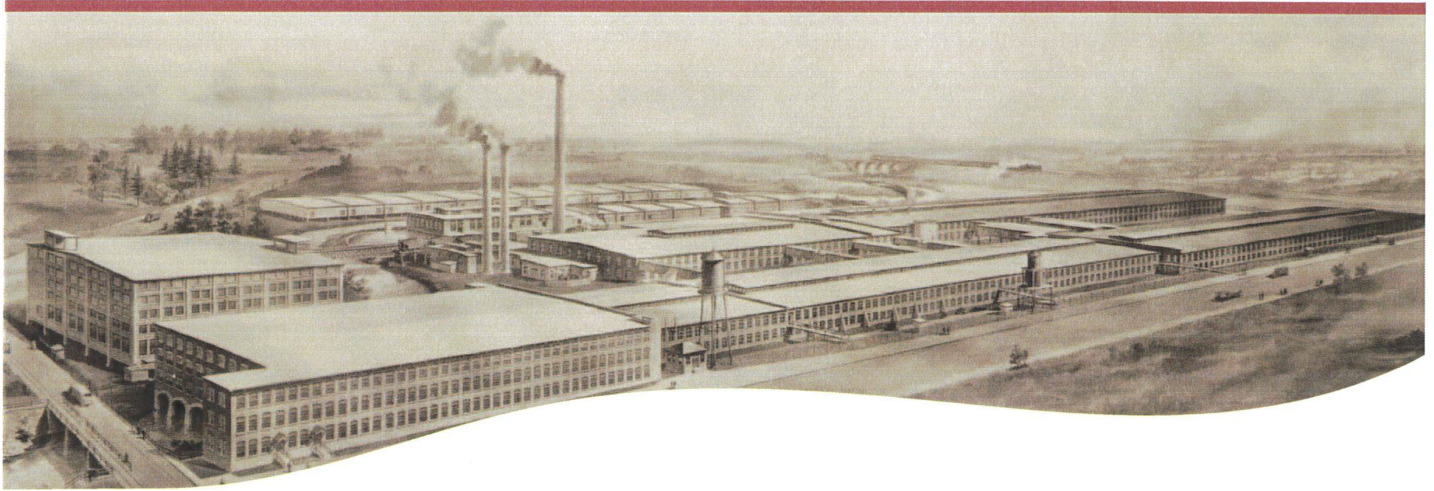


TANNENBAUM STERNBERGER FOUNDATION



A REAL REVOLUTION

Introduction

For more than eighty years, the Revolution Cotton Mill produced flannel and other fabrics at a red brick complex astride Buffalo Creek in Greensboro, North Carolina. When it was founded in 1899, the idea of making flannel in the South was a revolutionary one – hence the name Revolution. By the time the mill closed in 1982, revolutionary changes had indeed come to the textile industry, the city of Greensboro, and the North Carolina Piedmont in ways that went far beyond the production of flannel cloth.

Founded by two sets of brothers, Moses and Ceasar Cone and Emanuel and Herman Sternberger, Revolution was a key building block of the company that would become Cone Mills Corporation, for decades the world's largest producer of denim. Revolution was at one point the largest flannel mill in the world, and its bleachery and dye-works were the first such facilities to be located in the southern states.

At the turn of the twentieth century, the textile business in the United States was centered in New England, and the population of Greensboro numbered less than 6,000. By 1925, the textile industry was well into its inexorable southward migration, and Greensboro had become a prosperous city and a diversified business hub with a population of 25,000. It is no exaggeration to say that the coming of

textile manufacturing changed the way of life for the people of the region, who for more than a generation had languished in the poverty that followed the War Between the States. Textiles represented the advent of the industrial revolution in a land of hard-scrabble farming. Revolution and its sister mills created great wealth, not just for their owners but as economic engines that directly or indirectly employed thousands and stood at the center of communities of neighborhoods, churches, and schools. The effect was dramatic. To choose one example, illiteracy in the Cone Mill villages dropped from some 40% in 1895 to less than 1% in 1925.

The men who built Revolution had no doubt that they were in on something important. You can see it in the contemporary portraits of the mustachioed Cone and Sternberger brothers; this was the era that birthed big business – even monopolies – and the Cone mills were the product of a visionary management team. There was talk in the 1890s of a "New South," and these men thought they were the ones to build it.

More than a century after the Revolution Mill was founded, the textile industry began its next great migration, leaving the southeastern United States for Asia and Mexico just as it once left the river valleys of New England for the low-cost environs of the American South. The red-brick buildings still sprawl on both sides of Buffalo Creek, home now to offices, businesses, and residences.

Building a Business

The South's first flannel mill was a long-planned innovation. The Cone brothers, who made their initial investment in a North Carolina cotton mill in 1887 and founded the Cone Export and Commission Company in 1890, had wanted to add flannel to their product line for years, but the financial panics that punctuated the 1890s twice delayed the project.

Finally, the Cones partnered with Emanuel and Herman Sternberger, who were able to provide the additional capital and management talent needed to get this critical element of their plan off the ground. On January 11, 1899, Emanuel Sternberger, already a successful retailer in Clio, South Carolina, signed a contract with Moses Cone at Greensboro's Benbow House Inn to create the Revolution Cotton Mills. The Cones' Proximity Manufacturing Company would own 75%, while Sternberger and his brother, Herman, controlled the remainder.

It is said that the original name considered for the mill was "Revelation, because the ability to make flannel in a Southern mill would be an eye-opener for the industry, but concerns about appropriating the Biblical name led to the adoption of "Revolution."

The Cones knew the Sternbergers from their days traveling the Carolinas for their family's Baltimore-based wholesale grocery business, H. Cone and Sons, and Emanuel Sternberger had at one point managed a shoe factory owned by Moses Cone in Asheville. Emanuel Sternberger was a successful



Emanuel (seated) and Herman (standing) Sternberger. Circa 1900s.

Photo courtesy of Jeanne Tannenbaum

businessman in his own right, the former owner of a Pennsylvania shirt factory and proprietor of what was said to be the largest department store in South Carolina.

The Cone family patriarch, Herman – father of Moses and Ceasar – was a Jewish immigrant from Germany who found prosperity in the United States after settling in Jonesboro, Tennessee. Emanuel Sternberger shared a similar background as a native of Nedlingen, Germany, who also settled in the small-town South. Both families were tightknit – Emanuel insisted on bringing his brother, Herman, a small-town grocer himself, into the Revolution deal, while the Cones were remarkably close and loyal to their ten brothers and sisters. It seemed like an auspicious match, and it was.

The vision that would lead to Revolution was conceived as the Cone brothers traveled for their grocery business, sometimes riding on horseback to reach places where the railroads left off. Moses and Ceasar Cone would often trade for or take on consignment cloth produced at local Southern mills, to be resold in distant markets. Much of the cotton grown in the southern states was shipped to England or New England to be turned into cloth, but there were about 50 mills in the South by 1890. These mills were not sophisticated: roughly 95% of production was dedicated to low-end cotton plaids, and there were no value-added operations such as finishing or bleaching located within hundreds of miles. The brothers saw an opportunity to brand and resell this cloth – which was cheap to produce in part due to federal tax breaks – and set about signing up mills to represent as marketing agents.

By 1891, when the Cones founded the Cone Export and Commission Company to handle their growing business of marketing cloth from regional mills, approximately 90% of Southern fabric producers were on board with their marketing consortium. In the era of Rockefeller and Morgan, this new business built on the cheap cloth of the South was referred to jokingly as "The Plaid Trust." The

Cones prospered with brands of cotton cloth with names such as Snowball, Pilot Plaids, and Cotton Club.

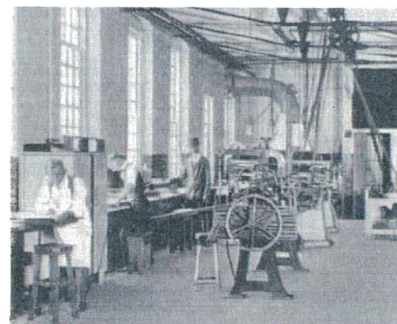
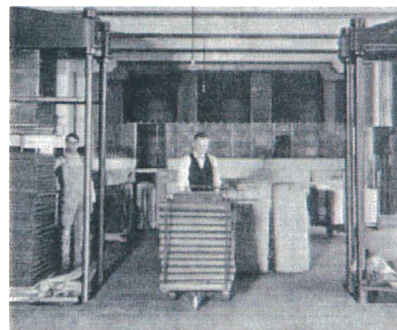
But representing mills owned by others left the Cones vulnerable to the whims and missteps of the mill owners, and they soon realized the value of controlling production themselves. In 1887, they had invested in the C.E. Graham Manufacturing Company in Asheville, a maker of plaid fabrics, and the next year they had helped back the Salisbury Cotton Mills and Mineola Mills.

It was in Greensboro, though, that the Cones got into manufacturing in a big way. Greensboro offered large tracts of land that were already designated for industrial use, the leavings of a planned iron and steel operation that never got off the ground. The city also boasted a railroad junction that made it an ideal base for a manufacturing and distribution operation.

In 1895, Moses and Ceasar Cone launched the Proximity Manufacturing Company, naming the firm for its proximity to the cotton's source in southern fields. The first mill, also called Proximity, would make denim for some 80 years, in which time the sturdy fabric went from the stuff of work-clothes to one of the defining fashion statements of the twentieth century.



Four years after founding the Proximity Manufacturing Company, with the tumultuous 1890s finally behind them, the Cones were at last able to follow through on their plans to build a flannel mill. Revolution, the mill said to be "so modern that it could revolutionize the manufacture of cotton in the South," went up on a 75-acre lot located about a mile from Proximity. It would quickly prove to be a ground-breaker in ways that went well beyond its location.

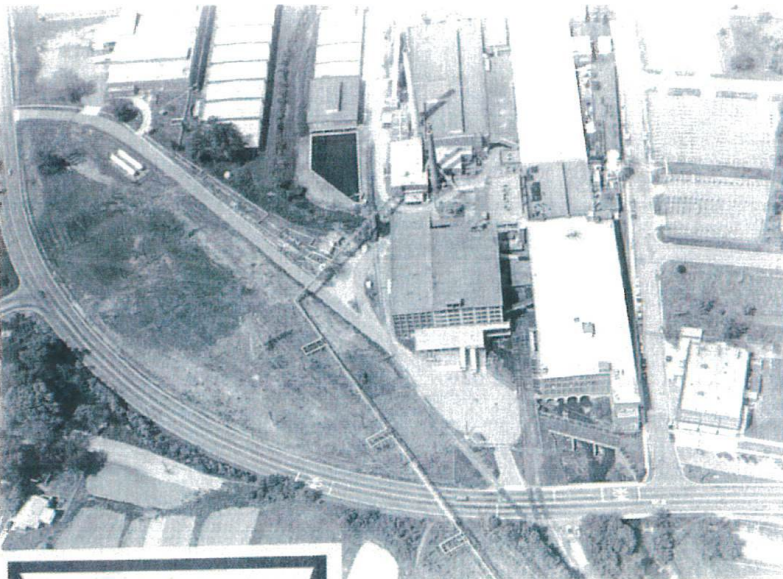


Revolutionary Times

Innovation was always a hallmark of the Revolution Mill, starting with the way it made the fabric that would soon allow Proximity Manufacturing to claim "World Leadership in Flannels." Ceasar Cone wanted to weave the popular cloth known as Canton flannel in strips wider than the traditional 12-inch pieces produced in other mills. This new "cutter's width" was more convenient for the workers who cut flannel for garment-makers, and it quickly proved a hit.

In 1909 came a milestone in the textile industry's historic southward shift, when Revolution added a bleachery to its production facilities. This meant that the gray fabrics coming off the looms could be bleached on site to prepare them for dyeing or sale. This was a key step because it transferred a major value-added process to the repertoire of the southern producers, who had previously shipped cloth to Bondsville, Massachusetts, for bleaching.

Revolution was also the first flannel mill in the South to dye its own cloth. For a time the world's largest flannel producer, it kept up with the high-tech of its era for generations. In the 1930s, new dyeing equipment produced colors that wouldn't run. That process allowed Revolution to pursue a Cone strategy that dated back to the 1890s, creating and selling new brands of high-quality fabric.



Aerial View of Revolution Plant

There were shaky moments, but Revolution boomed, and so did the rest of the Cone mills. Moses Cone died in 1908, followed by his brother Ceasar in 1917, but the business did not slow down. The Cones were succeeded by their brothers Bernard and Julius at the helm of a thriving company that in time became known as Cone Mills Corporation. It was for decades the largest employer in Greensboro and surrounding Guilford County, a global leader in denim, flannel, corduroy, and finishing and one of the largest publicly-traded textile companies in the United States.

When Emanuel Sternberger died in 1924, the Cones bought out his stake, bringing Revolution fully into the Cone stable of assets. Yet the Sternberger family remained closely associated with Revolution, with Herman Sternberger serving as treasurer for many years and his son, Sigmund, holding the same position well into the 1950s.

Age began to catch up with the Revolution in the years after World War II. Rayon production was introduced as the flannel market flagged, but it did not take off as hoped and was shut down. Later, production at the big brick complex shifted in large part to corduroy. Revolution finally closed its doors in 1982. Almost a century after the textile industry had begun its migration from New England to North Carolina, it was beginning to migrate again. In the early years of the twenty-first century, Revolution became the home of a business incubator and then opened as an office and events space. Self Help began a full-scale redevelopment of the site in 2013.

In the end, the Revolution Mill really was part of something revolutionary – it helped bring the industrial revolution to the North Carolina Piedmont. Life changed for the inhabitants of the new mill villages. Those villages, with their homes and fruit trees, their schools and churches, were eventually absorbed into the City of Greensboro, which itself is to some extent a byproduct of the mill economy. The New South as envisioned by the Cones and the Sternbergers is the real legacy of Revolution and its sister mills.

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