that morning, where he planned to work in the lab, he suddenly felt sharp chest pains. He turned off the main road, pulled his car to the curb, and within moments was gone, the victim of a massive heart attack.

Twenty-five years earlier, Reg Beckett had been informed by a doctor that his heart was enlarged, and warned that he would have to be careful not to over-exert himself. After living with deliberate caution for the next year, he had concluded. "This is no way to live!" And the next two and a half-decades were indeed lived the way he wanted -active, engaged, exploring, inventing, building, raising a family. They were very happy years.

Reg, with his brothers and sister -- 1948

thirty

Facing the Future

Reg Beckett's death at age 67 impacted not only the lives of his family, friends, and employees, but also many sectors of the oil burner industry. Reg's associates knew him well. He was the true entrepreneur... independent, stubbornly persistent, and integrally involved in every facet of his business.

Those in the industry who knew Reg recognized the gigantic void his passing would leave. Many speculated that the Beckett Corporation might find it difficult... maybe even impossible... to keep going. Would John, newly recruited and untested, be able to take over the leadership of the company?

John himself had the same questions. He was keenly aware that he had had only one year of on-the-job training... a mere moment compared to the forty years and vast experience his father had logged in the oil burner business. Though shocked and stunned by his father's sudden death, John knew that employees, customers, suppliers, and competitors were looking for clear signals on what would happen next. Pivotal decisions had to be made.

Though John wanted to carry on the family business, inquiries began to filter in about whether he might consider selling the company. This possibility required a measured and wise response, for if he went ahead on his own and failed, it could jeopardize his mother's financial security, as well as that of the employees of the company.

Patterns Are Set

Wrestling with such complex and far-reaching decisions, John did something that would set the course of his life and the Beckett Corporation for years to come.

He prayed.

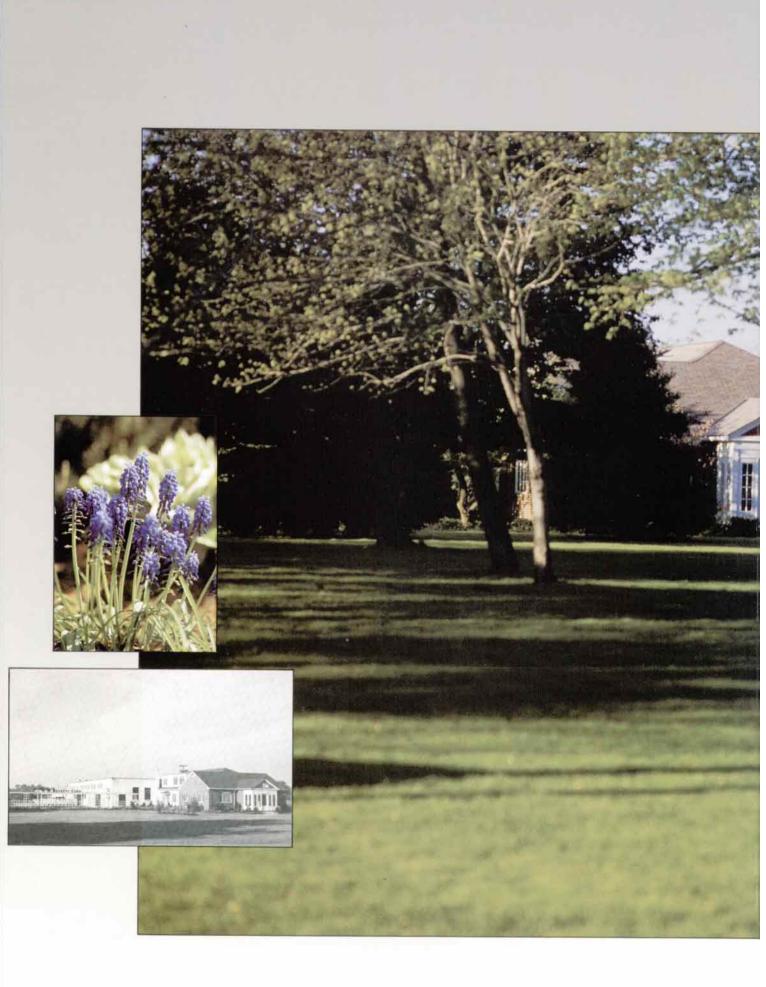
"Perhaps for the first time in my life," he later recalled, "I really seriously prayed about a specific issue. After a period of searching, the answer began to emerge in a clear way. I came out of that time with the strong conviction that I was to run the company and that I was to do everything I could to make it succeed."

One of John's first actions was to call the company's small band of employees together and let them know his intentions to carry on, asking for their assistance. That, too, set a pattern for the company's future and John's relationship with the employees. Out of both necessity and natural inclination, John began relating to his staff as a team, delegating responsibility to each member, and then relying upon them to do the jobs they had been hired to do. He knew he was dependent on the combined experience and wisdom that a team could supply, an approach that was validated in the years that lay ahead.

But it also became evident that even the most valiant support from the existing Beckett team would only be part of the solution. Management gaps existed, and key players were needed to fill them.

John knew he was dependent on the combined experience and wisdom that a team could supply.

thirty~one





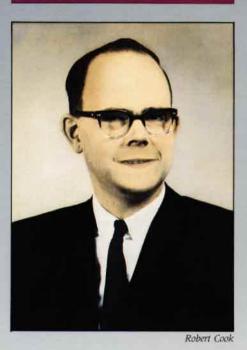
Chapter four

REBUILDING AND MOVING ON (1965 to 1987)

People Choices, Choice People

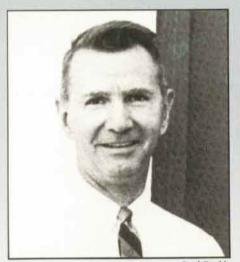
The decision to add to the company's key leadership prompted a search... for a capable person in marketing.

The decision to add to the company's key leadership prompted a search among friends and former college classmates, particularly for a capable person in marketing. While none of these contacts were successful, a happy solution came in the person of Robert Cook, a customer with whom John had already established a working relationship. Bob was a fast-rising marketing executive at Standard Oil of Ohio (Sohio). His background as a graduate engineer from Cornell and recipient of an M.B.A. from Western Reserve University added to his impressive work credentials.



On a business trip with Bob in March, 1965, visiting a company in Georgia, John explored the possibility of Bob joining the company. The idea seemed good to both men, and over the next month the details were worked out. On May 1, Bob officially joined Beckett as Director of Marketing. John was particularly impressed with Bob's willingness to leave the security of a large major oil company to take a riskier job in a small, barely profitable company. His marketing experience at Sohio and his knowledge of major oil companies made him an outstanding choice.

thirty-four



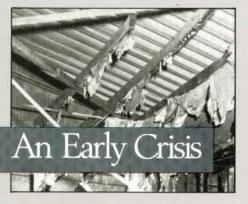
Paul Deuble

Convinced of the need to bolster the sales of the company's wellengineered products, John next chose Paul Deuble, who was very familiar with potential Beckett customers, having sold Webster Electric fuel units to the oil heating industry for several years. Paul began with Beckett the same day as Bob Cook.



Beckett staff - 1965: (1 to r) Myron Cooperrider, Robert Cook, Dorothy Moran, Howard Rathwell, Betty Baracskai, Paul Deuble, Russ Sage, John Beckett

thirty~five



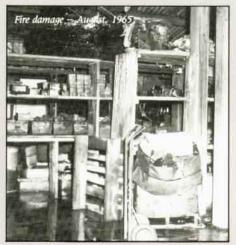
By mid-summer of 1965, the company was making good progress. The new team had affirmed its supplier position with its key customers and was beginning to expand its marketing reach. Production was running smoothly, and test work on customer appliances was proceeding in Beckett's lab. Just as the company seemed to be regaining its equilibrium after the shock of Reg Beckett's death, tragedy struck again.

Shortly after midnight on August 4, John was awakened by a call from the North Ridgeville Fire Department informing him that flames were shooting up from the roof of the plant.

By the time John arrived minutes later, the storage area of the plant was engulfed in flames. Efforts by willing but ill-prepared volunteer firefighters were failing. They were inexperienced with factory fires, and knew nothing of the Beckett plant layout or its contents. Fortunately, however, they were prepared to let John, who knew the plant in detail, provide leadership. Together, they plunged into the eerie, acrid blackness, finding key doorways and areas where volatile materials were stored. They extinguished the main concentration of flames, and several hours later brought the entire fire under control.

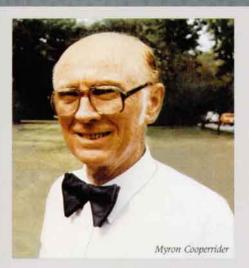
In the light of morning, after a few fitful hours of sleep, John surveyed the damage. From the first glance onward, he would have preferred not to see the awful truth inside the warehouse and plant. The damage was horrendous. Burned remnants of the ceiling hung like black stalactites around the exposed steel beams. Like something out of a surrealistic painting, misshapen burners and sagging aluminum housings sat semi-melted on blackened shelves. The intense heat had burned, melted, consumed, or twisted whatever it had encountered. Debris, completely unidentifiable, lay in great smoking heaps all over the floor, and an acrid smell permeated everything.

Mercifully, the main fire had been contained in the storage area. But the charred wood roof joists in the attached main plant bore vivid testimony of just how close the fire had come to consuming the entire facility. Had the flames spread unchecked, the destruction would have been complete, and the fate of the company may well have been permanently sealed.



Though nearly the entire burner inventory had been destroyed... just at the beginning of the busy fall production period... a monumental effort by every employee along with great cooperation from Beckett's suppliers soon had production under way again. So concerted was the response to the crisis that despite the devastation, not a single order was missed or even delayed!

Life...and Business...Goes On

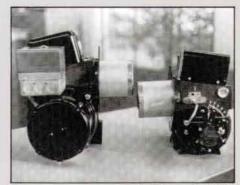


Just a month after the fire, Myron Cooperrider was hired to head up engineering activities. For several months after Reg Beckett's passing, John had mistakenly thought he could continue to handle Engineering along with general administrative duties. But that proved impossible.

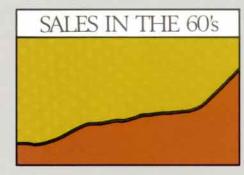
Myron was an excellent addition to the team. His prior employment with Iron-Fireman, a well-known burner manufacturer, had given him a great deal of experience with flame retention-type oil burners. This experience became a pivotal factor in Myron's development of a new generation of Beckett burners. Named ''Model A.'' this smaller, higher performance, and more cost-effective burner retained important features of earlier models, but used a high-speed 3450 rpm motor. Introduced in 1968, this product became an essential factor in the Beckett equipment arsenal. Myron was also instrumental in the development of Beckett's G-1 power gas burner, also introduced in 1968 as a custom unit for International Oil Burner.

Gradually, sales continued to increase, and in September, 1968, women for the first time began doing production work at Beckett. Doris Fahrney, the first to be hired, is still a company employee.

The same year, two small plant additions were completed, totaling 3500 square feet for gas burner production, extra warehouse space, and a small employee lunchroom. Another plant expansion (5600 square feet) to the east of the main plant was completed in August, 1969 and was used for production machining activity.



Model S ... and Model A



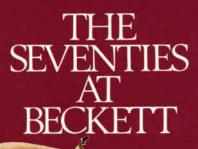
Progress in Times of Transition

As the 60's drew to a close, Beckett's employees, now 40 in number, could look back with genuine satisfaction on the success of these critical transition years in which:

- New burner models (first "S" then "A") brought the company's product line into a competitive posture.
- The company survived a change of leadership, as well as a devastating fire.
- Sales increased to approximately 70,000 units, more than double the amount in the transition year of 1965.
- Key personnel came on board to establish a well-coordinated and effective operating team.
- Key customers were retained, and new customers added. (Of vital importance during the period was International Oil Burner who, even at the close of the decade, accounted for half the burner volume at Beckett).
- The facilities were enhanced and expanded to accommodate a growing business.

thirty~seven

Plant expansion in 1968.



The Early 70's: Growth Years

With the introduction of the Model A burner in the late sixties, then the Model AF (with flame retention) in the early seventies, sales increased dramatically. Primary growth was in sales to original equipment manufacturers (O.E.M.'s) and to the major oil companies, including such key contributors as Arco, Amoco, Chevron, Gulf Oil, Humble, Mobil, Sun Oil, Texaco, and others -- a total of fifteen at the peak.

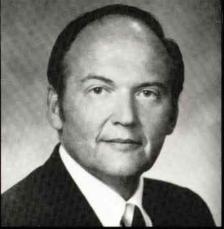
But also, a new market channel was opened -- the distributor/dealer network. It became the vehicle through which homeowners were encouraged to

upgrade to more efficient fuelsaving burners. Although Beckett had some distributor sales on a small scale as early as the late 50's through Leon Donnenberg on Long Island, Beckett made a conscious decision in early 1971 to serve the replacement market. The distributor market in New England was targeted through Petroleum Engineering, under the innovative leadership of Bruce Buckingham and John Hill, opening the way to a significant and highly synergistic penetration of the total oil market.

Beckett's decision to become the first burner manufacturer to sell to

With the introduction of the Model A, and then the Model AF (with flame retention)... sales increased dramatically. all market segments became an especially crucial factor in the years that lay ahead -- years which saw several unexpected and severe shocks to the oil industry.

As sales increased, the complexities of plant supervision also increased, and Bud Crist, who had begun as a supervisor with Beckett in 1966, became Plant Superintendent, with Howard Rathwell, his predecessor, moving to Shipping Manager. Ironically, Bud had come to Beckett from Toridheet -- the same company that Reg Beckett had worked for in the 30's.



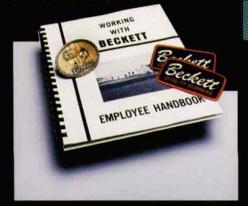
Donald Faulhaber

thirty~eight

An increased awareness of employee needs in an expanding work force prompted the publication of a monthly employee newsletter, the development of a comprehensive employee handbook, and installation of a Profit Sharing Retirement Plan -- all in 1970.

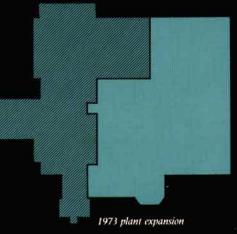
By 1972, sales of natural gas were being curtailed in several areas of the country, with the result that fuel oil for home heating came into renewed favor. The marketplace wanted compact design and high efficiency, and Beckett saw sales of the new Models A and AF pass the Model S.

The new opportunities gave sufficient confidence to further expand marketing efforts, and Don Faulhaber, who had called





on the company for Robertshaw Controls, joined Beckett's sales department. Don's extensive background with O.E.M. accounts, as well as a selling ability that came very naturally, made him a logical choice. John and Bob had regarded Don as the outstanding salesman calling on them, and were delighted now to have him on the Beckett team. At about the same time, Russ Sage retired, culminating a career with the company that began in the 30's.



The new employee lunchroom... looked out on an old apple orchard.



In February, 1973, Beckett broke ground on its most ambitious plant expansion yet, a 35,000 square foot addition that essentially doubled plant space. The addition included an attractive new employee lunchroom with a distinctive vaulted ceiling. Its windows looked out on an old apple orchard, and provided a restful setting for employee breaks.

thirty~nine

Turning Off the Flow of Oil

Just as major expansions were completed in preparation for continued growth, however, a crisis of international proportions hit. Within weeks of dedicating the plant addition, the October War in the Middle East broke out, beginning what would be a series of dramatic worldwide dislocations in oil production and distribution.

The resulting Arab oil embargo of October, 1973 shook the entire oil industry... including Beckett, which felt the impact in declining sales and profits for the first time since the early 60's. Though these declines were manageable, they were sobering reminders to the company's leadership of how quickly Beckett's circumstances could change. That realization prompted a renewed emphasis on the fundamentals of business... to generate the kind of flexibility. market strength, and long-term growth that would help protect the company against upheavals in its markets.

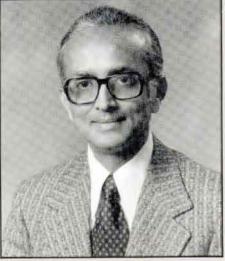
Beckett's fine customer, Intertherm, also sensitive to recurring shifts in the nation's energy equation, encouraged Beckett into the manufacture of electric heat racks for their mobile home furnaces. However, low volume resulted in the line being discontinued in the late 70's. Just as major expansions were completed...a crisis of international proportions hit.

Opportunity Amidst Adversity

Though set back temporarily by the impact of the oil embargo, Beckett was soon able to expand sales and penetrate new markets. Remarkably, some of its best years came in the mid-seventies. In 1974, reflecting the strength of aftermarket sales, Texaco became one of the company's largest customers.

But these unsettled years took a toll on the industry. New burner technology and shifts in the market affected all burner producers. Through mergers and plant closings, the industry shrank to four independent burner manufacturers. Only twenty-five years earlier, over 200 companies had been in the burner business!

In 1976, Shekhar Chakrawarti joined the company to oversee quality control. Shekhar had been in charge of engineering at France Manufacturing, Beckett's principal transformer supplier, and brought with him solid experience in electrical engineering and a practical work background in a related industry.



Shekhar Chakrawarti





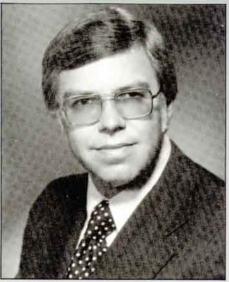


Expanding Again

As Beckett's growth continued, space requirements increased, and again the company needed to expand. In March, 1978, the company broke ground on its largest expansion yet, an area totaling 40,000 square feet. Included were a new reception and general office area, engineering offices, a painting facility and a new warehouse.

forty~one

The project was managed by the newest member of the management team, Jack Eschweiler. Jack came to the company with an extensive background in manufacturing, and most recently had worked with A.T. Kearney, a consulting firm, which had given him a diversity of exposure to many of the nation's leading companies. His initial responsibilities for plant engineering expanded in time to include several other key areas.



Jack Eschweiler

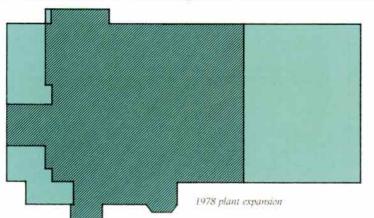
In 1978, sales reached an alltime high, a level that was not surpassed until 1986. Included were significant sales to South Korea, where a new market opened, the result of a change in that country's import policy. Also in 1978. Beckett took a new and innovative tack in customer support, developing "The Professional Serviceman's Guide to Oil Heat Savings," and distributing 10,000 copies in the first year. Paul Deuble retired after 13 years, and Don Faulhaber became General Sales Manager.

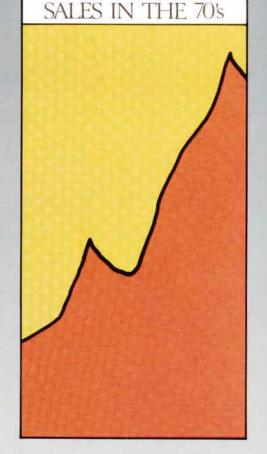


Frank Andolsek

As burner sales continued to increase in early 1979, Frank Andolsek was hired to head up production control. Frank had previously done similar work with Johnson Corporation, one of Beckett's major customers. Howard Rathwell retired that same year after 33 years of devoted service.

In 1979, the company undertook a new venture, a business called Advent Industries. Mindful of large numbers of unemployable youth in the area and their high cost to society through both crime and welfare. Beckett formed a separate business to hire and train these young people. Ed Seabold, a former retail business owner in Elyria, joined Beckett to head up this activity. providing an excellent mixture of a disciplined work ethic in a friendly supportive Christian environment. In the years following, Advent expanded to provide food and clothing distribution, helping thousands of area families in financial difficulty.





A Decade of Growth

In all, the 1970's were a time of remarkable growth, in spite of much uncertainty and instability in the nation and the oil industry. During the period, the company:

- Added several key members to its management team
- Tripled its total employment to over 120 people
- Penetrated the burner aftermarket, and
- Added many new O.E.M. customers
- Saw its burner volume triple from the beginning of the decade
- Undertook two expansions that more than tripled plant and office space
- Launched a significant community service activity, Advent Industries

forty~two

Trouble in the Oil Business

The 1970's were a time of remarkable growth, in spite of much uncertainty and instability in the nation and the oil industry. Somehow, it seemed that plant expansions at Beckett always precipitated international oil crises! The '78/'79 expansion was no exception.

The trigger this time was the overthrow of the Shah of Iran, and the iron grip held by OPEC on Mideast oil supplies.

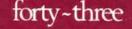
During the same period, the gas utilities "found" an increased amount of gas, which they marketed aggressively at the homeowner level. The economy went into a slump, interest rates hit all-time highs, and credit was heavily restricted.

The cumulative effect ushered in the 1980's with the most serious challenge the oil burner industry had ever faced. Up to this time, the number of burners installed in our nation had increased every

THE EIGHTIES AT BECKETT

single year since the early 50's. But at the beginning of 1980, it was like a switch was turned off. In a very short time, the price of oil nearly tripled, and the total volume of residential burners produced in the U.S. dropped from a '79 peak of nearly 900,000 units to half that number.

One of newly elected President Reagan's first decisions was to deregulate oil, removing government controls that had only served to heighten the dislocations in supply and price. This had a very beneficial though not immediate impact, allowing the free market to establish supplydemand and price relationships. Without deregulation, it is very likely that the industry slump would have been greatly protracted.



An Aggressive Posture

Though Beckett was in much better position to handle this crisis than many other companies, every effort had to be made to cut costs, short of laying off personnel. The latter was especially significant, for unemployment in North Ridgeville during the period soared past 30%.

It was also a time to seek divine wisdom. In early 1980, twentyfive Beckett employees gathered one evening after work to talk and pray together. John later recalled, "We affirmed our confidence that God was bigger than the Middle East crisis, and that we should take each day one at a time, with our trust in Him." The results of that prayer time began to be evident in the weeks that followed, not only in improvements in business, but employee outlook as well. Even with the slipping sales and overall belt-tightening the company had experienced, Beckett was confident in the industry's future. A direct marketing program of dealer/installer communications was initiated using ads, statement stuffers, and other materials.

In addition, several Beckett personnel addressed influential trade gatherings. Their theme was upbeat: that the dislocations in oil price and supply would settle down, that the gas availability was only a "bubble" that would not last, and that this was a time to actively market, not sit back in desperation.

In the midst of the slump, the more far-sighted marketers became aggressive, sales-oriented companies emphasizing the benefits of modern, fuel-saving, cost-effective flame retention burners. Beckett helped the process with homeowner-oriented support materials, distributing over 5 million pieces of literature in 1980 alone. By year's end, Beckett was doing substantially better than the industry as a whole, and in retrospect, emerged from the difficulty even stronger than before.



... addressing the industry

This was a time to actively market, not sit back in desperation.

forty~four

Beckett helped the process...distributing over 5 million pieces of literature in 1980 alone.

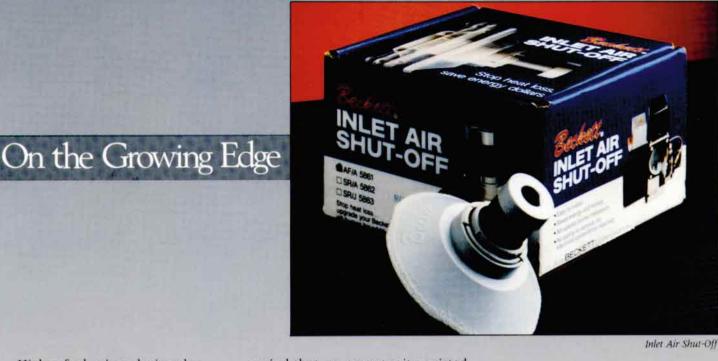
Beckett BURNERS

The uncertainties in oil markets made the company a prime candidate for business diversification into other areas besides oil burners. At mid-year, Beckett signed an agreement to purchase the assets of Tronco, a sump pump company that had been in business about eight years. In spite of the substantial investment made into this product line, sales and profitability fell short of expectations, and five years later, the pump division was sold.

clett

Beckett's gas burner development continued during the period, with two new models, "G-2A" and "G-2S" introduced in 1980. The company entered into a development project and license agreement with Owens-Illinois in Toledo to develop a new concept oil burner system under license with the inventor, Bob Babington. This unit, promising improved oil atomization at low firing rates, ended up being too complex and expensive, and was discontinued in 1984.





Higher fuel prices during the early 80's were a two-edged sword. Sadly, in a three-year period, over one million oil customers converted to gas, a loss of 7 percent of the industry's customer base. But those who staved with oil wanted more efficient equipment, and this provided unprecedented incentive for replacing old burners. With the fuel savings, homeowners could pay back the investment for an upgrading in one year. To sweeten the deal, the federal government offered a tax credit for energy savings investments, including new burners. Beckett was well positioned at the distributor sales level and saw sales for this segment more than double in a two-year period, peaking in 1981, largely offsetting the tremendous decline at the O.E.M. level.

Within the year, the overall burner business for Beckett had begun to improve, principally the result of aftermarket sales. For the first time ever, a distributor to the aftermarket, rather than an O.E.M. or major oil company. became Beckett's largest customer.

It was apparent during this

period that an opportunity existed for Beckett in the commercialindustrial burner business. Through a relationship that had been established with a West German firm, Klockner A.G., an agreement was reached in April, 1981 to adapt the German large burner line to the U.S. market. After an initial introduction to customers, some weaknesses in the design became apparent, and a decision was made in 1984 to discontinue this project in favor of a Beckett internal development of a large burner series.

In 1982, Beckett installed its first ''in-house'' full scale computer, a Basic Four system, with considerable capacity for expansion. The company's use of data processing had begun a decade earlier through service bureaus.

Beckett developed a patented fuel-saving device, the Inlet Air Shut-Off, and began marketing Combustion Efficiency Analyzers. The company also began the use of "air guide" technology. This innovation increased static air pressure and thus burner performance, especially in highefficiency oil heating appliances.

forty~six



By the latter part of '82, overall business was increasing at a good rate, even though virtually every major oil company had withdrawn from the equipment market.

The entire staff of the Beckett Corporation could look back with satisfaction at having successfully weathered the turbulent early 80's. In fact, even with the highest level of unemployment since the Great Depression, both nationally and locally, Beckett had maintained full employment, and steadily increased its market share.



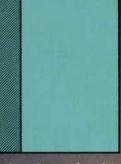
The Beckett family - 1984.

The entire staff... could look back with satisfaction at having weathered the turbulent early 80's.





1983 renovation and expansion



adding Production Control to his existing responsibilities.

An employee attitude survey was conducted in September, 1984. It was a gratifying confirmation of the company's employee relations policies when the firm conducting the survey reported that they had never seen more positive results.

An oil heat education program for installers and servicemen was launched, and was immediately successful, coming at a time when many new people were entering the service field.

Myron Cooperrider retired in September, 1984, after nineteen years with the company and a long list of accomplishments that were absolutely pivotal to the product success of the company during his tenure. Most notable



Bud Crist at retirement was the AF flame retention burner, which became the standard by which all other burners in America were measured, and undoubtedly has been sold in greater numbers than any burner by any manufacturer in history.

In 1983, the company started construction of its atrium office area and renovated the west offices of its plant. It also constructed a 27,000 square foot warehouse to the west of the existing structure, bringing the facilities to a total of 130,000 square feet. Bud Crist retired in October of 1983, after 17 years with the firm, and Frank Andolsek became Plant Superintendent, with Jack

Eschweiler

forty~eight

Approaching the Present

In 1985, Beckett consummated agreements with several companies to make burner components for them under the Beckett label, motivated by a desire to improve component quality, reduce costing, and bring technological innovation to its market.

The corporation hosted its first Vendor Day in September, 1985, using the event to underscore a philosophy of close cooperation and the importance of vendor product quality.

Coopers and Lybrand was selected as the company's accounting firm, with arrangements for Ed Firment, who had handled the Beckett account for T.L. Moise and Co. since the early 50's, to set up an office at Beckett and assist with its inside accounting.

Dan Mobert joined the company in January, 1986, bringing with him a background in finance, and an interest in business analysis that would be instrumental in Beckett's growth plan. Dan assisted in the sale of the sump pump division to Sta-Rite Industries -- a step that proved very timely in light of a

> tremendous surge in

burner demand that began midyear.

In fact, this increase in late 1986 was unprecedented in the company's history, requiring a second shift for three months. Several factors converged to cause the increase: lower oil prices -nearly half the peak price of the early 80's; a generally strong economy, especially in the oildominant Northeast; and the lowest interest rates in a decade.

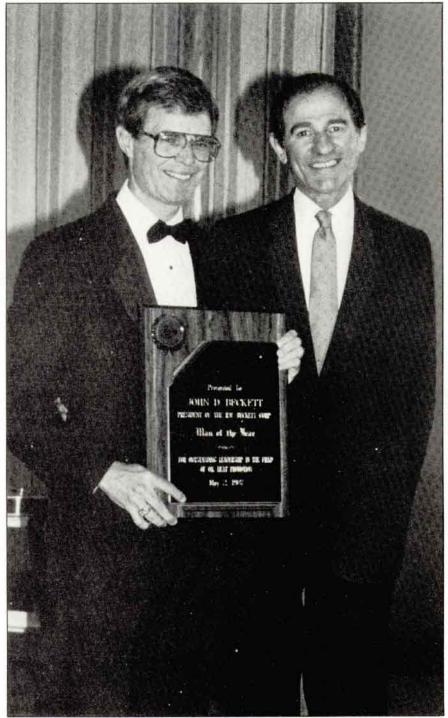
Beckett had a marketing survey conducted on its basic burner business, with extremely positive results. The survey firm said they had never seen responses that were so positive, even among some of the nation's major industrial companies.

The corporation began a quality education program with Phil Crosby Associates. An education room in the newest warehouse addition was completed for this and other instructional purposes. Beckett also began working with Coopers and Lybrand to develop an acquisition strategy, intended to help lay the foundation for future growth in the company.





forty~nine



John receives the "Man of the Year" Award from Al Stern, president of the Metropolitan Energy Council

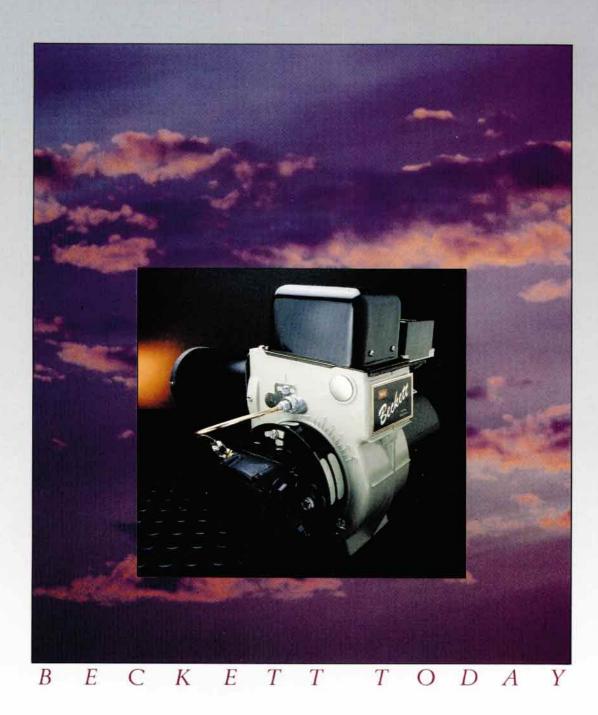
The 1980's can be summarized as years of challenge, of decline, of recovery, of expansion, and of new ventures attempted, some successful, some not. Fortunately, the setbacks became learning experiences and served to sharpen the company's industry posture.

The decade, through the anniversary year, saw:

- Employment increase to over 150 full-time workers
- Unit sales growth again by a substantial percentage
- A major upgrading and expansion of facilities
- Consolidation of an expanded management team
- Initiation of a major quality emphasis, and
- Launching of plans for a strategy of growth through acquisition

In May, 1987, John Beckett received significant industry awards on behalf of the R.W. Beckett Corporation from both the Metropolitan Energy Council in New York and the National Association of Oil Heat Service Managers -- recognizing the many years of achievement that have brought the company to its respected present position in the U.S. oil burner market.





Chapter five

BECKETT TODAY

Portrait of a Corporation

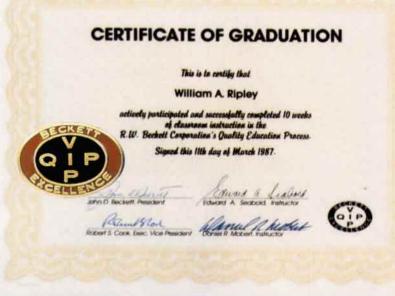
It is a Wednesday morning. The employee lunchroom at the Beckett Corporation has been converted into a meeting room for the morning's event. It's a special occasion: graduation for all 150 employees at the completion of a ten-week Quality Education Seminar conducted in-house. The atmosphere is friendly and conversational, centering around company and personal matters, and the Egg McMuffins and orange juice served to all the staff prior to the gathering.

After some light humor and personal comments, John Beckett summarizes the value of the education program and the importance of quality to Beckett. To reinforce the necessity for quality, he cites two current news articles. The first attributes the takeover of American Motors by a stronger Chrysler Corporation to AMC's declining quality and profitability. The second article describes how Jaguar, the prestigious European auto maker, reversed the slippage in its quality and productivity, and renewed its reputation and profitability.

Next, diplomas are awarded, along with a lapel pin to each employee with the letters "QIP, VIP" standing for Quality Improvement Process, Very Important Person, surrounded by a circular border containing the words "Beckett Excellence."

On hand are Dan Mobert and Ed Seabold, seminar instructors, to receive light-hearted special gifts from seminar participants. They unwrap packages to find tattered and torn briefcases produced by the "Quality Briefcase Company," a fictitious company used as a case study in the seminar.

After a good laugh, the employees return to work. The expectations for a Beckett employees' meeting have again been met: an effective reinforcement of the company's team concept, direction, and values, mixed with a dash of humor.



Business Beckett-Style

The company's approach to business, emphasizing relationships and a sense of family, is foundational to its philosophy. And undoubtedly, this philosophy is a major contributor to the company's success. But there are other ingredients, including its policies and people, that give the company the position it enjoys in today's heating industry.

fifty~two



Beckett's Position Today

At the beginning of its fiftieth anniversary year. John Beckett summarized these highlights of the company's present position in a talk with employees:

- Completion of the company's busiest year ever, by a substantial margin
- A leadership position in the U.S. oil burner industry, currently producing more residential oil burners than any other manufacturer in the world
- Reputation for integrity among clients and suppliers, and for making high quality products
- A happy, committed work force
- Seasoned management team with solid relationships
- Excellence in its facilities and manufacturing processes and methods
- Position of profitability, financial stability, and strength
- Security of jobs and future through private ownership
- Capability for growth through diversification and acquisition of other businesses

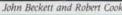
To understand more fully the Beckett Corporation today, it is necessary to look at the people who have made the company's position a reality. Directing the Beckett Corporation is a management team which establishes goals for the company, sets policy, and coordinates activity in the various departments. Leading this group is John Beckett, President of the corporation and its Chief Executive Officer since 1965. Executive Vice-President Bob Cook is chief operating officer, overseeing all department heads, and coordinating the activities of the company on a day-to-day basis.

The People at Beckett



Robert Cook

John and Bob have had a remarkable working relationship in their twenty-two years of sharing overall management responsibility at Beckett. Their skills and abilities have complemented each other, rather than clashed, and their great respect for each other has been the nucleus of the corporation's teamwork. Serving with John and Bob in the management of the company are:









Frank Andolsek

Frank Andolsek, Plant Superintendent, who is responsible for general supervision and coordination of all plant personnel, production schedules and activities, including discipline, morale, and maintaining good employee relations.



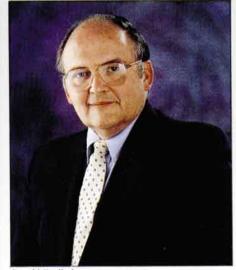


Shekhar Chakrawarti

Shekhar Chakrawarti, Director of Engineering Services, who oversees design, development, and application engineering, including drafting and field education.

Jack Eschweiler. Production Manager, who supervises plant engineering, manufacturing/ industrial engineering, purchasing, production/inventory control, material handling, and quality assurance.

Donald Faulhaber, General Sales Manager, who directs the company's sales and marketing efforts. His responsibilities include O.E.M. and distributor sales, accomplished through his supervision of the internal sales force and a network of manufacturer's representatives.



Donald Faulhaber

1987 Board and Advisory Committee --Seated: David Cook. Robert Cook, John Beckett, Edward Firment. Standing: Scribner Fauver, Wendy Beckett, Eugene Ricchetti



Jack Eschweiler



Edward Seabold



Daniel Mobert

Daniel Mobert, Controller, who manages the data and accounting departments for Beckett, and also assists in the corporate growth plan, including acquisitions and divestitures.

Edward Seabold, Director of Community Services, who represents the company in many community activities and also directs the operation of Advent Ministries, Inc., a privatelysponsored social service agency which helps needy and disadvantaged members of the local community.

In addition, a total of 150 dedicated, full-time employees see to a myriad of responsibilities within their respective departments, each an important contributor to the company that today is Beckett.



Philosophies at Beckett

Over the years, Beckett has developed philosophies and policies that have been vital to its success. These philosophies reflect the orientation of its leadership team, which has made a commitment to: an uncompromising pursuit of quality and excellence; high standards of morality; the vital role of business in society: the value of the individual: the preservation of the family: honest communications: traditional values: aesthetic beauty: personal integrity; and the importance of friendship.

This philosophy reflects not only the past, but is specifically described in the company's formal statement of vision for the future:

"We want to be a family of wellsupervised, highly productive, customerconscious manufacturing companies, efficiently producing high-quality products in attractive, wholesome, family-oriented workplaces where the work and relationships are richly rewarding and where Christian principles are practiced throughout."

General Policies and Practices



Philosophy and vision must translate into policy and practices. Some features of the company's approach can be summarized as follows:

Benefits -- A wide range of health and vacation benefits, based on shared profits; leaves of absence -- including maternity leave that extends to adoptive mothers; and memberships in health clubs. A further benefit is the attention given to the aesthetic beauty of the facility itself, where the grounds are beautifully landscaped, and the interior decor enhances the emphasis on quality. Modern equipment and tools are provided, enabling employees to perform at peak efficiency. The grounds at Beckett

Communication -- A monthly newsletter, comprehensive employee handbook, regular plant meetings and staff gatherings, oneon-one and small group meetings with employees. As an added personal touch, birthday cards are sent to each employee with notes from John Beckett and Bob Cook. The goal in communications is to reinforce the team approach, to properly regard the worth and contribution of each individual. and to eliminate misunderstandings at the earliest stage possible.

Activities -- Company picnics, sports leagues, company parties, banquets, gatherings, and open houses for family and friends. All serve to build relationships and commitment among people who enjoy being together.



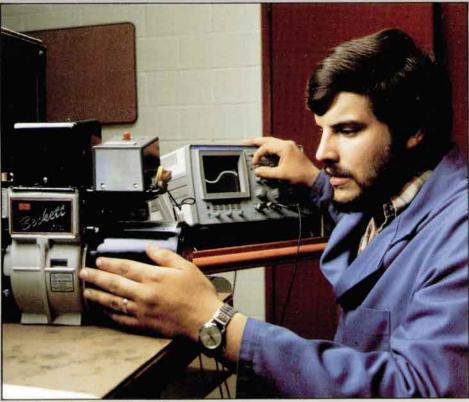
fifty~five

Education -- Quality Education (required for all employees), tuition reimbursement for continuing education, summer employment of college students, special classes in subjects of interest to employees (C.P.R., nonsmoking, and exercise classes). The company's desire to promote from within gives added incentive for personal development through education.

Recognition -- Length of service and attendance awards, bonuses, company gatherings on special occasions, such as when new production records are achieved. All of these are visible ways of saying "thank you."

Families -- In many ways, the company is viewed as an extension of family, and policies are designed to reinforce, rather than compete with the family. For example, members of the same family are encouraged to work with the company. A number of husband and wife teams, including several who met åt Beckett, are employed by the corporation.

Involvement -- Community service programs, and participation in civic events and organizations, reflect the role of the company as a "corporate citizen."



Engineering excellence -- a Beckett tradition

A notable example is its support for Advent Ministries, viewed in the community as a model of free enterprise solutions to civic problems.

Other community programs such as United Way receive substantial attention and support from Beckett. In 1987, Bob Cook served as President of The United Way of Greater Lorain County.

Enduring Values

The accomplishments of the Beckett Corporation and its present status within its industry are remarkable and admirable. Its steady progress and success are based on the unique contribution of a team of people who work well together, and the philosophies, policies, and practices which undergird it.

Though changes will come, many things about the company won't change, including its devotion to excellence, innovation, and quality, not only in its products, but also in the relationships among all who make up the family of Beckett employees.



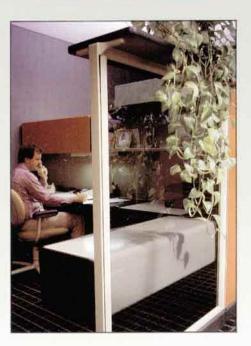
Advent Industries -- corporate involvement in the community

fifty~six



The management team - 1987

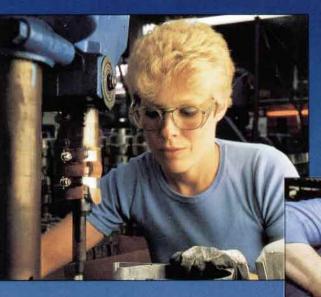
Progress and success are based on the unique contribution of a team of people who work well together.

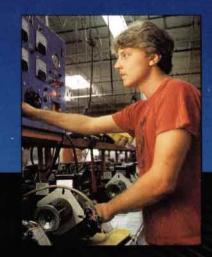




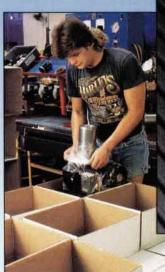














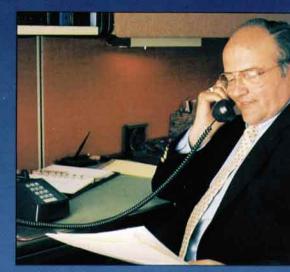


Bechett

Devotion to excellence...



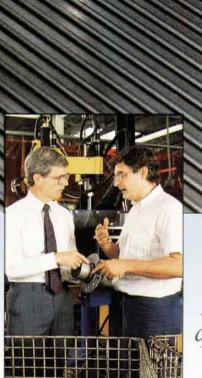


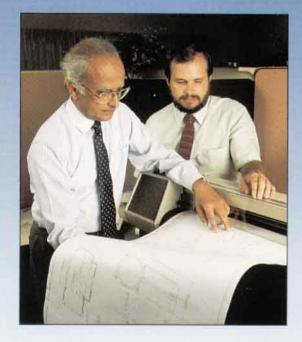










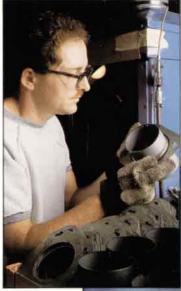


... innovation, and quality.



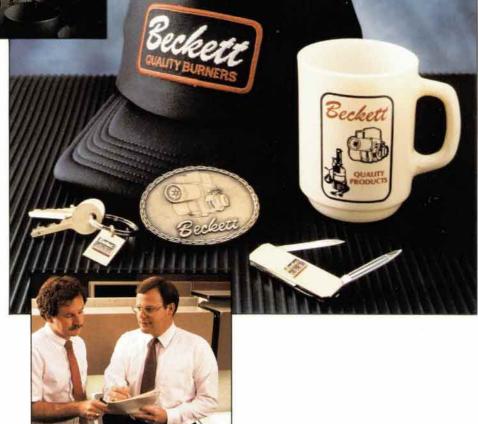


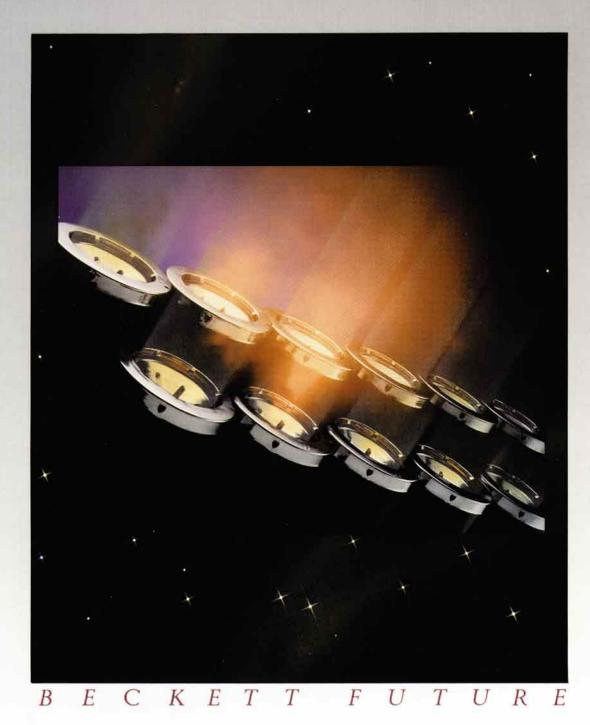












Chapter six

Our optimism is based on our vision for the future.

Concluding Remarks by John D. Beckett

CHALLENGING THE NEXT

"As the R.W. Beckett Corporation celebrates its golden anniversary, it is both timely and rewarding to look back. Weaving together the historical threads that resulted in this commemorative book has been a nostalgic endeavor: sifting through old photos and World War I memorabilia; ferreting out the early history of our industry, and my dad's association with it; visiting the home in which I was born, and exploring its basement, where the business got started; uncovering events in the company's early years, including the difficult times my parents and the Fitzgeralds endured to preserve a struggling young business; reminiscing with former and present employees and business associates.

"Strangely enough, the more difficult task has been chronicling the second half of these fifty years. The history is too recent, and our involvement too close to provide an unbiased perspective. Even now, a story is being written which future generations will be able to interpret better than we. Our part, through this volume, has been to cite the main events of our past and present, and acknowledge the people who have made them a reality. "It's tremendously gratifying to be the company that we are today. While markets, products, facilities, and personnel bear little resemblance to the early years, we have been able to retain and enhance many of the values and philosophies that originally shaped the character of the company. Product quality, engineering excellence, personal integrity, and individual diligence are as evident today as in the early years. With our growth has come the allimportant capacity to change for a changing future. Today, we are as diverse as the wide-ranging abilities of the people who make up Beckett. This provides our hope for tomorrow.

FIFTY

"And what about tomorrow? Even at our golden anniversary, we're not content only to look back. As grateful as we are for the first fifty years, we want to challenge the next fifty, and beyond. And challenge we must, for the years that lie ahead will challenge us.

"We face increased complexity and unprecedented demands in virtually every area of business life. We face a fragile global economy, political and social instability, and an accelerating struggle to maintain moral principle in our society. Our challenge, as it has been right along, is to find the opportunities for Beckett in the midst of this changing environment.



sixty~two

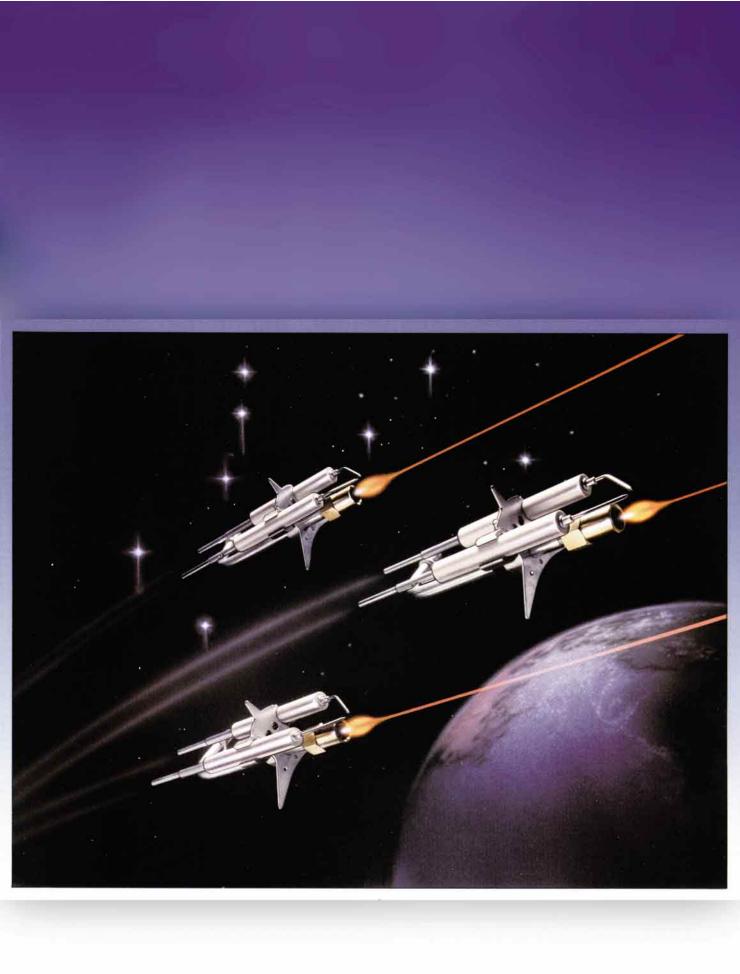
"We are optimistic as we begin the next fifty. We see a good future for oil heating, and a capacity within our company to reach beyond oil heating for continued corporate growth. We see customers who are thinking progressively, looking for new ways to enhance efficiency and reliability... and as their supplier, we're eager to help them achieve their goals. We see our suppliers committed to innovation and quality improvements that will help keep our products at the leading edge. And, we see the internal motivation within our company to be a world-class manufacturer, building world-class products, preserving jobs in America and in our community.

'Finally, our optimism is based on our vision for the future. We're aware that we have a place in God's larger purposes, where we can make a useful contribution with our products and services; where employees and their families will derive the rewards that come through meaningful work and work relationships; and where we can faithfully steward the full range of resources that are entrusted to our care.

'If we're careful how we proceed, a future generation will pull from the shelves a book called, Beckett... The First Fifty Years, and find to their amazement that as much as things have changed, the truly important qualities at Beckett remain.

"Thank you for sharing this journey with us. And thank you as well for whatever part you have had in our first fifty years, and will have as we challenge the next fifty."

sixty~three



THE PEOPLE WHO ARE BECKETT TODAY EMPLOYEE LIST - 1987

Wilma L. Adams Franklin J. Andolsek James F. Andolsek Joseph H. Andulics Betty A. Baracskai Keith Barbee John D. Beckett Eric N. Beiswenger Kurt F. Beiswenger Kim Black Diana M. Brandt Sharon L. Brandt Charles J. Buga Emily M. Burt Larry W. Buswell Diane J. Carpenter Winnifred M. Caynor Shekhar Chakrawarti Patricia Collins Robert S. Cook Gary L. Cooperrider Kelly J. Crapo Connie L. Crosby Freda P. Daniels Cheryl Y. Davidson Karen R. DeCarlo Barbara E. Deering Sue J. Dickerson William W. Drennen Nancy C. Duesler Ruby M. Ellison Shirley A. Ellison Susan M. Ellison James K. Endrizzi John G. Eschweiler Billy J. Estep, Jr. Robert B. Estes Sieglinde M. Estes Kathleen E. Etterman Brad J. Fabrizio Doris L. Fahrney Jeffrey B. Fahrney Donald P. Faulhaber Teodor Feher Matthew A. Gee Judy L. Gensert

Brenda S. Gillespie John V. Glover Karen S. Godsey Elizabeth A. Gordon Donald E. Greeley David E. Green

Michelle T. Green Sheila M. Hagerty Debra S. Hall Freeda Hall June A. Hanchett Eric J. Hardin Michael J. Havdn Richard A. Hayes Mary P. Henes Richard C. Henes, Jr. Jeff A. Hennessee Jerry L. Herron Eric R. Hess Lawrence E. Hess Jeffrey C. Holtzman Denise A. Howell W. Jean Jackson Donna R. Johnson Michael R. Justy Marian Juszkiewicz Eleanor Kaminski Mary Ann Kaminsky Richard J. Kauffman Blanche Kilgore Leo Kinter Mark A. Krupp Mary Ann Kuehn John M. Laisy Deirdre L. Langer Connie Lotfi-Shahabadi Denise A. Loughner Pamela J. Loughner Gloria A. Machovina Chris Mason Nancy J. Mayes Dolores McCabe John G. Mederer Marv E. Mederer Ernest Melendez Suzanne M. Melendez Carol D. Mihalis John Miles John D. Miller Douglas J. Mittler Daniel R. Mobert John R. Moc Michelle M. Moser Raymond W. Mounts, Jr. Yvonne C. Muck David E. Munger Brenda S. Muskovich Raymond J. Naida

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(All photographs of flowers and plants were taken on the Beckett Corporation grounds.)

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