

## PACOLET MILL

Pacolet Mills, S. C.

Pacolet Mill was a unit of Pacolet Manufacturing Company from 1882 until Pacolet Manufacturing Company was merged with other textile corporations to form Pacolet Industries, Inc. in 1962. In 1967 Pacolet Industries, Inc. merged with Deering Milliken, Inc.

The original charter for the Company was obtained from the S C Legislature in 1882. Three hundred and forty acres of land at what was known as "Trough Shoals" on the Pacolet River was purchased at a cost of \$15,000 for the site of the first Pacolet Mill. The company was capitalized at \$300,000. Construction began May 16, 1882 and on May 9, 1884, the first President, Captain John A. Montgomery, reported to the stockholders that the building was complete and all machinery was installed and in operation. The first mill contained 10,080 spindles and 312 looms. The product was mainly 2.85 Drills and Sheetings. The drills were sold under the "Buckshead" label, and were mainly exported. When the export market temporarily dulled, the principal product was changed to 36" 4.00 56x60, which continued in demand into the late 1950's.

The first plant was designated as Mill No. 1. In 1888, an extension was started called Mill No. 2, with 14,224 spindles. Some new fabric styles were started but the principal business continued to be exporting the heavy goods.

In 1888, the capital stock was increased to \$450,000, and 1891 was when an additional \$250,000 was issued for the purpose of building Mill No. 3 at the lower shoals of the Pacolet River, one-half mile below Mills 1 and 2. This mill began operating in 1891. Pacolet discontinued manufacturing operations here in the late 1950's, and it was occupied by Pacolet Yarns, Inc. for a time.

Mr. Seth M. Milliken became director of Pacolet Manufacturing Company in 1899. Mr. Seth Milliken was the senior member of the firm of Deering Milliken & Company, which had handled the sale of Pacolet Products from the beginning. His relationship with Pacolet was that of stockholder-director. As the controlling force in the firm of Deering Milliken and Company, it was his influence that guided in the restoration of the mills after the 1903 catastrophe when the plants were destroyed by the flood and storm.

In 1900, Mr. V. M. Montgomery, son of Captain Montgomery, was sent to Georgia to secure a site in the Piedmont Section for expanding the manufacturing facilities. Mr. V. M. Montgomery had been elected a director in 1895 and designated Assistant

Treasurer in 1897. On March 14, 1900 a called meeting of the Directors was held. It was at this time that the President was authorized to proceed with the erection of a new mill of about 50,000 spindles capacity near Gainesville, Georgia.

The site was known locally as New Holland, a health resort, a large spring supplying the water. This spring still supplies the water for the present mill and surrounding village, never failing to meet the demands on it as a water supply. Work on the New Holland plant was completed in 1902 and it was designated as Mill No. 4. During the same period the Gainesville Cotton Mill was being erected. This was a separate corporation, but financed by many of the same stockholders. Captain Montgomery divided his time between the South Carolina and Georgia plants. He fell from a scaffold while inspecting the New Holland Mill, and died from his injuries October, 1902.

On December 5, 1902, the Directors of the Company elected Mr. V.M. Montgomery as the President and Treasurer to succeed his father.

Disaster struck in South Carolina on June 6, 1903. A cloudburst in the mountains above Spartanburg caused a tremendous flood on the Pacolet River. The rampaging river completely swept Mills No. 1 and 2 and badly damaged No. 3. The dam was also swept away and the lower dam was put out of operation. An account of the flood describes the banks of the river then as being strewn with bales of cotton and cloth, even down to and along the Broad River, into which the Pacolet River flows. At that time, no flood insurance was available, so that all the loss was practically net, including that from interruption of operations.

That same week, a tornado struck New Holland. The mill wasn't badly damaged, but 100 homes in the village were destroyed, and 100 lives were lost. In the same storm, the Gainesville Cotton Mill was badly damaged, the entire top floor being blown off, wrecking all of the spinning machinery.

Mr. V. M. Montgomery, inexperienced in finance, but knowing that the money was the first essential, immediately after the disaster went to New York to ask the advice and help of Mr. S. M. Milliken. From Mr. Montgomery's account of the conversation, before he had finished speaking, Mr. Milliken said, "You can get money if you can sign your name."

The Directors met later in June, 1903, and recommended to the stockholders the issuance and sale of \$1,000,000 of preferred stock to be used for rebuilding the mill. The work of salvage and rebuilding began and Mills 3 and 4 were put back into operation. By December 1904, the Company had recovered sufficiently from the disaster for the directors to declare a dividend of \$4.00 per share on the common stock. In mid 1905, the

Directors declared a dividend of \$3.00 per share. At the same meeting, the President was asked to proceed with the erection of Mill 5, to replace Mills 1 and 2. This mill began operation in 1907, continues to be the site of the present Pacolet Mill.

Mr. Seth M. Milliken, who had played the leading part in securing and providing financial support for the company after the disaster of 1903, died at his home in New York City March 5, 1920.

In 1943, Pacolet Manufacturing Company purchased the Gainesville Cotton Mill and this became Mill No. 6. The facilities included the original building and a major addition in 1929.

At a meeting held on November 5, 1947, the directors authorized the management to proceed with plans for the erection of a new rayon-weaving and twisting plant, to be erected as the additional unit of Pacolet Manufacturing Company. This is now Gerrish Milliken, located at Pendleton, South Carolina.

Mr. Victor M. Montgomery served as President and Treasurer of the company from 1902 until February 10, 1933. When he resigned because of ill health, he was succeeded by David W. Anderson, who had been General Manager of New Holland and the Gainesville Cotton Mill. He began work in the store near Pacolet, South Carolina when he finished High School in 1898. He soon decided there would be a better chance to advance in the mill, applied for and was given a job in the Opening Room. His overseer was Gene Gwaltney, the man who later developed the Gwaltney Spinning at Saco-Lowell. One day, as the story goes, Mr. Gwaltney told Mr. Anderson that he was to advance for certain in the organization. Pleased and greatly flattered, Mr. Anderson inquired as to why he thought so. Mr. Gwaltney replied, "Because you couldn't go any lower than the job you now have." At any rate, Mr. Anderson did advance to the head of the company where he had made such a lowly beginning.

Mr. Anderson retired in 1946. Mr. G. H. Milliken was then elected President and Mr. M. C. Stone, Sr. was elected Treasurer. The Treasurer was the chief operating executive for the company. Mr. G. H. Milliken was the son of Mr. Seth Milliken. He continued as a Director and President until his death on June 11, 1947. His son, Mr. Roger Milliken, had been elected Director in 1944 and on August 5, 1947, was elected President to succeed his father. Mr. Stone served as Treasurer until his retirement in 1962. He was succeeded by Mr. Joseph Norton who was former the Treasurer of the Gaffney Manufacturing Co. Mr. Norton continued in the Treasurer's position until the merger into Pacolet Industries, Inc., took place.