

*Dale Kirlin*

*Kirlin's*

*Quincy Illinois*



Dale Kirlin represents the small business sector of America. It is true that at the time of Kirlin's retirement, he headed a chain of 66 stores, his company's sales were close to \$18 million and company employment exceeded 600 persons. But it was still a small retailing operation compared with the industry giants. It was one of the small chains that had found a way to survive and grow in specialty retailing by picking a market niche and excelling in that niche.

Dale Kirlin's career illustrates a small town American ideal – the ideal of a person who owns his own business, works long and hard at making it go, and once it's going well becomes active in civic affairs because, "Others did it for me while I was struggling to succeed in business, and now it's my turn." This is his story.

## **I. Boyhood**

Dale was born on a farm near Stilwell, Illinois on August 11, 1916. When he was eight years old, his father accidentally drowned, leaving Dale, his brother and mother to run the farm. Dale's mother soon remarried and moved the family to a farm near Mendon, Illinois. It was there that Dale completed his schooling.

While Dale was in the eighth grade, his family once more decided to move. This time, however, Dale was determined to stay put. He found a farm family with which he could stay in return for working on their farm. There he remained until graduating from Mendon High School in June, 1933.

That same month a lucky break occurred. Dale attended the wedding in Mendon of a friend who was working for Kresge's. The two young men had a chance to chat privately during the reception and during the course of the conversation Dale let his friend know that he would like to work for Kresge's. Four months later a tele-

gram arrived for Dale with this terse message, "There is an opening here. If you are interested be on the next bus to Omaha" Dale left for Omaha and became an employee of the large S. S. Kresge chain of five and ten cents stores.

## **II. Starting at the Bottom with Kresge's**

Dale started at the bottom as a stock boy. There he remained for three years. Progress was slow, but Dale was patient. He realized that he had a lot to learn; he believed that he was learning; and there was no doubt in his mind that if he worked hard and did his job well, he would eventually receive a promotion. His faith was well founded. In 1937 he was finally promoted to a job on the sales floor. A few years later he was made assistant manager of a store in Chicago Heights.

The work habits acquired by Dale probably helped him advance. In those early days at Kresge's it was expected that young men intending to get ahead would come back to the store at night to do a little extra work. Some of the new recruits weren't willing to work that hard, but Dale was used to long hours and established a good record of working extra hours.

Dale continued to move up in the Kresge organization. From Omaha he was promoted to a store in St. Joseph, Missouri; next he was sent to Chicago; then it was a Kresge store in Kansas City. There Dale met, fell in love with, and married Marian Gorman, a worker at the Kresge store. Years later Dale laughingly told anyone who would listen that he, "...found a million dollar baby in a five and dime store."

In 1942 Dale and Marian moved to Detroit where he became an assistant buyer in the Kresge home office.

## **III. Entrepreneurial Stirrings**

Shortly after arriving in Detroit, Dale was forced to leave Kresge's, due to wartime manpower demands. His choice was the United States Army or a defense-related job in purchasing with General Motors. He took the General Motors job and remained there until the war ended.

While working at General Motors, Dale dabbled in several entrepreneurial ventures which paved the way for a post-war change in careers. One of the ventures consisted of driving to northern Michigan where he bought potatoes in bulk and then selling the potatoes out of his home in Detroit for a profit. A second venture involved scanning the daily newspaper for bargain sales of household appliances. Dale would buy the bargains, store them in his basement, and, when he had a sufficient number, advertise them for sale at a profit.

Those entrepreneurial experiences convinced Dale that when the war ended he should try to start a full-time business of his own. And in 1945 this is exactly what the 29-year old young man did.



The store featured candy made by Chicago-based Andes Candies. Dale, Marian and an experienced sales clerk named Maxine Frazier were the only employees. The capital needed to open for business was provided by a loan from a local bank, supplemented by a small amount of savings that Dale and Marian had set aside.

Dale's timing was excellent. There was little competition. Most of the local candy kitchens had closed due to a shortage of sugar and the public was ready for a new candy store. Nevertheless, opening day was a tense time for Dale. Sales were disappointingly slow until the end of the work day. Then a stream of homebound workers flowed through the store; and by the end of the day, sales had exceeded Dale's expectations. The new store was off to a good start.

The new Andes Candies store initially sold only candy. But Maxine Frazier noticed that many customers would buy candy and then go down the street to buy a gift card from the local Hallmark Card Shop. Maxine suggested that Dale add a line of cards and Dale endorsed the idea. He tried to sign up as a Hallmark dealer but was turned down by that company. And so he contracted with the Buzza Cardosa Company to sell their line of greeting cards.

While Dale's card and candy store was small, it was run professionally, for Dale was, after all, an ex-Kresge man. Quality controls were tight; merchandise display was given much thought; financial controls were rigid; and, from the very beginning, Dale followed a policy of devoting 1½ to 2 percent of the sales dollar to advertising.

Dale's new business was also run with the two inevitable companions of the small businessman – long hours and hard work. "We didn't work by the clock in those days," recalls Maxine Frazier, adding, "Many days Dale and Marian and I would stay late. But we had no regrets. It wasn't a job. It was an interest . . . and a challenge."<sup>2</sup> Looking back on those days many years later, Dale himself said, "In the early days there was lots of long hours and hard work. But there was never a day that I wasn't excited to go to work."<sup>3</sup>

## **VI. Expansion**

For four years Dale Kirlin concentrated his efforts on making his one store a success. Then, feeling that the operation was functioning well, Dale decided to open a second store in Hannibal, Missouri. Two years later the Hannibal store appeared to be doing well enough to justify opening a third store, this time in Jacksonville, Illinois, and a fourth store in Keokuk, Iowa. This process continued until, by 1964 Dale Kirlin was operating candy and card stores in 10 different communities.

Dale followed no systematic growth plan in those early years. But he was moved by a deep belief that, "You either grow or you go backwards."<sup>4</sup> Understanding the dangers of getting too deeply in debt by trying to grow too fast, Dale patiently opened one store



at a time, waited for the new store to prove profitable, and then opened his next store.

While there was no systematic growth plan, there were some basic principles which Dale followed. One was to hire local people to run each store. "They're more likely to be content where they are and to stay with you for a long time,"<sup>5</sup> said Dale when asked why he followed this policy.

A second policy was to give the local store managers a free hand. "It isn't long before those people feel it's their store,"<sup>6</sup> Dale would often say.

A third policy was to locate where shopping traffic was heaviest. In the 1950's and 1960's Dale located in the downtown areas of each community. In the 1970's he moved into the new shopping malls that were springing up.

Finally, Dale restricted the store openings to a geographical area which he could reach by car within a few hours, for Dale would deliver the cards and candy to each store personally. And to reach the stores in his station wagon before the candy melted, he had to start early in the morning.

For a decade, Dale ran his small chain of stores as a one man central office. He was the chief executive officer, the buyer, the treasurer, and the bookkeeper. He personally delivered the candy and cards to each of his stores, rising early so that the candy would not melt while he drove his station wagon to the towns where the stores were located. He spent a good deal of time as a sales clerk at his Quincy store. And for relaxation, he continued to run his fireworks business in the summer.

The stores, themselves, were run by faithful employees who needed little supervision. They didn't need to be closely watched because Dale Kirlin had a knack for choosing capable employees and because of Dale's success with the strategy of making the employees feel the store was theirs. Millie Sarver, manager of a Kirlin's store in Hannibal, Missouri, summed up the feelings of many store managers when she said, "All of us feel this is our store, not just his. As a result, everybody wants it to be a success."<sup>7</sup>

The feeling of ownership on the part of the employees can be attributed in part to the free hand given to managers to run the store and in part to the rapport which Dale was able to establish with his people. ("He's very good with employees. We feel very comfortable around him," said Millie Sarver.) Because the employees at the various stores felt so comfortable and so important, they tended to stay with Kirlin's for long periods of time and that long tenure reinforced the loyalty which they felt for their stores.<sup>8</sup>

Dale Kirlin believed in long term employment. When, as occasionally happened, a particular store manager wasn't performing as well as might be expected, Dale would try to work with the person to improve performance. "You have a heavy investment in your managers; it doesn't make sense to fire them," he would say when asked why he was so patient with lagging managers.<sup>9</sup>

#### **IV. Some Early Businesses**

Dale's first effort was a wholesale toy business in Kansas City. He was joined in this business by another man with whom he had worked at General Motors. That business did not do well. Dale became dissatisfied and, at the end of his first year in Kansas City he decided to move to Quincy where he would build modular homes. In order to generate an immediate income while building in Quincy, Dale and Marian leased land and opened an amusement park with pony and motor bike rides.

The homebuilding business in Quincy started well, but at one critical moment, Dale was unable to sell the latest home he had built and he had to exit from that line of work for the time being.<sup>1</sup> His amusement park business also started out well and then was abruptly terminated when the land he was leasing was sold to new owners who would not continue the lease with Dale.

Two years after arriving in Quincy, Dale happened to be listening to the radio in a barbershop when he heard the announcer say that fireworks were selling well across the Mississippi River in Missouri. Dale's interest was aroused. When he arrived home that afternoon he suggested to Marian that the two of them take a look at the Missouri fireworks business. That same day they leased a location and a few days later were selling fireworks in Missouri. For the next 36 years, the Kirlins sold fireworks from a small stand across the river from Quincy.

One other short-lived venture was Dale's entry into the Christmas tree business. He hired a group of boys to go with him to Michigan to cut pine trees. The trees were then brought back to Quincy where Dale sold them as Christmas trees. Unfortunately, Dale had miscalculated what it would cost to feed the boys during the trip. The food expenses they ran up eliminated the chance for Dale to make a profit and he quickly got out of that business.

#### **V. The First Candy Store**

By 1948 Dale Kirlin's track record as an independent businessman was, at best, modest. He had a profitable fireworks business. But that was a seasonal affair and he had not been able to achieve lasting success at the three other businesses he had tried. To an objective observer, Dale's wisest career path at that time would probably have seemed to be to return to work for Kresge's or some other retailer. But Dale had no intentions of going back to work for someone else. He had the utmost confidence in himself. He had learned from his mistakes and was not discouraged by his setbacks. When he first decided to start his own business he understood that he was taking a risk and that risk-takers must be prepared to fail occasionally. And he was confident that sooner or later he would get into a business that would be a long run success for him.

Nineteen-forty-eight turned out to be the year when that happened. On March 10th of that year he opened a small candy store "39 steps from the corner of 6th and Maine" in Quincy, Illinois.



By the early 1960's Dale had reached the limits of his ability to operate as a one man central office. He knew that he would eventually have to expand the home office staff, but he postponed doing so until the physical stress of his work put him in the hospital with a heart attack. That close call was all that Dale needed. While still in his hospital bed, he hired a new man to come and help him. Looking back on that decision, many years later, Dale would say that he should have made the change sooner. But, as he put it, "Everybody says the toughest thing you have to do is relinquish the reigns to someone else. And it is!"<sup>10</sup>

## **VII. Growth and Change in the 1970's**

Dale and his new staff man, Jim Lubbring, continued to expand the Kirlin's chain once Dale had recuperated from his heart attack. Between 1964 and 1969 the number of stores increased from 10 to 19 and total sales for the chain grew from \$533,026 to \$1,739,725. The cost of opening a new store was rising. In the early 1950's Dale invested approximately \$50,000 to open each new store. By the time of Dale's retirement in 1981 it cost about \$175,000 to open a new Kirlin's store. But sales per store also rose. The basic strategy for opening the chain remained unchanged, but by 1969 Dale Kirlin was ready to make some fundamental management and policy changes, with an eye toward preparing the company to grow and prosper after his retirement.

The management changes included the hiring of a general manager, Mason Townsend, and the creation of positions where Dale's two sons could be tested as to their abilities to manage effectively. Townsend was hired by Kirlin in July, 1968 after having managed F. W. Woolworth stores in Elgin, Chicago and Quincy. His first assignment was to manage two new central Illinois operations of Kirlin's. Then, in 1971 he was made general manager. Dale Kirlin was pleased with Townsend's work. "Mason Townsend has been responsible for a lot of our growth,"<sup>11</sup> Kirlin would say many years later.

Dale's two sons joined the firm at about the same time as Townsend. The younger son, Gary, graduated from Quincy College in 1968 with a degree in business administration. He already had a great deal of experience working in the stores and was, therefore, given a chance to show what he could do as district manager. The older son, Dale, Jr., joined Kirlin's in October, 1969. He had received a degree from the University of Missouri and had worked for McDonnell Douglas and DuPont before joining Kirlin's. As a young man, he, too, had worked in his father's stores and so, as had been the case with his brother, he was given a chance to show what he could do as a district manager.

Mason Townsend, Dale, Jr., and Gary Kirlin represented a new management team to which president Dale Kirlin hoped to eventually turn over all management functions. In the year the new team first began to work together, Dale, Sr., gave them a new name

with which to work. After being known as Andes Candies for two decades, the firm changed its name to Kirlin's in 1969.

Momentum for the growth of Kirlin's began to shift to the new management team. It was the team members who began to recommend changes and push for faster growth. But it was Dale Kirlin, the founder, who had to make the final decision. Dale was, in fact, testing the new managers. He hoped that they would live up to his expectations. And he gave them ample freedom to show what they could do. (As Dale, Jr., put it, "Dad made the final decision, but we were given a lot of leeway and a lot of decisions never reached him."<sup>12</sup>) But Dale, Sr., reserved for himself the right to overrule their decisions. And he gave them what he considered an ambitious goal – opening 5 new stores a year.

The new team accepted their responsibilities with enthusiasm and were soon advocating changes that the founder had not envisioned. They proposed and received permission to try such new retailing ventures as shops specializing in jeans and stores specializing in gifts. They successfully proposed such administrative changes as hiring a full-time controller and a full-time personnel officer. Dale, Sr., typically greeted these recommendations with the comment, "It's about time. We should have done it long ago."<sup>13</sup> Clearly the company founder understood the need to change ways of doing things as a company grows.

## VIII. Community Affairs

In the early years of building a business, Dale Kirlin had little time for community affairs. He was simply too busy making a success of his business. (And, of course, that was his most important social responsibility.) His one civic activity in those years was his support of the distributive education program at Quincy High School. That program placed students in retail establishments where they learned work habits and skills as part of a combined work-study program. Dale Kirlin was an active booster of that program and, over the years employed many distributive education students.

As he began to delegate responsibilities, Dale finally found that he had time to become active in community affairs. And he felt an obligation to do so. "Others did it for me while I was struggling to succeed in business," he said. "And so, when I finally began to have time to get involved, I said to myself, 'now it's my turn.'"<sup>14</sup>

Dale Kirlin selected a handful of activities where he thought he could make a contribution; he volunteered to become involved; and in each case he became one of the group's key leaders. The activities he chose were: the Quincy Chamber of Commerce (where he served as president, among other offices); the Adams County United Way; the Quincy Plan Commission (where he served as chairman for three years); the Community Development Committee; the Elks Lodge; the Distributive Education Program,



Quincy Notre Dame High School; and the Quincy Country Club. He also served as a Director of the Illinois State Bank of Quincy and of the Illinois Retail Merchants Association.

Perhaps the finest tribute to Dale Kirlin's civic spirit was the 1982 comment by his son, Dale, Jr., that "Dad was very active in community affairs, and Gary and I felt an obligation to follow that example."<sup>15</sup> When Dale Kirlin retired, he not only left behind two sons who had proved they could keep business growing, he also left behind two men dedicated to carry on his tradition of community service.

## **IX. Conclusion**

Dale Kirlin systematically prepared for retirement during the late 1970's. For five years he deliberately spent his winters in California, leaving the operation of Kirlin's almost entirely in the hands of the new management team. Satisfied that he had chosen the right successor management group, he then retired in August, 1981. Over the next two years the new managers increased the number of stores in the chain from 66 to 83 and became the largest Hallmark dealer in America.

In retirement Dale and Marian Kirlin could look back on business careers of great accomplishment and much personal fulfillment. They were truly a significant part of Quincy's business history. And their examples, preserved by the Illinois Business Hall of Fame, were to become role models for new generations of Quincy entrepreneurs.

**Footnotes:**

<sup>1</sup> Dale continued to build homes on a very small scale. His neighbor, Bob Hulsen, once recalled, “If I would listen about midnight, I could hear Dale Kirlin driving nails and sawing boards as he built the house next door... This man not only built his own home, he built two other houses here on Kentucky Road. He was a carpenter, plumber, electrician, ditch digger, painter – you name it, and he did it, all while he was starting candy stores...”

<sup>2</sup> Interview with Maxine Frazier, June 18, 1982.

<sup>3</sup> Interview with Dale Kirlin, July 25, 1982.

<sup>4</sup> Interview with Dale Kirlin, July 25, 1982.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Interview with Millie Sarver, Hannibal, Missouri, August 18, 1982.

<sup>8</sup> A profit sharing plan was introduced in the mid-1960’s. That plan strengthened the feeling of ownership among employees.

<sup>9</sup> Interview with Dale Kirlin, July 25, 1982.

<sup>10</sup> Ibid.

<sup>11</sup> Interview with Dale Kirlin, July 25, 1982.

<sup>12</sup> Interview with Dale Kirlin, July 25, 1982.

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.

<sup>15</sup> Interview with Dale Kirlin, July 25, 1982.

