

100 YEARS of Fellowes

Fellowes Brands™ celebrates its 100th anniversary in 2017. A mainstay of the office products industry for nearly the same length of time, it has grown from a small Chicago specialty manufacturer of file boxes for banks to a leading global manufacturer of a broad line of business products. It continues to be a family business, owned and operated by the Fellowes family. The story began with a partnership of two unlikely entrepreneurs who combined their talents to build a great company. Walter Nickel joined a company from Lincoln, Nebraska, shortly after graduating from the University of Nebraska in 1916. He was hired as a sales rep to sell the company's file box which was designed for old bank records. His selling success, however, was impeded by a poorly-designed product.

When the young sales rep brought this to the attention of his boss, he was largely ignored. In time Walter left the company and set out on his own. He designed a similar product which addressed the problems his customers had shared with him. The file box fit standard sized bank forms properly and was made out of a rugged new material Walter had noticed – corrugated fibreboard. This was first introduced for shipping boxes which would ultimately replace wooden boxes. Walter set up shop in an office building in the tailoring quarter in Chicago in September 1917.

Harry Fellowes, a custom clothes maker, happened to work on the eighth floor of the same building. He had a nice little tailoring business, but he was restless and had his eyes open for a better opportunity. Harry, a curious and outgoing man by nature, contacted Walter and in the process learned about his business. He soon became intrigued with the innovative little file box which seemed to be warmly received by banks.

One day Harry noticed Walter packing up as though he was closing. When he enquired, he learned that Walter had been drafted into military service for WWI. He was to report for active duty on 2 May 1918, just a few days hence. Harry acted upon his instincts and offered to buy the business. For Walter this seemed a convenient way to dispose of his inventory and monetise his fledgling venture. Harry bought the business for \$121.40 – roughly the cost of the inventory. The war was over six months later and Walter wrote to Harry to ask if he might be willing to sell the business back at a nice profit. In the meantime Harry had fallen in love with the business and had no interest in selling. But he recognised Walter's talent and his own shortcomings, so he invited Walter into a partnership. They incorporated the following year in 1919 as the Bankers Box® Company, which continued as the corporate name until 1983.

The two partners were as different as chalk and cheese. Harry was 39 years old and the more experienced. He had an expansive personality and a natural gift in selling and marketing. He was the President, the strategist and the spark plug. Walter was fifteen years younger and more reserved and yielding. He had worked as a boy in his father's foundry and was naturally drawn to technical matters and processes. And he had an inventive mind.

The 'flint and steel' combination made a great spark. The partnership flourished as they soon began expanding by selling boxes to other industries: insurance, automotive, trucking and others. New box sizes were added.

It was not long before Harry began to get enquiries from stationery dealers about stocking the products locally. This seemed a promising way to expand the business. For many years the company sold both directly to commercial end users and also through the trade. In time, however, the trade

channel won out.

A second generation of the Fellowes family joined the business in the 1930s during the Great Depression. A third Fellowes family generation led the business from the 1980s through to July 2014 when the fourth generation took over. For most of its history two generations have served side by side in the business. Today, James Fellowes – grandson of Harry Fellowes – serves as non-executive Chairman of the Board while John Fellowes II is CEO of the company.