Suburban Steel

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Notes to Introduction

3. The government defined a prefabricated house in 1947 as “one having walls, partitions, floors, ceilings, and/or roof composed of sections or panels . . . which have been fabricated in a factory prior to erection on the building foundation. This is in contrast to the conventionally built home which is constructed piece by piece on the site.” Quoted in Prefabricated Home Manufacturers’ Institute and U.S. Department of Commerce, *Prefabricated Homes, Commercial Standard CS125–47* (Washington, D.C.: U.S. Government Printing Office, 1947), 1.
4. Burnham Kelly, *The Prefabrication of Houses: A Study by the Albert Farwell Bemis Foundation of the Prefabrication Industry in the United States* (Cambridge, MA: Technology Press of the Massachusetts Institute of Technology, 1951), chapter 1. Alfred Bruce and Harold Sandbank, *A History of Prefabrication* (New York: Arno Press, 1972), 6–7. Joseph B. Mason, *History of Housing in the U.S., 1930–1980* (Houston: Gulf Publishing Company, 1982), 54–55. Conceptualizing the production of housing as a single integrated process opened the door to numerous potential advantages. Standardization, repetition, specialization, and efficiencies in material handling represented the primary benefits of mass production. The prospect of producing a higher-quality product with less-skilled labor bolstered the argument that prefabrication would offer consumers a better house for less money than conventional construction. Conventional building required a labor force that was approximately 60 percent skilled, 5 percent semiskilled, and 35 percent unskilled. In contrast, factory-made housing used approximately 25 percent skilled, 35 percent semiskilled, and 40 percent unskilled labor. Advantages of scale, particularly the ability to obtain volume discounts from suppliers, held additional economic promise. Further, the idea of freeing the home-building process from its seasonal cycle, with the promise of overall higher wages for labor, confirmed the appeal of relocating housing production in the factory.

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von Bertalanffy laid the foundations of a general systems theory, and Arthur Tansley applied parallel ideas to the environment in his concept of the ecosystem.”


8. From the turn of the century through World War II, America’s housing output had not kept up with the expanding population, and the nation’s housing had progressively deteriorated. According to the 1940 census, the 34,834,532 dwellings in the United States had a median age of over 25 years, and large percentages lacked running water, private baths, flush toilets, and refrigeration. The largest annual production occurred in 1925 (937,000 units) and the lowest occurred in 1933 (93,000 units). Many critics cited technological backwardness as the primary reason for the inability of the housing industry to keep up with demand.


18. Ibid., 3.


20. William H. Whyte’s bestseller The Organization Man (New York: Simon and Schuster, 1956) used Park Forest to illustrate patterns of suburban development and their perceived effects on human social and political behavior.

21. Examples of wartime prefabrication that reinforced negative perceptions included mobile homes, trailers, and Quonset huts. Although these dwellings performed admirably as temporary defense housing, few people had a Quonset hut in mind as the ideal of postwar homeownership. Zoning restrictions on “demountable” (temporary and transportable) prefabricated houses appeared during World War II in response to public distaste for “minimum standard” prefabrication erected in high density patterns near defense and military installations. A consumer opinion poll in August 1944 revealed that while 74.5 percent of those interviewed had heard of prefabricated houses, only 17.2 percent
would consider living in one permanently. The most frequent reasons given for not want-

22. Thomas S. Dicke, Franchising in America: The Development of a Business Method, 1840–1980 (Chapel Hill: University of North Carolina Press, 1992), argued that control over the behavior of franchisees was a crucial element in the success of the product-franchising marketing strategy. Lustron struggled to gain control of its franchise dealer network and bemoaned the tendency of their dealers to desire large profits on fewer sales rather than smaller profits on greater sales volume. The lack of control over dealers resulted in higher prices to consumers and reduced the company’s ability to serve a mass market.


25. “Porcelain Enamel Homes Have 27-Year History,” LCR, Box 1, Folder 7.

Notes to Chapter One


4. The first federal action specifically addressing housing was a Congressional res-


6. Ibid.


16. Ibid.

17. Ibid.


20. The quotation is from an influential article in *Fortune* magazine in 1947 chroni-
cling the inefficiency of the housing industry. Fortune was consistently harsh on the industry and gave industry pioneers and visionaries considerable positive press. The subtitle of the article sums up the editorial board’s frustrations: “Only major money and modern organization, plus brains, will ever rescue the housebuilding business from its feudal controls and its chronic incompetence.” “The Industry Capitalism Forgot,” Fortune 36 (August 1947): 61–67.

30. Ibid.
31. Ibid.
33. Quoted in Baxandall and Ewen, Picture Windows, 21–22.
36. Ibid.
37. Ibid.


47. Kelly, 57–38.

48. Ibid., 33.


50. Quoted in Baxandall and Ewen, 66.


53. Ibid.


57. Ibid.

58. Ibid., 31–32.

59. Ibid., 32–33.

60. Ibid., 50.

61. Ibid., 38–39.
Notes to Chapter Two


6. Ibid., 4.

7. Ibid., 11–12. By July 1943 the government expanded Lanham Act funding to $1.3 billion.


10. Ibid., 19.


15. Ibid., 55–63.


21. Richard O. Davies, Housing Reform during the Truman Administration (Columbia: University of Missouri Press, 1966), introduction. See also Susan Hartmann, Truman and the 80th Congress (Columbia: University of Missouri Press, 1971), and Barton J. Bernstein, “Reluctance and Resistance: Wilson Wyant and Veterans’ Housing in the Truman Administration,” Register of the Kentucky Historical Society 65 (January 1967): 44–66. In a March 1946 public opinion poll, twenty-seven percent of Americans responded that they were affected by the housing shortage. Among veterans, forty-two percent indicated a hardship resulting from the housing shortage. These figures appear in Public Opinion Quarterly 10 (Summer 1946): 260.


24. Ibid., 49–50.

25. Ibid., 51–53.


32. Ibid., 1–3.
33. Ibid, 2, 7–8. The Veterans’ Emergency Housing Act as approved by Congress on May 22, 1946 provided RFC backing for prefabrication only “temporarily until they attain general market acceptability” and only if prefab companies caused no “economic dislocations or adverse effects upon established businesses.” United States Statutes at Large 60 (Part I), 215.


36. Wyatt, Whistle Stops, 70. United States Statutes at Large 60 (Part I), 207–15.


41. Davies, Housing Reform, 51.


44. Minneapolis Tribune, 12 September 1982.


46. Ibid.


49. Congressional Record, 12 January 1951, 193–95. Strandlund’s “press quench” method solved the problem of distortion in armor plating during the tempering process. Rather than immersing the hot plates in a bath of cold water, which caused warping, the press quench method cooled the steel in high-pressure presses with thousands of water injectors spread evenly across the surface. This produced a ready-to-use, perfectly flat plate that did not have to be cold hammered to compensate for distortions in the production process.

52. Ibid. “Production at Chicago Vitreous,” unsigned paper, Miscellaneous File, CVA, Cabinet 1, Folder 4.
57. “A Dual Purpose Laboratory,” Better Enameling 7 (January 1936): 7. “Lusterlite Laboratories,” 2. The importance of industrial research facilities and their impact on their parent companies, industry competition, and industrial structure is discussed in Leonard S. Reich, The Making of American Industrial Research: Science and Business at GE and Bell, 1876–1926 (New York: Cambridge University Press, 1985). Research laboratories in the enameling industry followed the pattern of development described by Reich, i.e., that industrial research was concentrated in areas that were most technologically complicated and most promising for commercial application. Lusterlite and Ferro Corporation research laboratories were fundamentally scientific research centers, yet Lusterlite is unusual for its emphasis on sales and promotion. It produced numerous informational brochures and colorful pamphlets for distribution to architectural firms and commercial building contractors touting the beauty, indestructibility, and design flexibility of enameled-steel panels. Lusterlite also ran an informal “speakers bureau” to promote the company’s research efforts among the general public.
60. See Norman Bel Geddes, Horizons (Boston: Little, Brown, and Company, 1932); Walter Dorwin Teague, Design this Day: The Technique of Order in the Machine Age (New York: Harcourt, Brace, 1940); and Raymond Loewy, Industrial Design (Woodstock, NY: Overlook Press, 1979), for first hand accounts of the “movement.”
63. “Chi-Vit Heritage,” unsigned promotional paper ca. 1948, Advertising File, CVA, Cabinet 1, Folder 3.
65. Articles of Incorporation, Porcelain Products Company, 15 July 1937, PPC File, CVA, Cabinet 1, Folder 5.
68. Ibid.
70. Inquiry into the Operation of the Reconstruction Finance Corporation, 344–45.
71. Strandlund to William Hogenson, 25 June 1946, President’s File, CVA, Cabinet 1, Folder 4.
74. R. Harold Denton to Harold D. Hauf, 13 August 1946, LCR, Box 1, Folder 4.
83. Ibid.
84. Ibid.
85. Ibid.
86. R. Harold Denton to Robert A. Irwin, 4 October 1946, LCR, Box 1, Folder 4.
87. Ibid., 2.
88. Ibid., 3.
89. Ibid., 4. National Housing Administration, Office of the National Housing Expediter, “Report to the Kilgore Committee,” LCR, Box 1, Folder 13.

95. Ibid. In a letter to Truman, Senator Albert Hawkes expressed serious concern that the government would even consider lending $52 million to a concern “whose owners have only put up $36,000, and thus put them in preferred competition with established businesses.” Hawkes asked, “[W]hat hope there is for preserving the free enterprise system or legitimately protecting established business in this country[?]” Hawkes to Truman, 23 November 1946, Truman Papers, Official File 1930.

96. James L. Pease to Robert A. Irwin, 15 October 1946, LCR, Box 1, Folder 4.

97. Ibid., 2–3. Chicago Vitreous’s innovation of low-temperature curing enamels, which prevented heat distortion in the metal, provided the key to mass production. The use of high-speed forming rolls, fast acting presses, sophisticated material-handling systems, and continuous-process enameling furnaces assured that Lustron would be on the cutting edge of manufacturing technology. Many of these production innovations had been developed during the war in a variety of industries.

98. Ibid.


100. Ibid.

101. Ibid.

102. Omar B. Ketchum to George E. Allen, 29 October 1946, LCR, Box 1, Folder 4.


106. Wilson W. Wyatt to Charles B. Henderson, 1 November 1946, LCR, Box 1, Folder 4.

107. Ibid. Herbert P. Snyder to Wilson W. Wyatt, 1 November 1946, LCR, Box 1, Folder 4.

108. Wyatt to Henderson, 2.

109. Veterans of Foreign Wars of the United States, Press Relations Department, 13 November 1946, LCR, Box 1, Folder 4.

110. Louis E. Starr to President Truman, 13 November 1946, LCR, Box 1, Folder 4.


113. Wyatt’s power to secure plants for housing production stemmed from Sections 2 (b) (2) and 4 (a) of the Veterans’ Emergency Housing Act of 1946 (Public Law 388, 79th Cong.), from Executive Order 9686, and from the allocation authority delegated to Wyatt in his capacity as Housing Expediter by Directive 44 of the Civilian Production Administration (11 *Federal Record* 8396) under the Second War Powers Act of 1942.

114. “Report to the Kilgore Committee,” 10–11. The WAA issued on September 18 a “letter of intent” to Tucker, promising to deliver the plant “upon submission of evidence by Tucker Corporation that said Corporation has to its credit, as the result of public or private financing, the sum of $15 million in cash by March 1, 1947.”


116. Wyatt’s comment is quoted in Nathaniel S. Keith, *Politics and the Housing Crisis since 1930* (New York, 1973), 65. The Truman quotation is from the “Statement by the President Terminating Wage and Price Controls,” *Public Papers of the Presidents: Harry S. Truman*, 476.


118. “Statement of Wilson W. Wyatt, National Housing Expediter, before Senate Committee to Investigate the National Defense Program,” 25 November 1946, LCR, Box 1, Folder 4.

119. Ibid., 4–6.


121. Wilson W. Wyatt to President Truman, 4 December 1946, Truman Papers, Official File 63. *Public Papers of the Presidents: Harry S. Truman*, 488–90. Wyatt, *Whistle Stops*, 85–86. R. Harold Denton resigned from the NHA on November 5. Lauding Wyatt, he blamed the “real estate and builders’ lobbies” for blocking government support for mass-produced housing: “It is a clear-cut fight against progress by a backward industry—an industry whose thinking is geared to low volume, large profits, poor quality, insufficient methods, and greed.” R. Harold Denton to Wilson W. Wyatt, and Wyatt to Denton, both 5 December 1946, LCR, Box 1, Folder 4. In 1947 Denton joined Lustron as Director of Market Development.
Notes to Chapter 3

1. Historian Richard O. Davies referred to 1947 as the "year of postponement" as continuing political furor over the Taft-Ellender-Wagner housing bill, especially its provisions for extending funding for public housing, confounded the Truman Administration's efforts to adopt a "national housing policy affirming the government's responsibility in postwar housing." The administration's support for Lustron fit Truman's desire for productive reform in the housing industry, best expressed by Raymond Foley (Wyatt's successor at the NHA) who called for "determined action by private enterprise to reduce costs and provide houses that more Americans of moderate and low incomes can afford." Indeed, using government capital to seed innovative enterprises like Lustron suited the administration's desire to drive productive solutions in an effort to reduce the need and thus the political controversies surrounding public housing. Davies, Housing Reform during the Truman Administration (Columbia: University of Missouri Press, 1966), 32, 61.


4. Ibid.


7. Housing and Rent Control, 486.

8. Ibid., 487.

9. Ibid., 488.

10. Ibid., 490.


12. Ibid., 494–95.
Notes to Chapter Three


17. Ibid. Lustron was also required to apply the proceeds from the sale of additional capital stock to the repayment of the loan.


21. Emanuel Hogenson to James Conger, 12 July 1947, Correspondence File, CVA, Cabinet 1, Folder 10.


29. Ibid.


32. Lustron Newsletter, 15 February 1948.


38. Ibid.


40. Joint Committee on Housing of the 80th Congress, *High Cost of Housing* (Washington, 1948). “Lustron-Made House Low in Cost, House Told,” *Columbus Dispatch*, 20 January 1948. House Concurrent Resolution 104, 80th Cong., 26 July 1947, authorized the creation of a Joint Committee on Housing to “study all phases of housing.” The Committee conducted hearings in Washington, D.C., and thirty-two other cities to gauge housing problems and elicit advice and opinions on pending and future legislation. The Committee was essentially a smokescreen on the part of the Republican majority to cover its inaction on the Taft-Ellender-Wagner bill and to provide a forum in which to criticize public housing. Its positive views on government–industry cooperation to stimulate housing production created an interesting opening for Lustron, however, and provided some political shelter and rationalization for continued government investment.

41. Quoted in Rosalyn Baxandall and Elizabeth Ewen, *Picture Windows: How the Suburbs Happened* (New York: Basic Books, 2000), 93. McCarthy took an interest in Lustron in part because it fit his stated position on subsidizing the development of housing technologies and firms. Perhaps more intriguing to McCarthy was that such support held the promise of financial gain. Lustron was anxious to exploit political connections, and McCarthy was anxious to boost his image as a player in housing politics. The result was the publication “Wanted: A Dollar’s Worth of Housing for Every Dollar Spent,” originated by and credited to McCarthy but polished by several others into a 96-page pamphlet promoting prefabrication in general and Lustron in particular. Strandlund later testified before a congressional committee investigating McCarthy that the company had paid McCarthy $10,000 for the “article,” which had to be rewritten at an additional expense of $2,000 before McCarthy could release it publicly. It was a quid pro quo, pure and simple, and at $1.43 per word, it proved one of the more expensive purchases the company made.


43. “Lustron’s First Enameled Steel Home to Be Unveiled Next Month,” *Columbus Dispatch*, 29 February 1948.


47. *Lustron Newsletter*, 16 and 23 April 1948.
Notes to Chapter Three

50. “Lustron Home to Be on Display Saturday,” Columbus Dispatch, 8 November 1948.
52. Lustron Newsletter, 28 May 1948. The AFL recruited Peterson’s assistant, Phil Delaney, from Lustron in July 1948 to serve as one of three AFL representatives to assist with labor issues for the European Cooperative Administration.
53. Miscellaneous Advertisements, LCR, Box 1, Folder 1; Box 2, Folders 1, 2, and 3. “Lustron’s Mat Advertising Service,” LCR, Box 2, Folder 1. The “Mat” service provided advertising templates to dealers, who then inserted their names, for local and regional distribution. Good examples of Lustron advertisements can be found in Life, 13 December 1948, 118; and Time, 20 September 1948, 69 and 17 January 1949, 61. “Bulletin of Progress,” LCR, Box 1, Folder 2. Lustron employed the New York advertising agency Leo Burnett as its primary national agency. James V. Barton was Lustron’s account executive.

Lustron’s promotional expenditures aroused some concern on the part of Housing Expediter Tighe Woods, who wrote to Steelman in December 1948 suggesting that Strandlund “go easy on the promotion and advertising budget because if there is any product in America today that needs less advertising it’s the Lustron house. Their dealers have had to go into hiding to keep the public from doing them bodily harm.” Woods to Steelman, 4 December 1948, Truman Papers, Official File 1930.
54. Fetters and Kohler, Lustron Homes, 47.
55. Ibid., 5 March 1948.
59. “The Home America Has Been Waiting For,” LCR, Box 1, Folder 1.
60. “Threshold to Better Living,” LCR, Box 2, Folder 1. “Lustron Gives a Man a Home He Can Own,” LCR, Box 2, Folder 1.
61. “Threshold to Better Living,” LCR, Box 2, Folder 1. “Tomorrow’s Home . . . Today,” LCR, Box 2, Folder 3. “Some Things You’ll Want to Know about Lustron’s Porcelain Enamel,” LCR, Box 2, Folder 1. Lustron continued to emphasize the “health issue” and eventually obtained the endorsement of the Mayo Clinic, which “recommended on more than one occasion to sufferers of the dreaded disease known as asthma that they live in a Lustron house.” Quoted in Congressional Record, 8 February 1951, A666.
63. “Lustron Sales Program,” LCR, Box 1, Folder 9.
64. Ibid.
66. R. Herald Denton to Gerald Fritz, 10 April 1967, LCR, Box 1, Folder 4. “Truck

68. Ibid.
70. Ibid., 7 February 1948. A poll conducted by the company in August 1948 found that 50 percent of the employees did not own their own homes, but 128 out of 145 respondents expressed a desire to own a Lustron home. Also, the poll revealed that nearly 50 percent of Lustron employees had served in the armed forces during the war. In October 1948 one of Lustron’s attorneys, John W. Wilke, offered employees the opportunity to purchase lots he owned for $879 and the company agreed to consider allocating a number of early production houses as models for other potential Lustron neighborhoods.
71. Ibid., 19 February 1948.
73. Ibid.
75. “First in New Ceramic Era: Lustron’s $13 Million Plant,” Ceramics Industry 51 (August 1948): 56–58. “Nation Watches Lustron Mass Produce Housing,” Ohio State Journal, 27 August 1948. The enameling process, adapted from technology developed by Chicago Vitreous, was one of Lustron’s most important technological advantages. The low-temperature firing of porcelain enamel could now be accomplished in one coat, instead of applying a base coat and a finish coat. The process also permitted the use of ordinary steel rather than more expensive enameling iron, since lower temperatures eliminated warping that would result from conventional enameling of ordinary steel. Chicago Vitreous was the recipient of Lustron’s initial order for $1,206,445 of enameling compounds—the largest single order in the history of the Hogenson’s enterprise.
86. Ibid.
87. Ibid. W. V. Burnell to W. E. Willett, 8 July 1948, Truman Papers, Official File 1930.
Notes to Chapter Four


7. Ibid., 703–4. Kelly, *The Prefabrication of Houses*, 87–88, 360–64, 372–82. Thomas S. Dicke, *Franchising in America: The Development of a Business Method, 1840–1980* (Chapel Hill: University of North Carolina Press, 1992), defines franchising as “a method of organization that combines large and small business into a single administrative unit . . . For the system to work, franchise holders, although legally independent, must conform to detailed standards of operation designed and enforced by the parent company” (pp. 2–3). Lustron’s dealer network was an example of “product franchising” and comparable to the dealer relationship in the automotive industry. However, the marketing of prefabricated houses presented many challenges not found in the marketing of automobiles. Dealers could subvert the company’s emphasis on “contextual” issues such as site and neighborhood planning. The issue of control over its dealer network thus became an important and ongoing concern.

12. Ibid.

Training,” Columbus Dispatch, 19 June 1948. “Facts about Lustron,” LCR, Box 1, Folder 13. One technique devised by a dealer and promoted by the company was to scout out new subdivisions, purchase the best lots, and place a large sign on the lot reading “This Lot Certified for a Lustron Home.” The tactic gave the company instant “fake prestige” by establishing the house in a traditional residential setting. “Everybody is delighted with the idea,” one observer reported. Albert Farwell Bemis Foundation Records, Series III, Albert Farwell Bemis Research Project File, Box 5, Folder “Lustron Study Correspondence and Interviews, Institute Archives, and Special Collections, Massachusetts Institute of Technology, Cambridge, MA.” Hereinafter cited as Bemis Foundation Records.

22. “Program, Lustron Dealer Convention, November 8 and 9, 1948, Columbus, Ohio,” LCR, Box 2, Folder 3.


24. Ibid.


26. “Lustron Profit Unit Plan,” LCR, Box 1, Folder 5.

27. Ibid. “Lustron Sales Program,” LCR, Box 1, Folder 9.

28. Ibid. “The Factory Built House Is Here,” 112. Architectural Forum observed that the Lustron house would be well suited for installation on “some 30 million improved lots estimated to be standing vacant in U.S. cities.”


32. Ibid., 7–8.

33. Ibid.

34. Ibid., 10–13.

35. Ibid.

36. Ibid., 14.


38. Ibid., 27–30.


40. Ibid., 32, 36–41.

41. Ibid., 42.

42. Ibid., 43–46.

43. Ibid., 47. Lustron turned to industrial designer Howard Ketchum, an expert on the relationship between color, perception, and behavior for advice on color schemes. As an engineer at DuPont during the 1930s, Ketchum advanced a “single color philosophy” that encouraged manufacturers to limit color selection. Ketchum had been involved with ChicagoVitreous’s service station business as an advisor to several oil companies regarding color selection. For Lustron, Ketchum developed four color schemes: Desert Tan, Maize Yellow, Dove Grey, and Surf Blue. Complementary shades for each color adorned gable ends, door and window trim, and the roof. With the exception of the kitchen and utility room, the rest of the interior was gray. Ketchum believed that “yellow family” colors, which for him included cream, tan, and yellow-green shades, had an “energizing” effect and proved “conducive to conviviality, increased brain activity, and a sense of well


51. Ibid.


53. Major General Lemuel C. Shepherd, Jr. to Vice Admiral A. Stanton Merrill, 28 April 1949, LCR, Box 1, Folder 4.

54. Ibid.


57. Ibid.


61. “Lustron Corporation: Projected Operating Statements, 1949,” LCR, Box 1, Folder
9. At the rate of production of forty houses per day, the company estimated a net profit of nearly $500,000 per month.


70. RFC Loan Policy, 1–10.

71. Ibid., 50–52.


77. The authority to grant Lustron’s original $15.5 million loan fell in part under Section 5 (d)(2) of the Reconstruction Finance Act, commonly referred to as the “National Defense Section.”
Notes to Chapter Four

78. Housing Amendments of 1949, 424, 441.
82. “That Lustron Affair,” Fortune 40 (November 1949): 92–94. The White House continued to receive telegrams and letters criticizing the government’s participation in Lustron. E. R. Murphy of Pasadena, CA asked Steelman if he was going to “waste more of U.S. money on a scheme with no hope of success?” E. J. Schell of Cincinnati, Ohio, referred to Lustron as a “hopeless proposition,” and Henry D. Young, identifying himself as a Democrat, opined that “not one could be found in Lustron.” Murphy to Steelman, 30 June 1949; Schell to Truman, 6 July 1949; and Young to Truman, 21 September 1949, Truman Papers, Official File 1930.
84. “Lustron Corporation, Assembly Cost Exhibit,” LCR, VFM 4107. A typical two-bedroom conventionally built house took approximately 1,600 man-hours to complete. Time sheets from several Lustron dealers in Minnesota, Illinois, and Indiana indicated an average installation time of 681 hours. “Lustron House Erection Time Reports,” Bemis Foundation Records, Box 5, Folder “Lustron Housing.”
87. Ibid., 115–16.
88. “Lustron Sales Program,” LCR, Box 1, Folder 9.
89. Koch and Lewis, At Home with Tomorrow, 116–17.
90. Ibid., 117–18.
91. Ibid., 118.
93. Koch and Lewis, At Home with Tomorrow, 102–21. See also “The Grandfather of Prefab.”
94. Ibid., 122.
95. “Facts about Lustron,” LCR, Box 1, Folder 13.
96. “Garage and Breezeway Variations with Lustron Homes,” LCR, Box 2, Folder 1. W. A. Matheson, Sales Department, To All Dealers, “Package Price List of Models G-1 and G-2 Garage,” 26 October 1949, LCR, Box 2, Folder 1.
97. “Camera Tour through the Lustron Home,” LCR, Box 2, Folder 2. “‘Living’ Proof,” LCR, Box 1, Folder 8. Brown, “The Sales Department Organization of the Lustron Corporation from Incorporation to Foreclosure,” 83. “Lustron Adds Bedroom,” New York Times, 25 December 1949, sec. 8, 2. The three-bedroom Westchester had 1,209 square feet. The three-bedroom Meadowbrook had 1,023 square feet, while the two-bedroom Meadowbrook had 775 square feet. The three-bedroom Newport had 961 square feet,
and the two-bedroom Newport had 713 square feet. Lustron also entered into an agreement with the Drexel Furniture Company and Lazarus Department Stores to offer "furniture packages" designed to suit each model. The pamphlet "Lustron Built It . . . Lazarus Furnished It" provided detailed listings of furniture and accessories for each room, along with prices "so easy to afford with Lazarus's 'Few Pennies a Day'" payment plan. "Lustron Built It . . . Lazarus Furnished It," LCR, Box 2, Folder 1.


103. “Lustron Sales Program,” LCR, Box 1, Folder 9.


107. “Notes on Conversation with Mr. Shire concerning D.C. Lustron Dealership,” Bemis Foundation Records, Box 5, Folder “Lustron Housing.”Temper flared openly at a dealer conference in Columbus in May 1949. Lustron arranged a series of panels to permit open discussion of dealer–home office issues. So many dealers fired "hot, heavy, blunt, and embarrassing" questions that sales vice president Richard Jones turned out the lights and left the room.


111. Ibid.


114. Undated press clipping from the Columbus Citizen, LCR, VFM 4107.


116. “When Lustron Lost Its Luster,” Columbus Dispatch, 23 July 1978. Brown, “The Sales Department Organization of the Lustron Corporation from Incorporation to Foreclosure," 83–84. The weight of the trailer became an issue when the state of Tennessee refused to allow it to travel on its highways, effectively blocking Lustron from southwest markets. Dick Reedy successfully lobbied the Interstate Commerce Commission for an exemption, but the problem well illustrated both the figurative and literal roadblocks faced by the company as it wrestled with the transportation issue.

117. “Lustron Transportation Costs,” Bemis Foundation Records, Box 5, Folder
“Lustron Study Correspondence and Interviews.” Kelly, The Prefabrication of Houses, 404.
126. Ibid. Although Lustron had little choice at this point, there were dangers in relying too much on large-volume sales. Unless project orders flowed steadily, they placed a tremendous, but temporary strain on operations. A “slack period” typically followed the completion of a large order. Ironically, such a pattern was characteristic of conventional contracting businesses. But, unlike the contractor, a mass-production prefabricated housing firm retained constant overhead expenses such as plant investment and labor costs. Ideally, many small sales based on a large dealer network best suited large-scale factory-made housing because it diversified the sales risk and rationalized continuous production.

Notes to Chapter Five

4. The position of Federal Loan Administrator was held by Jesse Jones, the popular and influential chairman of the RFC 1932–1945 and secretary of commerce under Franklin Roosevelt. When Roosevelt removed Jones in 1945 from all his positions, the RFC began a downward spiral at the hands of less able leadership. Further, the RFC lost the support and confidence of Congress, which had rarely questioned its administration during Jones’s tenure. Andrew J. Dunar, *The Truman Scandals and the Politics of Morality* (Columbia: University of Missouri Press, 1984), 78–79. Marshall E. Dimock, “Government Corporations: A Focus of Policy and Administration, I,” *The American Political Science Review* 43 (October 1949): 899–921.


10. U.S. Congress, Senate, Committee on Banking and Currency, *Study of Reconstruction Finance Corporation—Lending Policy*, pt. 2, 946–48. Jules Abels, *The Truman Scandals* (Chicago: H. Regnery Co., 1956), 86–87. Donald Dawson later served as a personnel assistant to Truman in the White House. His duties included “vetting” potential nominees for administration posts, a position that critics charged he used to appoint “cronies” to influential positions. The question remains whether Dawson used his influence to get Young the Lustron job, a charge that the Fulbright committee raised, since Young had no experience in the housing industry.


17. Ibid., 934.

18. Ibid., 934.

19. Ibid., 934–35.


22. Ibid., 936.
23. Ibid., 965. The Jacobs-Hunt report also recommended that Young and “others” be given the opportunity to purchase enough Lustron stock to “offset the 80,000 shares that Mr. Strandlund and Mrs. Strandlund own at a price not to exceed .01 cents per share” (emphasis mine).

24. Ibid., 937.

25. Harley Hise to Carl Strandlund, 4 October 1949, LCR, Box 1, Folder 4.


28. H. Res. 393, Congressional Record 95, 974.

29. Congressional Record 95, A6206.

30. Ibid., A6181. Vursell also introduced into the record a transcript of a broadcast made by Fulton Lewis over the Mutual Radio Network on September 29. Lewis, an old enemy of Wyatt and consistent Lustron critic, savaged the company and the RFC and ended by noting that disadvantaged Americans could get all the government aid they desired by going into the manufacture of prefabricated houses.


32. Congressional Record 95, 14457–58.

33. Ibid., 14459–61.


37. Ibid.

38. Ibid., 939.

39. Ibid.


43. Carl Strandlund to Richard C. Dyas, 6 January 1950, LCR, Box 1, Folder 4.

44. Ibid.


Notes to Chapter Five

51. “Lustron Has New Setback.”
54. Valentine wrote to Steelman expressing “the faithful belief of all the people employed by the Lustron Company, that [if] they be permitted the chance to produce, the indebtedness to the government will be paid in full . . . [and] the welfare of untold thousands will be assured in the future.”Valentine to Steelman, 17 February 1950, Truman Papers, Official File 1930. “Lustron Battles U.S. Foreclosure,” New York Times, 21 February 1950, 33.
60. Ibid., 4. See also Lobdell to Truman, 2 March 1950, Truman Papers, Official File 1930.
62. Ibid., 7–10.
63. Ibid., 6.
64. Ibid., 13.
68. “Lustron Officials Relieved of Posts,” New York Times, 9 March 1950, 45. The firings cut Lustron’s payroll from $156,000 to $70,000 and gave Foraker additional flexibility to continue production.
69. W. V. Burnell to R. Harold Denton, 21 August 1951, LCR, Box 1, Folder 4.
70. “Lustron Gets Extension, Indefinite Period Set by Court for Receivership Operation,” New York Times, 4 April 1950, 50. Carl Strandlund to George Meader, 13 June 1950, LCR, Box 1, Folder 13. Most of Lustron’s critics in Congress praised the RFC foreclosure action. Representative Robert Rich (R-PA) said, “no matter what will be lost through foreclosure proceedings, one rathole down which the taxpayers’ money has been slipping will be plugged.” Cited in Congressional Record 96, 16 February 1950, A1157. See also the remarks of Representative Albert Cole in Congressional Record 96, 16 March 1950, A1994.


72. The raw material inventory was excluded from the RFC’s bid because it was not included in a lien on the company’s assets claimed by the agency following Lustron’s default on the loan agreements. “R.F.C. Bids $6,000,000 for the Lustron Plant,” New York Times, 7 June 1950, 43. “Lustron Goes on the Block,” Business Week, 25 February 1950, 24.

76. “Inquiry on Lustron Asked by U.S. Court,” 49.

81. Congressional Record 96, 11 August 1950, 12281. “Lustron Deal Scorned,” New York Times, 12 August 1950, 20. An immediate result of the inquiry was the resignation of Harley Hise as chairman of the RFC. In his letter of resignation, Hise blamed Congress for the “Lustron mess” and reminded his critics that the RFC was “a lending and not a police agency.” Quoted in “Hise, Ousted R.F.C. Head, Blames Congress for Loans to Lustron,”


84. United States Statutes at Large 64, pt. 1, 1279.


86. Congressional Record 97, 5 February 1951, 999–1004.
87. Carl Strandlund to W. Elmer Harber, 28 December 1950, LCR, Box 1, Folder 4.
88. Ibid.
89. Congressional Record 97, 12 January 1951, 194–95.
90. Congressional Record 97, 2 February 1951, A535. See also Sutton to Truman, 31 January 1951, Truman Papers, Official File 1930.
91. Congressional Record 97, 2 February 1951, A535.


93. Ibid., 51.


a total of $342,000, an average of 25 percent of their original claims. “R.F.C. Gets $2,000,000 from Lustron Assets,” New York Times, 13 April 1954, 55.


Notes to Chapter 6


3. The use of the term evangelist to describe a developer of strong customer loyalty to a product was popularized by the computer industry.


5. Ibid.


8. Ibid.


10. Ibid., 6.

11. Ibid., 6–7.


19. United States Statutes at Large 63, pt. 1, 413.


Notes to Chapter Six


28. Ibid.

29. See the PATH website at http://www.pathnet.org/.


32. “Porcelain Enamel Homes Have 27-Year History,” 30 September 1959, LCR, Box 1, Folder 7, 2–3.