

How Lionel got off --and back on -- the track

In many ways it is the industrial history of America.

What happens when companies stray

12/20/2008, 9:59 pm

By Phil Angelo

pangelo@daily-journal.com

815-937-3382

A dynamic firm prospers through the long lifetime of its founder, who combines engineering know-how with marketing savvy.

He rewards employees well. He puts in a pension plan and includes dental benefits a half century ago, then a novelty.

He hands out savings bonds to workers for any wedding or childbirth. He hires people with disabilities. Multiple sclerosis is not a ban to making it onto his payroll or onto his medical plan. His programs oppose smoking, gambling and even alcohol. At the 50-year anniversary of the firm, he gives away a Ford, a Plymouth, an RCA television, Frigidaire and Norge refrigerators.

He even loans employees money for the down payment on their homes.

But such progressivism doesn't buy him labor peace. His plant goes on strike in 1937, 1944, 1948, 1950, 1954 and 1964.

His successors diversify, adding new offerings while cheapening the company's core product. They don't attract new customers, while steadily offending people who have done business with them for half a century.

New executives get perks, like New York City apartments. The company sheds union jobs and benefits by moving production to Mexico. After a revolving door of ownership and management, they return to the base product, and prosper again -- only now the jobs are in Asia.

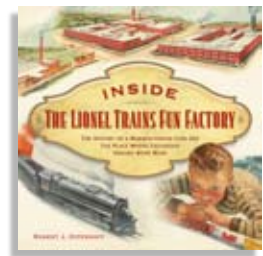
That -- in a nutshell -- is the history of Lionel, newly covered in a gorgeous book by Robert J. Osterhoff "Inside the Lionel Trains Fun Factory" (248 pages, \$34.95, Project Roar Publishing).

This is not the first Lionel history. "All Aboard" by Ron Hollander (Workman Publishing, 2000) is a fun-filled romp. Leave no doubt, though, that this book is more meticulously researched. If it isn't the last word, it is close to the end.

Founded by Joshua Lionel Cohen, who later anglicized his name to Cowen, Lionel holds a unique place in toy lore. Throughout his entire lifetime, Lionel was linked with top-line quality. Lionel trains had metal wheels. Their couplers worked like real railroad couplers. Attention to detail, enamel paint and solid-metal construction were Lionel hallmarks.

Rich boy's toy

It was a rich boy's toy -- one that everyone wanted. And yet, during its heyday, Lionel churned out more model railroad track than all the real railroads in the United States. Like Zenith and Polaroid, its name was identified with one product.



248 Pages - 10" x 10"

Full Color - 575+ Photos & Images

Hardcover - \$34.95, ISBN 978-1-9336-0005-5

Publisher's Limited Edition Hardcover - \$69.95,
ISBN 978-1-9336-0006-2

And Lionel trains did stuff. Mechanical milkmen threw cans out of cars. Pretend fish swam around in moving aquariums. Miniature cows vibrated up the ramp into a cattle car.

But when ownership moved to a second generation, control slipped from the family as relatives looked more to dividends than the future. Once all-metal wheel assemblies became cheap plastic, prone to running off the rails. Money made by the trains was squandered on failures in other areas. Lionel made a zillion attempts at diversification -- fishing rods, chemistry sets, a play blimp that was a technological masterpiece, but a marketing flop. Ever meet anyone who wanted to play with a blimp?

In almost every case, Lionel was either misguided or late into the market, as it was with a line of toy stores. Its one overall success off the beaten path was its work for the military. Lionel produced compasses and binoculars for the U.S. Navy and even Geiger counters to detect radiation during the Cold War.

Osterhoff's book is a tour de force. Lovingly designed and illustrated. He lists every Lionel patent, and has a detailed history of every manufacturing plant ever used by the company. He has poured through old land deeds and contracts. In flat-out thoroughness, this is the bible of the toy train past.

The book begins with a rather dry recitation of property deeds and building designs. Yet, stick with it. The chapters on the changing industry and the work force fascinate.

With appendices compiling supporting documents, a full bibliography and a great index, this is real history book, not just a train "fun" book.

It catches a slice of American industry that, in many ways, stands for what happened to so many other factories. Find it. Read it.

Inside The Lionel Trains Fun Factory: The History of a Manufacturing Icon and The Place Where Childhood Dreams Were Made by Robert J. Osterhoff. Available from Project Roar Publishing, P.O. Box 599, Winfield, IL 60190. To order, visit www.projectroar.com or call 630-653-ROAR (7627). 248 pages, 575+ color photos and images, Hardcover \$34.95 (ISBN 978-1-9336-0005-5), Publisher's Limited Edition Hardcover \$69.95 (ISBN 978-1-9336-0006-2). It is also available at your local book seller, hobby retailer, bn.com and Amazon.com.



PROJECT ROAR
PUBLISHING

Project Roar Publishing
P.O. Box 599
Winfield, IL 60190
www.projectroar.com
info@projectroar.com



PHONE: 1.630.653.ROAR (7627)



FAX: 1.630.665.6595



WEBSITE: www.projectroar.com