

HERRESHOFF MANUFACTURING COMPANY:

The Irresolute Years: 1915 - 1925

The decline and fall of Herreshoff Manufacturing Company forms one of the strangest chapters in yachting history. It is a story in two distinct parts (of which the following article concerns the first) that begins on the eve of one world war and ends at the close of another. It is a story with few real heroes, no true villains, and a cast of hundreds. It is the story, ultimately, of an extraordinary business enterprise that was condemned to die before its time, then condemned to live after it. Whether Herreshoff Manufacturing Company deserved a longer life or a shorter one is impossible to judge. That the company set and maintained a uniquely high standard of excellence throughout its active years as a builder of yachts and small craft is a matter of eloquent record and triumphant fact.

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A fixed rule of the original company from the start was that no yacht would be built from an outside design; every Herreshoff vessel was a distinctive product of Bristol, R.I.

—W.P. Stephens, Traditions and Memories of American Yachting (Camden, 1981, p. 231)

On December 15, 1916, Herreshoff Manufacturing Company contracted with Alfred I. DuPont of Wilmington, Delaware, to build

hull number 306 (in the company's "Steam and Power Yachts" construction log), ~~an unnamed~~ 109 foot lwl. twin-screw coastal patrol boat. Alfred DuPont was a capitalist and sportsman of the type that had been the mainstay of the American yachting establishment--and Herreshoff Manufacturing Company--for decades. Hull number 306 was one of a fast-growing fleet of paramilitary patrol craft being underwritten by private citizens in anticipation of America's eventual entry into the world war. There is nothing in the Herreshoff log to distinguish her from a long and illustrious line of steam launches that had been built under the Herreshoff aegis in years past.

Hull number 306 may have been unremarkable in form and function. In character, however, she was little short of revolutionary. She was the first substantial Herreshoff-built vessel in the history of the company not to have been designed entirely or in large part by a member of the Herreshoff family. While the Herreshoff genius showed in the method and quality of her construction, and although she was powered by steam engines of Herreshoff design and manufacture, the lines, profile, and principal arrangements for hull number 306 were the work of A. Loring Swasey, aged 38, then head of the Boston design firm of Swasey, Raymond, and Page.

The advent of Loring Swasey at Bristol was one element in an elaborate financial and administrative reorganization of Herreshoff Manufacturing Company that ~~took~~ ^{was taking place} place in the waning weeks of 1916. This was to be the first of two such reorganizations that the

firm would undergo before it closed its doors forever in 1946.

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The consensus of yachting historians is that the company's troubles began with the sudden death of J.B. Herreshoff in July, 1915. Because the ^{main} financial records of the company seem not to have survived, there is no way to prove or disprove the point. Indeed, the Herreshoff construction log offers some tantalizing evidence that the business may actually have peaked a decade earlier, in the years 1902 to 1904.

No matter. In a successful partnership, as in a successful marriage, the value of the whole exceeds the sum of its parts. When a partnership is permanently dissolved, there may be short and even long term gains for the surviving partner. But what is lost can never be reclaimed.

Older than Nathanael Greene Herreshoff by some six years, J.B. (John Brown Herreshoff, not to be confused with a second and equally famous brother John Brown Francis Herreshoff, a chemist and mining entrepreneur, or with a third brother James Brown Herreshoff, a noted inventor) had been blind since the age of 15, but had early demonstrated uncommon ability as a mechanic, boat sailor, and businessman. It was he who started the Herreshoff works (briefly known as Herreshoff and Stone) in the early 1860's and who, recognizing the omnifarious designing and engineering talents of the younger Nat, had lured Nat away from the Corliss Steam Engine Company of Providence and back to Bristol and a partnership in Herreshoff Manufacturing Company in January, 1878.

According to Captain Nat's son and biographer, L. Francis Herreshoff, J.B. was the senior partner in fact as well as in age, owning the controlling interest in the firm and making the ultimate business decisions. However, J.B. and N.G. drew the same salary--at least as of 1899, when a payroll kept in Captain Nat's hand awards each brother a weekly wage of \$125. This clearly suggests that in the day-to-day affairs of the company the two men operated as equals: J.B. in charge of the front office, Captain Nat in charge of the design and engineering departments. It was a division of labor and responsibility that admirably suited them both.

Herreshoff Manufacturing Company was never a "big" business, and it apparently contracted, as well as expanded, at various points under the management of J.B. Herreshoff. But considering the notorious vulnerability of the ship-^{the} building industry to down-turns in/national and international economy, the strong performance of the company in its first four decades was a great tribute to J.B.'s financial acumen. Herreshoff Manufacturing Company as history celebrates it would not have existed but for the genius of Captain Nat. The company would not have existed at all but for the far-sighted direction of the blind J.B.

Yet J.B. was not without his failings. Among these, as Francis Herreshoff writes, were his formidable temper, his love of deal-making, and his passion for machinery, for any and all forms of technology that whirred and spun and might arguably take the place of human labor. Many of the contrivances J.B. installed at Bristol-----

were ingenious. Some proved genuinely innovative. However, all added to an operating overhead that was already extremely high by industry standards. During the company's peak years, a strong backlog of orders and the rising labor costs that go hand in hand with national prosperity may briefly have justified J.B.'s extravagant investment in plant. In less prosperous times Herreshoff's mechanical advantage was anything but. According to Francis Herreshoff, Captain Nat, inventive genius and mechanical wizard though he was, had little patience with J.B.'s dreams of automation and would have preferred a return to simpler manufacturing methods.

A more significant failing of J.B. was his inability to solve the problem of corporate succession before death solved it for him. Wisely and otherwise, Captain Nat had done his part by training up his oldest son, A. Sidney DeWolf Herreshoff, to follow him as Herreshoff's chief designer and engineer. Who was being groomed to take J.B.'s place?

There had been no lack of portents. Although Captain Nat had celebrated his 66th year of life by designing and overseeing the building of R.D. Tod's 162 foot loa. steel schooner KATOURA (entered in the construction log for 1912 as costing \$162,400--and the biggest yacht ever built by the company), the Morgan syndicate Cup sloop RESOLUTE (\$123,000) and those darlings of Aeolus, the Newport 29 footers MISCHIEF and DOLPHIN (\$3,900 each and still winning races in 1984), his health and general disposition deteriorated alarmingly toward the latter part of 1913 and early 1914. Perhaps J.B.

discounted Captain Nat's ills or considered them to be transitory. And, indeed, Captain Nat did eventually regain a fair measure of vigor. But the years had taken their toll. By 1915 his chief work lay behind him.

In the spring of 1915 Captain Nat was in Bermuda for an extended convalescence and vacation. He had left Sidney in charge of the drafting room at Bristol. With war raging in Europe and the U.S. still firmly neutral, Herreshoff Manufacturing Company could anticipate no significant new yacht business. The work in progress at the yard did not demand Captain Nat's direct supervision.

Meanwhile, J.B., unretired and unretiring, with expensive tastes and expansive ambitions, was discussing contract possibilities with foreign admiralities, a line of business that had been lucrative to Herreshoff Manufacturing Company in days gone by and that might prove lucrative again. Having ^{gotten} ~~received~~ an order from the Russian government for a number of gas screw torpedo boats, he cabled Captain Nat in Bermuda to return to Bristol at once. Captain Nat returned. J.B. presented him with the specifications and particulars. Captain Nat told J.B. he was not interested in pursuing the matter further. Period. A very few days or weeks later, on 20 July 1915, J.B. Herreshoff died unexpectedly at his home on Burnside Street. He was 74. According to Herreshoff biographer Samuel Carter III the cause of death was "acute dilation of the heart." J.B. left his second wife, Eugenia, his only child, a daughter, Katharine, and a majority interest in Herreshoff Manufacturing Company, among other assets.

fratricidal or fratricide:
take your pick

What are we to make of this unhappy termination of the long and fruitful partnership between J.B. and Captain Nat? Samuel Carter III sees it in largely ^{fratricidal} ~~fratricidal~~ terms, with Captain Nat having to live on in the knowledge that he had (in a manner of speaking) caused the death of his brother and hastened the sale of a crippled Herreshoff Manufacturing Company to uncaring outsiders. Carter shows us a man bewildered by the times, unable to take control, unwilling to face reality, apathetic, adrift, at sea.

L. Francis Herreshoff, ^{too} ~~also~~ sees a direct relationship between Captain Nat's refusal to build the Russian torpedo boats and J.B.'s sudden death, between J.B.'s death and the unravelling affairs of the company. But Francis Herreshoff ^{us} also shows/a man still in poor health and weary of conflict, reluctant to commit the old firm to the sort of plant expansion and recapitalization that an aggressive wartime building program would demand. He reminds us that Captain Nat and J.B. had long since decided to drop out of the torpedo boat business for good (this after a series of costly disputes with the Navy Department during the Spanish-American war). In a word, he suggests that Captain Nat had reasons to act as he did, even if those reasons seem obscure to us now.

But how obscure, really, were Captain Nat's motives? We can indeed accept and understand just what a void J.B.'s death created in the affairs of the company he had founded so many years before. But does it then follow that Captain Nat should bear the blame for failing to preserve or extend the company's prosperity during the war years, or for allowing

the company to pass from family control? Does it follow that the company would have emerged from the First World War in healthier shape, if J.B. had lived and had had his way?

More than half-time from 1890 onward, and virtually time-and-a-half after 1897, the business of Herreshoff Manufacturing Company was the design, construction, and outfitting of yachts. This was a business congenial to J.B. Herreshoff. It proved to be a craft and calling uniquely--and ~~absolutely~~ ^{absolutely} fulfilling to Captain Nat Herreshoff, the Wizard of Bristol. For a man of such gifts to have given so wholeheartedly of his talents to so specialized a pursuit over so many years constituted a commitment from which there could be no turning back.

When a world war threatened Captain Nat's practice of the art that was the center of his life's work, is it any wonder that he balked at the compulsion to design torpedo boats for the Imperial Russian Navy? At the very least, J.B. Herreshoff, beloved of the men who worked for him, understanding of their hopes and frustrations and needs, should have sensed how repellant the prospect would have been for a still convalescent Captain Nat. That he apparently did not, and that Captain Nat repaid his callousness in kind, was a tragedy. But it was J.B., not Captain Nat, who drew first blood. It was Captain Nat, not J.B., who had to bear the consequences of a sundered partnership.

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Illness, death, and war notwithstanding, the output of Herreshoff Manufacturing Company between the spring of 1915

and the end of 1916 was ~~was~~ impressive: nearly 1,500 aggregate waterline feet of new hulls, all of them yachts. Among the sailing yachts completed in this period were the 80 foot lwl. steel schooner MARIETTE (later CLEOPATRA'S BARGE and currently JANEEN), twelve NYIC 40-footers (the last one-design class over 31 feet to come from Captain Nat's board), some 23 Fish class 16-footers, seven Buzzards Bay 15-footers, and--an early crop of the most popular of all Herreshoff one-design classes--ten 12 $\frac{1}{2}$ -footers. J.P. Morgan's 106 foot steam cutter NAVETTE and Harold Vanderbilt's 59 foot gas-screw cutter MAGISTRATE were abuilding at Bristol in 1915-1916, and J.B. Herreshoff's 60 foot gas-screw HELIANTHUS--of which Captain Nat had become the nominal owner--was also in the early stages of construction. Business as usual, one is tempted to say. Good business at that.

But it was not business as usual. Not for Herreshoff Manufacturing Company. Not for any other yacht designers or boat-builders in America.

One dramatic evidence of how greatly a war on foreign soil might affect the domestic boat business was the news, widely reported in the boating press, that The Elco Company of Bayonne, N.J. had succeeded in delivering under contract to the British Admiralty a total of 550 80 foot "M.L." class submarine chasers in a 488 day period. At 44,000 aggregate feet of waterline length, Elco's hull production for the year and a half ended in 1916 was nearly 30 times greater than the output of Herreshoff Manufacturing Company for any comparable period between its founding and 1913. One 80 foot wooden

subchaser every 21 hours for 69 straight weeks. The prospect might have excited J.B.--even Captain Nat--in an earlier time. Practically speaking, however, such a building program would have been the ruin of Herreshoff Manufacturing Company as a builder of fine yachts.

Nearer to home even than Bayonne, New Jersey, the European war had begun to make itself felt. One by one America's great schooner yachts and big class sloops passed out of commission for the Duration, several to go into storage at Bristol. Among these was the bronze-plated Cup boat RESOLUTE, designed and built by Herreshoff in 1913 - 1914. The war had forced cancellation of the America's Cup match between RESOLUTE and SHAMROCK IV in 1914. Six more years would pass before they finally had at it.

For Robert W. Emmons, II, of Boston, manager of the RESOLUTE syndicate, the prospect of a lengthy postponement of the Cup races would have been worrisome under the best of circumstances. The sudden death of J.B. Herreshoff obviously added to his concerns. It also brought Emmons and the after-guard of RESOLUTE into closer and more frequent contact with Captain Nat than either party had originally bargained for.

How much Captain Nat himself revealed to the much younger Emmons about the financial affairs of Herreshoff Manufacturing Company is problematical. In the face of heavy pressure on the part of the executors to settle J.B. Herreshoff's estate, however, one assumes that Captain Nat had only two reasonable alternatives: to buy out J.B.'s estate himself or

to encourage its

sale to investors sympathetic to him. Francis Herreshoff makes it plain that Captain Kat did not hesitate to sell, most of his equity in the company for cash money, when the opportunity for advantageous sale arose.

Thus, on 8 February 1917, the Providence Journal reported the appointment of James G. Swan former manager of New York Shipbuilding Company, as the new business manager of Herreshoff Manufacturing Company, "the famous boat building plant" in Bristol. Although Swan was to succeed K.G. Herreshoff as operating head of the Herreshoff works, the change did not, the Journal assured its readers, "mean that Capt. Herreshoff will sever his connection with the firm..." Rather, "in the future he will serve in an advisory capacity."

Not only was Herreshoff out and James Swan in as boss of the works, but Mr. Swan had already "made a hasty inventory of the plant and will be in Bristol from now on." Not only was the company going onto a wartime footing, but "Loring Swasey...who is having plans for boat work arranged at Bristol, is already represented by three draftsmen who began their duties yesterday at Herreshoffs". And not only was this change of management a fait accompli, it had all been done "for the best interests of yachting", to put Herreshoff Manufacturing Company "beyond the possibility of any financial difficulty." The company was now so heavily underwritten that "there is not the slightest fear on the part of any of the share holders... that the financial end of...the company will suffer in the least should there be no business done in the shops for ten years."

The Journal identified Robert Emmons II of Boston as the instigator of the Herreshoff takeover. Heading up "the New York contingent interested in the Herreshoff matter" was August Heckscher. Other shareholders were Charles Francis Adams (RESOLATE'S helmsman in 1920 and, later, Secretary of the Navy), Harold Vanderbilt, Junius Morgan, George Nichols, and Robert Tod. It is difficult to think of a group who had contributed more to the sport of yachting in their time or who were in a better position to infuse the old firm with new capital, new ideas, new hope.

Here, then, is how things stood at Bristol in the early weeks of 1917, just prior to the formal declaration of war against Germany on April 6. Captain Nat retained the courtesy title of president of the company. James Swan was general manager or general superintendent and reported directly to Robert Emmons. A. Loring Swasey was moving to Bristol as Herreshoff's vice president and "outside man". A. Sidney deWolf Herreshoff, Captain Nat's drafting room surrogate, now apparently reported to Swan, to Swasey, or to Captain Nat, as circumstances dictated. Sidney's brother, Francis, was still on the payroll at Bristol, but would soon join the Navy and leave the family fold for good.

And the superintendents and foremen of the company's various departments--that magnificent fellowship of artisans to whom Francis Herreshoff gives so much credit for the successful operation of the company down the years? They bucked up the men under them, made what peace they could with the new management, and continued about their business as best they could.

iv.

Loring Swasey is the forgotten man of Herreshoff Manufacturing Company and, in a sense, of American yacht design. Few boating writers seem to have heard of him. When his name appears in a book, it is generally in the form of a footnote. That neither L. Francis Herreshoff (who knew him well) nor Samuel Carter III paid him even that small attention is passing strange. It is just one of many ironies that attended Swasey's "Herreshoff years".

Born in the Boston suburb of Auburndale on 14 September 1876, Albert Loring Swasey studied naval architecture at M.I.T., then worked successively in the drafting departments at Newport News Shipbuilding, Cramp's Shipbuilding in Philadelphia, and James Swan's New York Shipbuilding in Camden, N.J. ^{An affable} ~~friendly~~ extrovert with a wide circle of friends, Swasey was an early champion of gasoline-powered pleasure craft. As head of Swasey, Raymond, and Page between 1898 and 1917, he could be said to have been present at the creation of the motorboat revolution in American yachting--a revolution that put civilian designers of small craft significantly ahead of their naval counterparts in this branch of naval architecture.

Swasey was not an innovator on the order of William Hand, Jr., or an artist of the class of Henry Gielow. He was nevertheless an adept and persuasive interpreter of the needs and demands of the market, and he had a solid knowledge of the boat business and a distinct ability to motivate others and to get things done.

Like his friend, contemporary, and sometime business partner W. Starling Burgess, Loring Swasey was quick to understand in practical terms the threat and challenge that the spreading

war in Europe posed to America's coastal defense capabilities. In the case of the aviation pioneer Burgess, this meant developing flying boats and other aircraft suitable for military use. For Swasey, it meant charter membership in the Volunteer Patrol Squadron and the cultivation of close ties with the Naval Training Association, the Motor Craft Association, and the Volunteer Power Boat Association of Long Island--organizations that would soon become the backbone of the U.S. Naval Reserve. Although the yachting season of 1916 was enlivened by intense competition among the NYIC 40's just delivered to their owners by Herreshoff, it was not the sight of the new 40's that was the major sensation of season, it was the sound--the roar--of unsuffled Sterling, Van Blerk, and Dusenberg gasoline engines. The engines were the only beautiful features of a no-frills new fleet of express craft in the 45 to 65 foot range--boats bearing such unyachtlike names as P.S. 1 and S.P. 8. These were patrol craft from the board of A. Loring Swasey, and while they were owned pro tem by men of wealth and leisure, their function was not pleasure, but war.

Under the old management or under the new, Herreshoff Manufacturing Company had need of a man of Loring Swasey's special aptitudes, if it intended to compete successfully for defense contracts in World War One. It needed his gregarious personality (in the pence of which the taciturn Sidney Herreshoff must have been rendered positively mute). It needed his acknowledged leadership in the design of power boats of the type that the Navy was actively recruiting for its

reserves: round-bottom wooden boats that combined a good turn of speed and good maneuverability with honest sea-keeping characteristics. It needed the solid connections he had already formed with the Navy Department in designing prototype patrol craft that were, in the words of a 1916 Van Blerk engine catalogue copywriter, "a sample of what [The Navy] would like yachtmen to build..."

Swasey's first six weeks at Bristol were surely all that the Emmons syndicate could have hoped for. In addition to Alfred I. DuPont's HERRESHOFF #306, already in progress, Herreshoff Manufacturing Company contracted, between 15 January and 30 March 1917, for nine smaller wooden patrol craft to Swasey's designs, to be built for various individual members or member-syndicates of the Eastern Yacht Club. Measuring 62'4" x 61' x 10'11 1/2" and powered by twin 200 h.p. Sterling gas engines, there were LYNX II // LH HAS PROFILE OF LYNX II--
TO BE COMPARED WITH LADY GAY PROFILE--INDICATING DIFFERENCE
BETWEEN SWASEY AND HERRESHOFF DESIGNS//, DAIQUIRI, ELLEN,
 APACHE, INCA, KANGAROO, COMMODORE, SHARK, and SEA HAWK. They are shown in the Herreshoff log as costing \$19,000 apiece. Out of deference to Captain Nat, the log does not mention Swasey's name in connection with their design. Lloyd's Register of American Yachts and contemporary newspaper accounts do, however, credit Swasey in each instance. A contemporary ad for Sterling engines credits them to "A.Loring Swasey & N.G. Herreshoff"--perhaps the fairest way to express the collaboration.

HERRESHOFF #306 gained three sisters in 1917: HERRESHOFF #308 (underwritten by ^{Herreshoff} stockholder R.E. Tod), #321 (Payne Whitney), and #323 (J.P. Morgan). //COMPARE WITH MORGAN'S

NAVETTE--SEE PHOTO// A final group of patrol craft--variously noted at 77, 78, and 79 feet lwl.--also appear in the log sheets. According to the Dictionary of American Naval Fighting Ships (Washington, 1968), these were built "to government specifications". Presumably Sidney Herreshoff, rather than Loring Swasey, had the active hand in their design.

Busy months. Indeed, the volume of new construction underway at Bristol in 1917 was a record for the company. It suggested that the Emsons management team was taking hold in fine shape, that Loring Swasey had the magic touch, that J.B. Herreshoff's dream of wartime profits was now to be realized, whether Captain Nat like it or not.

Then, just as quickly as the boom at Bristol started, it stopped. Dead. By the waning months of 1917, a substantial portion of the 200 - 300 man Herreshoff crew had drifted off to find work in other yards. Except for a few small navy-type launches (some built on speculation and long unsold) and a modest output of N-C4, H-16, and F5S flying boat hulls for the Navy, the Herreshoff works were virtually idle until after the Armistice was signed on 11 November 1918.

What went wrong?

vi.

In his biography of Captain Nat, L. Francis Herreshoff lists several reasons for the company's failure to generate a major defense business in World War One. Captain Nat's own

reluctance to seek this business ranks high among the reasons, but at the top of the list he puts the ineptitude of the new management. Francis Herreshoff is particularly critical of the company's failure to gain ~~the~~ contracts to build ^{subchasers and} Eagle boats for the government. Samuel Carter III adds ~~very~~ little to our understanding of this period. He does, however, suggest that anti-German sentiment may have had something to do with the failure of Herreshoff Manufacturing Company to succeed in defense contracting.

I would suggest a rather different set of reasons.

Outdated plant and excessive overhead have killed many a mature business since the Industrial Revolution first spun its frantic web around the workplace of the Western World. By the standards of 1915, Herreshoff Manufacturing Company could still be considered a modern plant; its overhead, though high, could still be considered acceptable for the highly specialized work it was in business to perform. No other manufacturer in the world--not even Herreshoff's chief rival, George Lawley & Son Corp. of Neponset, Mass. -- could do cheaper or better what Herreshoff did so expensively and well.

Historically, however, Herreshoff's special edge had been in the design and construction of high performance steam engines; of light-weight wooden, steel, and bronze-plated hulls; of pleasure craft, both power and sail, of such unusual distinction and finish that they competed chiefly amongst themselves. As late as March, 1917, Herreshoff could still, up to a point, set its own rules, build to its own scantlings, charge its own prices. With America's formal declaration of war against Germany, all this

changed. By a bizarre twist of fate, the principle agent for change--for Herreshoff Manufacturing Company and for builders of small craft throughout the United States--was A. Loring Swasey, vice-president of Herreshoff Manufacturing Company.

On 2 April 1917, Swasey was commissioned a lieutenant commander in the U.S.N.R.F. He was thereupon appointed Superintending Constructor, U.S.N., reporting to Admiral Taylor, chief of the Bureau of Construction and Repair in Washington. Along with his close friend and junior constructor, C. Sherman Hoyt, Swasey's first assignment was to oversee the construction of the vast fleet of 110 foot subchasers for which contracts were just then being let by the Navy Department. The 110 footers (the so-called SC 1 class)--of which a total of 444 were eventually built--were of a size and type that fit well the capabilities of Herreshoff Manufacturing Company. It is difficult to believe their designer did not have the company somewhat in mind as he drew their lines. For the designer was A. Loring Swasey.

The first round of bidding on the SC 1 was marked by controversy and ill-feelings. Bids came in as low as \$20,000 per hull, as high as \$99,000 (not including engines). Several yards proposed to build SC 1's on a cost-plus basis of 10% to 15% net profit. These original bids were all disallowed, when it was discovered that some builders had inside knowledge of the size of the bids already received in Washington. When the second round of bidding was over, some thirty different commercial and yacht yards, as well as the U. S. Navy Yards at New Orleans, Charleston, Norfolk, Mare Island, and Puget Sound, were winners.

Herreshoff Manufacturing Company was not among them.

There are only two plausible reasons why Herreshoff did not figure in this most extensive and important naval small craft building program of the war: first, because it found it could not profitably compete against builders with more modest overheads; or second, because, for whatever reason, it decided not to compete. If, as has been suggested by Herreshoff's biographer¹, the Emmons syndicate took over the company primarily to participate in high wartime profits, it must have dramatically miscalculated the company's capacities. If, as has also been suggested, its management was inept, one wonders how Loring Swasey managed to end up as the designer ^{and small naval construction} of the most successful class of subchasers ever built.

But if, as the Providence Journal stated in its news story of 8 February 1917, the new owners² were sincerely motivated by "the best interests of yachting", then the generally passive stance of Herreshoff Manufacturing Company in World War One makes sense. At the least, it helps explain why, to quote again from the Journal, the new management was willing to talk of "no business being done in the shops for ten years". Only a world war could plausibly have kept Herreshoff Manufacturing Company from its peacetime business of building yachts.

V. ~~the~~

What financial writers described as a "glut of bottoms" threw the entire American shipbuilding industry into a depression after the Armistice. Not for the last time the Allies' victory had been won at the expense of an industry central to Germany's defeat.

But Herreshoff Manufacturing Company was fortunate. Unlike George Lawley & Son Corp. (which had built 20 SC 1's for the Navy and had nearly doubled its boat-building capacity in the two war years), the plant at Bristol was able to pick up pretty much-----

such where it left off in 1916, with its well-appointed North and South Construction Shops in good order, with a lean work force composed primarily of the company's best and most senior employees, and with reasonable expectations for a gradual return to a decent pre-war level of business. Although Loring Swasey would remain a member of the U.S. Navy's Board of Review until 1921, he was now free to resume his civilian work for the company. And the Wizard of Bristol had come up with the model for a new/open-class-turned-one-design sloop that was an instant hit with competitive yachtsmen.

This was the

20% foot S boat, of which ten were built (at a cost of 32,450.) in time for the 1920 season, another 15 for 1921, and 5 for 1922. Production of 12% footers also resumed in 1919, albeit in quantities far smaller than would be the order in later years.

Despite a glowing report on the overall condition of the company that appeared in the December 1919 issue of The Rudder and that spoke of "six yachts varying in size from 55 feet to 190 feet" under construction at Bristol by a crew that was quickly returning to its pre-war height of about 250 men, the actual outlook was not so cheerful. Robert ^{Charles Francis Adams,} Emmons and the other ^A Herreshoff shareholders in RESOLUTE's afterguard were, to be sure, much in evidence at Bristol in this period. But their chief interest was to prepare RESOLUTE and her trial horse VANITIE for the SHAMROCK IV challenge. Obviously these preparations occupied most of Captain Kat's time and attention as well. Meanwhile, James Swan and Loring Swasey had daily to reckon with some very disturbing economic realities.

The first hard reality was a soft boating market nationally and at all income levels. Introducing the Standard S Class Sailboat was an excellent move on the part of Herreshoff. It was by no means sufficient to return the company to profitable operations.

The second reality was the same one that the company had been living with since early 1917: excessive overhead. Just how high the Herreshoff overhead was in 1919 - 1924 is uncertain. We know, however, that many smaller, newer yards in the 1920's and 1930's, as for example Britt Brothers, figured their overheads at as low as 20% to 25% of the cost of labor; while Herreshoff Manufacturing Company figured its overhead in 1935 (in its contract for building the J boat RAINBOW) at 55% of the cost of labor. When a yard operator works side by side with his crew and draws a weekly pay check only a few dollars larger than his men do, it is amazing what savings can accrue.

A third alarming element in the American pleasure boat market was the availability of a vast pool of skilled and semi-skilled European boatbuilders with the will and the ability to underbid their American competition, even when large import duties were figured in. The full significance of the devalued German ~~mark~~^{mark} did not register with American yachtsmen til the mid - 1920's, when Abeking and Rasussen began repopulating Long Island Sound with meter boats of American design and the mighty Krupp Germanic Werft of Kiel weighed in with thousands of tons of new steam and motor yachts for rich American owners. Once the United States lost its hold

on the luxury yachts market, it never fully ^{retrieved} ~~recovered~~ it.

The fourth problem facing Swan, Swasey, and the stockholders and employees of Herreshoff Manufacturing Company was the inexorable and inevitable depreciation of its chief business asset: Nathanael Greene Herreshoff. The Herreshoff management could postpone the day of reckoning only for as long as Captain Nat did. Sooner or later it would have to find a suitable replacement for his design genius--or a reasonable substitute--or the business was doomed.

The perversity of all this must have been especially obvious to Loring Swasey, on whom the company was depending for new business. Although Swasey could take credit for landing the contract for the 152 foot motor yacht ARA, the 92 foot gas screw yacht ESLOMA, and the 139 foot steam yacht ALERT, his masterwork--Edgar Palmer's 195' loa three-masted steel schooner GUINEVERE--was too big to be built in Bristol. ARA, ESLOMA, and ALERT generated well over half a million dollars in business for Herreshoff Manufacturing Company. GUINEVERE, handsomely and profitably built at the Neponset works of George Lawley and Son Corp., generated not one thin dime.

Captain Nat did, with some backup from Sidney Herreshoff, undertake a limited amount of custom design work in the period 1919-1925. The 76 foot lwl. steel schooner OHONKARA (1919) was the largest of his sailing designs, with the 68 foot steel schooner WILDFIRE (1923) second in length, and the big sloop VENTURA third. He also designed, for Herreshoff shareholder Junius Morgan, the Q boat GRAYLING (1923). There was some hope that GRAYLING would serve as the prototype for a one-design class

to replace the NYYC 30 foot class; but though she was a lively and appealing boat with a notable record, she remained one of a kind.

The contributions of Captain Nat and Loring Swasey to the company's postward recovery efforts were valiant, but unavailing. Unless a young designer could be brought into the fold with the character, vigor, and talent to extend the company's traditional domination of the American--and to a degree the international--yacht racing scene, the very reason for the company's existence would be undercut. Although A. Sidney de Wolf Herreshoff was an able draftsman and his father's son in many admirable ways, his own work as a designer fell short of inspiration.

There were, as it happens, two stars rising within the Herreshoff galaxy at this time. Both men were well known to Loring Swasey, to Robert Emons, and to James Swan. Both men stood, each in his unique way, in a position of great intimacy with Captain Nat. Perhaps most remarkable of all, considering the ^{thirteen year} difference in their ages, the two men were devoted lifelong friends. These were Captain Nat's son (and Sidney's brother) L. Francis Herreshoff and Captain Nat's onetime protegee W. Starling Burgess, son of Edward Burgess of Boston.

Like other players in the Herreshoff story of these years, Starling Burgess had been lured to Bristol by RESOLUTE. Or, rather, RESOLUTE's afterguard had commissioned Burgess (newly demobbed from the Navy and retired from the aircraft business) to design a new rig for RESOLUTE's trial horse VANITIE,

in preparation for the Cup defense against SHAMROCK IV in 1920. Starling Burgess was no stranger to the Herreshoff works. As an orphaned schoolboy in the early 1890's he had spent many a ~~weekend~~ ^{weekend} visiting his "Uncle Nat". He had even dandled an infant L. Francis (with long red curls) on his knee. When, as a Harvard undergraduate, Burgess began taking too serious an interest in yacht design, Captain Nat banished him from the model room. But there was always a place in Captain Nat's heart for Starling Burgess. Late in 1920, Captain Nat found it in his heart to authorize the building by Herreshoff Manufacturing of the 6 meter boat SHEILA, to Burgess designs.

SHEILA is important to the Herreshoff story not merely because she was the first sailboat to have been built by Herreshoff to an outsider's design, but because most of the drafting work (other than the lines, of course) had been done by L. Francis Herreshoff. Like Loring Swasey's HERRESHOFF #306, SHEILA was a visible symbol of the company's desire to adapt its policies and practices to changing market conditions. Later events would prove that the decision of the company--including Nat--to allow Starling Burgess (and his draftsman L. Francis) to design boats for building at Bristol ^{had been} ~~was~~ foresighted, shrewd, downright brilliant. ~~Present market conditions~~ ^{For the moment, the jury} ~~was still out.~~ ^{was still out.}

vi

Sentiment is a dangerous emotion in business, and the businessman guilty of sentiment often pays dearly for his sins. J.B. and Captain Nat were as capable of generous action as any capitalists of their own time or of ours. But to them, Herreshoff

Manufacturing Company was a business--a means of livelihood, the locus for the practice of an exacting profession. J.B.'s decision to go after a torpedo contract from the Russian admiralty in 1915 was a pragmatic one. So, I would contend, was Captain Kat's refusal to go along with that contract and his willingness to sell out to the Amsons syndicate in 1917.

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of its work force. ^Q Then came the defections. Among the defectors, L. Francis Herreshoff singles out Mr. Murray, a Herreshoff construction superintendent, as having been a particularly grievous loss to the company. Murray went to work for Henry B. Devins at City Island and contributed greatly to the success of that ~~very~~ great yacht builder. Another defector was ^Q Loring Swasey, who, in 1923, returned to Boston to join forces with Starling Burgess, Francis Herreshoff, and Frank Paine in the design firm of Burgess, Swasey, and Paine.

Captain Nat remained at Bristol. (It was, after all, his home.) So, stalwart and tenacious, did Sidney Herreshoff. But in the place of James Swan, Herreshoff Manufacturing Company had a new General Superintendent. This was Thomas B. Brightman. Tom Brightman's steady rise up the ranks at the Bristol works is one of the few happy elements in the Herreshoff story of these years.

The closing of Herreshoff Manufacturing Company, long-rumored and, so it seemed, inevitable, was announced in late July, 1924. With a want of sentiment almost ~~brutal~~ ^{brutal} in character, the Herreshoff shareholders elected to put the works up at public auction. According to the auctioneer's offering prospectus:

The entire property, including the plant as set forth herein together with all drawings, plans and models...will first be offered as a single unit and immediately following the plant will be offered in parcels as catalogued herein. By whichever of these two methods the greatest amount is realized for the property, that is the method of sale that will stand.

One must wonder why the stockholders made no effort to arrange for the sale of the company by private treaty, as a going business. There was interest. There was opportunity. And such an arrangement might, over time, have allowed them to recoup some portion of their losses.

Then again the decision of the shareholders is not so very surprising. As self-appointed arbiters of "the best interests of yachting" they had, in 1917, allowed sentiment to cloud their judgment. It had been a costly experiment. Now they reverted to the business ethic that was the source of their prosperity: they cut and they ran. As events turned out, ~~their decision in letting business go to the highest bidder was a sound one. It not only gave the good old company a surprising new lease on life, it also brought in a new wave of life, as well.~~

~~It was a sound decision.~~

Thus, too, was in the best interests of yachting.