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# Autobiography of FRED MEGOW

Modeler since 1929

Lifespan: 1900 - March 12, 1977

Written & Submitted by CR (10/05)

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*The following is the preface to the book Megow-A History of the Man and His Company by Charlie Reich.*

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## “Preface

The biography of Fred Megow and The Megow Corporation is unique as it basically is an autobiography personally written by Fred Megow, One which he created more or less as an afterthought, upon prompting from his friend Walt Grigg, while he was compiling the Megow family genealogy in his later years.

After completion of my recent biography on Ben Shereshaw in 2001 I received a request from AMA Historian, Norm Rosenstock, to compile another biography. Norm offered a selection of several personalities or companies which AMA required documentation for their archives. I selected Megow from Norm’s offerings primarily because I knew an old time modeler, Walt Grigg, who had already compiled a biography on Megow and had it published in an April 1977 issue of the now extinct Model Builder magazine (I considered the hard part was already done previously by Walt). Norm was also kind enough to also provide me with the name and phone number of Fred Megow’s son, Robert, as another possible source of research information.

Normally trying to find in-depth information on a company that was founded in 1929 and ceased operation in 1949, some 53 years ago, can be a daunting task as nothing much was ever documented about these early modeling companies, other than through newspaper clippings or old model magazine ads or articles. Only the old-time modelers themselves captured the limelight and the news media’s attention in that early era, many of which are still familiar names even in today’s modeling fraternity. Very little was documented about the handful of early modeling companies that provided the plans, kits and supplies to literally millions of enthusiastic youth in the 1920’s and 30’s. Regarding the research and recording of the Megow Corporation, consider that Fred Megow died in 1977, over 25 years ago. Had he not personally recorded his accomplishments, the detailed history of his company would have been lost forever.

Over the years most all modelers referred to the Megow Company phonetically pronounced as Mee-Gow. For the record, as confirmed by Fred Megow in Walt Grigg’s Megow biography, the Megow family name was actually pronounced May-Go. Fred was most aware of the common pronunciation of Mee-gow by the modelers and advised that training everyone to a correct pronunciation of May-Go was a lost cause and submitted rather than engaging in a colossal waste of time needed to try and correct everyone.

I first placed a phone call to Fred Megow’s son, Robert Megow, in September 2001. Robert was 78 at the time and fortunately had a vivid memory of those early days. We had a long conversation regarding his young boyhood memories of his father and the company’s beginnings. Robert was born in 1923 and was only seven when his father started on his dream of building a modeling empire. A chapter follows, devoted to Roberts interesting story of early family memories and the Megow Corporation.

Next I was able to locate an original 1938 and a 1940 Megow model catalog. Many hours were then spent scanning and restoring the ads using a modern day computer and the magic of Photoshop to revive the tired old and faded pages to an acceptable level. These pages appear in a later chapter.

The next move was to pay a visit to Walt Grigg and hopefully receive permission to reprint his Megow biography, previously printed in the 1977 Model Builder magazine. So far, so good, and then the other shoe dropped.

My plan was to copy the five or six pages of Walt's original published Megow biography, add a few extra ad photos from the old catalogs and send it off to AMA for a brief biography on The Megow Corporation...wrong!

I soon discovered that Walt Grigg was a modeling historian long before AMA's biographical research was in vogue. He was traveling all over the USA in the 1960's and 70's scouring old hobby shops, locating owners of old hobby shops or small model companies, conducting interviews, and hopefully obtaining permission to scour their garages and attics in hopes of discovering whatever he could find for his collection and archives.

Walt was already living in Orlando, Florida when, by coincidence, Fred Megow and family retired and moved there in 1950 after closing the Megow Company. Walt and Fred Megow soon became close friends and spent many hours discussing the good old days. Therein started this lesson in history.

Fred Megow spent his declining years compiling a family genealogy. Unbeknown to Walt Grigg, during Fred's compiling of the family genealogy he also became interested in capturing some of his old company history, obviously inspired by Walt's insistence that this was a vital need and a link to the past for future modeling historians. In 1975, Fred Megow went to Walt's home and presented him with two huge books, consisting of over 180 pages of his recently compiled Megow Corporation biography.

It was from these books that Walt prepared a condensed version of Fred's hand written company biography, plus adding some additional information he had gathered during his many conversations with Fred Megow. As aforementioned Walt's article appeared in a 4/77 issue of model Builder magazine, a copy which appears later in this biography.

Upon my visit to Walt Grigg and explaining the reason for my visit he showed great relief that AMA was sincerely interested in recognizing and archiving the life of his old friend Fred Megow and his achievements in creating Megow's, the largest modeling company in the world at that time. In fact Walt was then willing (probably most reluctantly) to loan me his personal treasures of Fred's personal company autobiography, and that dear readers is how this detailed documentation of The Megow Corporation came about.

Fred Megow's personal biography is herewith printed in its original context with very little editing, except for rearranging a few paragraphs in chronological order. Fred had typed this document with an old manual typewriter and over the years, all the pages within his journals had yellowed and faded. Scanning and reconstructing all the original pages to their original format for this document was a monumental task.

Fred's original journals contained several old newspaper and magazine clippings with articles about the Megow Company and its products, plus some original product ads and a few photographs of Megow family homes. Only one photograph was available

regarding the Megow Corporation and that was a photo of their 1937 Dodge delivery van. No known actual photographs are known to exist of the company, the production lines, nor does any Megow memorabilia exist within the family. All of the ads, articles and clippings within the biography were provided to Fred by his friends from their own collections. I could not obtain an original photograph of Fred Megow himself, even from the family members.

Sadly, when Fred Megow closed his company in 1949, he was somewhat embittered with the new post WW II banking regulations, new governmental restrictions and other matters that more or less forced his closing. He hurriedly sold everything off within the company and wanted or saved nothing for his personal remembrances.

Ironically, during the last few paragraphs of Fred Megow's biography he stresses the need for others in the modeling industry to document and preserve all the artifacts, memorabilia and documentation of the old modeling business for future researchers. He finally was made aware and realized this importance after his newly formed friendship with Walt Grigg. Fortunately, Fred Megow left us with a wonderful written testament on how he started with nothing during the bitter depression years and formed the largest model industry in the world.

My small contribution to this document has been to compile all the data into a readable format and without the kind assistance of my friend Walt Grigg and his lending of his Fred Megow journals the Megow Corporation, would have only been a vague memory of some obscure industry to future modelers.

As you read through the following pages about this giant in the early years of the modeling industry, make yourself aware of the irony. Fred Megow started with an idea, little money and in the heart of a fierce depression. He took this idea, and when others were afraid and businesses were closing or financially bankrupt, Fred Megow took all the advantages of that disastrous era and built an empire. After the post WW II era when things were booming and peacetime reconstruction underway, Fred could not survive the expanding times and liquidated his business. A sad ending indeed.

A belated thanks to Fred Megow for documenting such a complete treatise on The Megow Corporation.

A special thanks to Walt Grigg for compiling an earlier abbreviated Megow biography from which sparked awareness for this document, and from whom so generously provided the treasured personal Fred Megow documentation, which allowed this complete version to be created.

And lastly, thank you Robert Megow for furnishing your personal data and remembrances of Dad, your family and The Megow Company.

The Fred Megow biography will be preserved forever within the archival chambers of the AMA museum to provide knowledge and research material for future generations of modeling historians.

Charlie Reich  
AMA Volunteer Biographer  
March 2002"

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*The following excerpt, by Fred Watrous Megow, is from the book Megow-A History of the Man and His Company by Charlie Reich.*

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## **“THE MEGOW CORPORATION**

**An autobiography by**

**Fred Watrous Megow**

I was born in 1900, and at the age of 19, decided I liked the idea of writing magazine articles. In the beginning, most were returned rejected, but later I had a few acceptances. That encouraged me as each one brought in some extra money. I have thought many times in my later years that, had I not gone into the modeling business I would have wound up writing extensively for magazines. What I had planned to do was to take college work to better prepare me for this line of work. Writing was always hard for me, simply because I was always in too much of a hurry. Later in life I learned to go slower and I must say enjoyed every minute writing and preparing articles about the growing business I had started only a few years ago.

After obtaining my B.S. Degree in June of 1927, at Stout State University, Menomonie, Wisconsin I went by train to Duncannon, Pennsylvania where my wife and oldest child Robert Snyder Megow, now 3 years of age, had gone several weeks before I graduated. We now had the entire summer to locate near Cheltenham Township, which was located North of Philadelphia. I had accepted a position there in the Public Schools, as a teacher in the Industrial Arts Department.

I had several offers at graduation; however, being so close to the City of Philadelphia, it seemed to me that Cheltenham Township offered unusual opportunities, much more so than other locations. After getting settled, my wife and I went to Philadelphia to locate a place to live. We had decided to buy our own home, so the main effort was looking at new homes. We looked at "Row Houses" since single homes were too expensive for our limited pocket book, which was about empty anyway. After looking for, I have forgotten how long, we fell in love with 6527 North Bouvier St. The house was purchased and settled on August 26, 1927

The house was in the 42nd Ward on the East side of Bouvier Street. 15'-9" frontage by a depth of 82 feet to middle of a 14' wide driveway. We financed with a First Mortgage of \$4000.00 and a second Mortgage in the amount of \$2800.00 with payments of \$32.20 per month. My records show regular payments, to and including June 1932 after which time the Savings and Loan Company was having financial problems due to the "Great Depression". They were reorganized and my payments were reduced to \$24.73 per month.

On the First Mortgage, my records show regular payments twice yearly of \$120.00. I sold the house to Jesse J. Kagel on April 3, 1937 for a price of \$4250.00. This was a loss, however let the reader remember that the "Great Depression" was in full swing and houses were at a give away price, which was proved in a later purchase.

The next big step was to buy furniture, since we had nothing more than a Victrola (record player). Harrisburg being nearby was the logical place to buy furniture, so we spent one day there and purchased a house full of furniture, at \$30.00 per month, no down payment and they delivered to Philadelphia at no extra cost. Our kitchen gas stove was furnished as part of the house; there was no refrigerator so we decided to wait until later. My wife's sister, Lou, had an ice chest, which she gave us, so we took that along and used it. For the record, after a year or so in our new house, we bought a new General Electric Monitor Top Refrigerator (in 1929).

The first year, 1927 to 1928 my headquarters were at the Industrial Arts Department, at Eilkins Park. From here, I would travel by my Model T Ford Touring Car to the Township Schools, which each had Manual Training Shops. I taught Boys in the 5th and 6th Grades, elementary courses In Mechanical Drawing and Shop. Discipline never was a problem for me even with the worst students. Somehow, I was quite able to handle pupils.

The Schools I taught in were as follows: Cheltenham, Lamott, Glenside, Wyncote and Edge Hill. Classes were one hour weekly, the schools furnishing several classes each week. This was interesting work for me, since I did enjoy working with youth of any age and it was a good experience to teach the younger boys. The principals of these schools were all women and I must say, were very cooperative, so we got along splendidly.

Another teacher, (he taught German in the High School) and I did repair work at schools which needed work done. We fixed leaky roofs, damaged locks, windows etc., this lasted into late July of 1928 when every thing was repaired. My summer pay was welcomed since money was hard to come by and the "Great Depression" was in the making.

I now set out to experiment with a neighborhood store in the next block, Vic's Sundry Store on 65th Avenue, one block east from Ogontz Avenue. I went down and talked to Vic one evening; he sold Ice Refrigerators for the American Ice Co. and was only around weekends and evenings. Vic's wife and son ran the store during the day. Arrangements were made to leave some Model supplies, Cement, Dope, Rubber, Balsa wood strips and sheets of Jap tissue paper, plans and misc. items on consignment. I posted a price list, put an ad in the window and supplied an empty cigar box to put the money in.

At the end of the week, we agreed to split 50-50 on the money in the cigar box. I left and kept my fingers crossed. Two days later Vic called me, "Fred he said, I need more supplies!" OK Vic, I said, "I will be right over". When the end of the week came we each had more money than either one of us expected. Vic could not believe what he saw happen.

There was no doubt that boys were all pepped up on Model Airplanes. The growth of Aviation plus the landing of Lindberg in Paris on May 27, 1927 had planted the stimulus needed to get this industry off the ground.

Now, my imagination really went to work. If Vic could do \$500.00 a year in business for me, 1000 Vic's would do \$500,000.00. This was far fetched at the time (1930). However, this project would grow far bigger than any one would ever have guessed at that time. Another, most interesting thing was happening in those days, a "Great Depression" was in its destructive process.

We, as a family had new twins, premature at 7 months with two 3 lb. babies, and my wife Rae was near death. I lost what little money we had in the bank that failed, Bankers Trust Company, and now faced a monumental hospital bill.

Being young, I guess, has its advantages, plus a strong faith in ones own religious convictions, some how, the predicament I found myself seemed not a deterrent, but rather made me more determined to go ahead with this model airplane business idea. I felt the ideal time to start any business would be at the beginning of a depression, a man with imagination and reasonable ability could not miss.

I could earn more money and would soon get back on my feet again. I had no doubts that in time my wife would heal and would be back to normal, which proved to be the case, even though her stay, along with the twins, at the hospital was several months.

One day I dreamed up the idea of making some sort of a display case, which would hold a minimum of model supplies. After several design attempts the "Green Cabinet" was born.

I then invested in a small saw and placed it in my cellar to saw the parts. The first dozen or so of the original cabinet design had fewer shelves, later I found it necessary to increase the shelf space. The picture you will see is the second and last model. The cabinet was made from fir plywood, good on two sides. The parts were cut, assembled and painted a light green. This idea proved to be one of the vital steps in the initiation of my new business venture.

During the spring of 1929, my initial venture with Vic's Sundry inaugurated the "Green Cabinet". The first cabinet went to Vic's; then I made a few more and placed them in locations from which I could easily call on to replenish sold stock. From then on it was cash on delivery, the initial dealer investment was \$7.50 for the cabinet filled with materials, my plan being to build up routes in Philadelphia and its suburbs. These routes would be taken care of on Monday evenings, this handled by myself until school was out in June 1929, using my sister Blanche's car for delivery.

A neighbor boy, Paul Keefe, was a senior going to the Germantown High School; he cut lawns and had a paper route. He soon started working for me and was my first employee. That summer I made several cabinets, went out, sold them and when summer was over, I had two routes built up. By this time, changes must be made in my cellar. The fall of 1929 I eliminated my coal bin, had a gas burner installed in my furnace, this gave me more space and the cellar was cleaner.

Paul Keefe's father had a printing press, so I paid him to print the wood. I was able to obtain the first patent for the model print wood process.

Things kept building up, and since Paul had graduated, I put him on full time. The sales were taking my spare time. I had two routes now, Monday evenings and Saturday, and we were into 1930.

My sister Blanches car was only a coupe and would not hold enough merchandise so in 1930 I bought a second hand Ford Model A sedan. After running it home, something seemed wrong. I took it to the Ford dealer and low and behold, the motor had no bolts to hold it in place. The mechanic put in the required bolts and charged me a \$1.00. That car ended up one of the most reliable, which I ever owned, and this Ford sedan was also the first car I personally owned and used for the Megow Model Shop business.

In the spring of 1930, I also started a Friday evening route and soon more cabinets were in stores. More changes were then needed to make more room, I knocked out the wall between the garage and the cellar, this made the garage part of the cellar. The extra space allowed me to purchase a bigger saw and also I was also now able to store my Balsa there.

I wrote to my wife's brother John and ask him if his son, Paul Snyder, would want to come and live at our house and learn to be a Model Airplane Salesman. He was to graduate from the Duncannon High School in June. When I got word that he would come, I had to ask my wife's sister Blanche to give up the middle room for him, so she moved to Langhorn, PA where she taught school.

Now I had a new salesman by the summer of 1930, he worked in the cellar, that made two Pauls, Paul Keefe and Paul Snyder. I do not remember how long my new salesman stayed in the cellar as a trainee learning all about making model supplies. By late summer, I had taken him with me on my routes several times, so he was getting about ready to go out on his own. Since I would be teaching in September, he could use my Ford to deliver supplies and call on the regular customers.

My plan was to work out salesmen routes that would take a week to cover. I would take a day or two each week to build new routes, by selling, Green Cabinets.

I now needed a bookkeeper and our friend Gussie, as we called her, was Paul Snyder's Aunt. One of her nieces moved down from a New England State, so I hired her. She was Lena Fanslow, a High School graduate who had taken the commercial course. Her office would be the middle room on the second floor, the same room which my wife's sister Blanche had vacated for Paul Snyder. Now Paul had to find another other place to live. He would now be on his own.

We were then ready for the last four months of 1930 and into 1931. By this time, we were sawing up more balsa daily, so I rented my neighbors garage to store the wood. I was also buying more at one time by now.

Things were going along wonderful, no hitches, no problems, no complaints and it just was not normal to be this way. Usually there are lots of problems. Well. I must say I was not thinking about it back then, but one would know that at some time along the line there would be problems. I was a young man of 31 and had ambition, so as the problems came along they would be handled in proper manner.

Our neighbors complained about my operation and we were faced with this continually, but nothing ever happened from City Hall. I often thought about this part of my experience. I came to the conclusion long ago that the city fathers were not likely to interfere with a business which was helping the sour economy.

We were now into 1931 and remember, " The Great Depression" was on in full swing. I must say the neighbor's complaints of noise and constant clouds of balsa dust spewing from my sawmill did not bother me any way. Let the neighbors fuss. I just went along as though nothing happened.

I wanted to get a draftsman, so I could develop products faster, so I advertised in the local newspaper and soon had many replies. I hired a fellow named Albert Beck. He had graduated from Drexel as an Architect and seemed to be just the man I wanted. A drawing board was purchased and placed in the middle room where the bookkeeper worked, the room was small, but worked out very nicely

The first thing we started working on was to enlarge the number of 2-for-25¢ solid model kits, various advertising sheets and a boat model kit or two. The flying Model kits were the 25¢ variety. We had not gotten into the 10¢ flying model kits as yet. Then, of course, we manufactured in-house a sizable number of supplies including bottling all liquids which were then filled into small glass bottles using corks for stoppers.

We were now coming to the close of the end of 1931. I had tried out advertisements in a small way in February 1930 Model Airplane News, using the Parlor-Fly, then selling for 50¢ postpaid. In April 1930, we placed two-inch ads one column wide, and still using the name, Model Airplane Shop. I also tried the industrial Arts Magazine on Sept. 1930 advertising supplies, and June 1930 our Model Airplane Club. Ads in the school magazines proved not to be the proper place to advertise. The small ads in the Model Airplane News magazine would slowly build up our name, then later larger ads could be used as our line of merchandise increased. I intended by 1932 to have an agency prepare my ads for me.

More changes had to be made. I hired Harry Freese who worked in the basement, helping Keefe. I then rented another neighbors garage to store Balsa Wood. This helped create much activity in the rear of the house and the neighbors would start fussing at any time.

We not only were creating activity around our house, but out in the trade also. Now our competitors were even peeking in the windows of our basement. I did over hear two Comet men from Chicago, who just finished peeking say, "Well, this fly-by-night outfit is nothing to worry about". I just inject this overheard conversation as an interesting occurrence, no offense intended.

My salesman was doing a bang up job, so I got him a car for his own use, then traded in the Ford and purchased a new Chevy. Paul Snyder was building up the Philadelphia territory and could soon expand beyond Pennsylvania. About this time, I was thinking of sending him to Pittsburgh, and a young man by the name of Melvin Lake came to see me, he wanted a chance to get in as a salesman. It was getting close to 1933 now, so I hired him and his buddy, who would work in the basement, while Melvin would take the Philadelphia territory and Snyder would be sent to Pittsburgh and build that territory. The first week Melvin went with Paul Snyder, to learn how we operated. Now I had two sales-men, each with a company car, a bookkeeper, a draftsman and three workers in the basement. A formidable group to be working around a small house in a residential neighborhood.

Starting in 1933, my better judgment told me to plan moving, and the summer vacation would be an excellent time to move. The spring of 1933 saw me hunting for a suitable factory. I finally choose the Kensington Section and found a place on the second floor of Howard and Oxford Streets on the N.E. Corner, one block from Front Street. My rent was \$30.00 a month, on the second floor, with lots of space. When summer came, we moved and I would imagine the neighbors breathed a sigh of relief. I was able to get the place organized and running in good shape before school started. We hired a few more workers and were off on our next step in expansion.

Salesman Paul Snyder was, as usual, doing good in Pittsburg, as was Melvin in Philadelphia. These two men turned out to be the best salesmen that the Megow Corporation ever had. Melvin left us later, also Paul after the World Was II. Both these

two young men had a natural ability for selling and were both well liked by our customers.

Our advertising was enlarged to bigger ads, the design department was adding new kits quite rapidly and I was adding a new salesman to handle Philadelphia, moving Paul Snyder to Hackensack, N.J. and Melvin Lake to Pittsburgh and Ohio

Since 1929, the organization had been called Model Airplane Shop and in 1933, it was changed to Megow's Model Airplane Shop. My decision to do this was based on the idea that a single name of the founder of a business, over the years, find it easier to train the public to think and speak of a single name, in preference to a series of names so I added my surname "Megow's" with the idea of later dropping Model Airplane Shop. The latter would soon be outmoded anyway.

By now, we were into the last half of 1933, I continued to teach but was getting restless and finally in October I handed in my resignation, the school officials could not understand why I would quit a secure position, especially in a depression, and run a business that may fold up in a week or two. Well, I was determined, they were given time to find a replacement, which did not take too long, and I was out of the school business and on my own.

I had gotten myself a large, second hand, mahogany roll top desk, then I could close it and lock the thing. This had always been a yearning of mine to have a desk like my fathers, only his was smaller. Well any way that would be my office for a while.

After a few days at the full time, I decided to hire another man in the design department. Lucky for me Philadelphia had lots of draftsman and I was soon able to hire one.

We prepared catalog pages and circulars for our kits, supplies and miscellaneous items, which we carried at that time. We were coming into 1934 and business was growing rapidly. I was finally reaching a point that money would be needed to expand further, so I went over to the Ninth Bank on Front St., and started talks with them. I had no problem getting a fairly good line of credit, this enable me to discount all my bills and keep my credit on a high level.

Megow was growing so rapidly that it was now necessary to streamline operations, I had hired Paul Karnow in Feb. 1934 in the drafting department, and was working with Paul Keefe on plans to get production of kits on a bigger scale.

Studying our present factory, it did not appear to be practical for the thing we needed most, which was some space on the first floor, something we lacked in this building.

In the fall of 1934, I set up a warehouse in the basement of my uncle Ed Jonathas on North Clark St., Chicago, Illinois. I furnished him with a new 1935 Dodge Panel Truck and he would build up the territory. This basement warehouse soon became too small and would have to move to larger quarters. Ed Jonathas then decided to return to his profession as a Chiropractor.

Russ Weber, now took over, he had been helping Ed in the basement warehouse and building models. For historical reference Russ Weber was the first President elected to the National Model Manufacturer Association, which was organized a few years later. We had moved the Chicago facility to 627 Lake St., and sometime later to 217 N Des Plaines Street. On the second floor, we installed a modern conveyor belt for the purpose

of rapidly filling of orders, the same system used in the Philadelphia plant. The Chicago facility was incorporated as "Hobby Distributing Co. Inc."

1935 was the great expansion year for us. All areas which we could not reach by our own salesman were assigned to others to take care of the distribution for us. Foreign countries were handled by the following:

Guiterman Co., Ltd, -London, England: with offices in New York  
Aer-O Kits-Sheffield England  
A. Warnaar Voorburg - Holland  
American Products - Belgium  
Eskader - Sweden  
K-Dee-Pty - Australia

During the year of 1935, the sales territory west of the Rockies was turned over to Mr. Maus of the Great Western Mercantile Company, located at 718 Mission St. San Francisco, California.

I had ask my father, Emil Megow, one day in the spring of 1935, while visiting him in South Milwaukee, about making Balsa Propellers for us and since each Flying Model Kit contained one, there would be heavy volume and it might pay him to look into the possibilities. He got my brother George, who was an Electrical Engineer working for Allen-Bradley of Milwaukee, into the project. George then designed and built a machine to cut the propellers. My father sent me samples and quotations. From then on he furnished us with balsa propellers for our entire production, which ran into many millions.

Also about this time I had the advertising agency (spring of 1935) to start, gradually, to use the name Megow, omitting Model Airplane Shop, the latter would be completely eliminated by 1937. Our first ads started appearing In June 1935 with the name Megow's only.

Just at the time, my sales distribution became world wide we started our move into a new facility at Howard and Oxford streets, on the SW corner, this was only two blocks to the south of our previous location. We made the move in the summer of 1935 and utilized the entire facility. We now had over 50,000 sq. ft. of floor space on three floors and a basement.

The first floor contained the Air Conditioned Offices. Megow was among the first offices in Philadelphia that were air conditioned by General Electric Company. This floor also contained the Research Departments and the Shipping and Receiving Rooms.

The second floor was the packing/shipping department, orders were packed by use of conveyor belts from the finished goods and jobbing items departments.

The third floor was laid out with conveyor belts to assemble kits in large quantities and a large stock room to handle the goods in process.

To handle the large volume of business required mass production. The third floor was entirely production of the finished goods and a large stock room for kit-parts or as we called it Goods in Process.

The Print Room was also on the third floor. An automatic printing press was installed which printed up to 11 x 17 size plans. We had an excellent press operator, Al Hardie, and it was a full time job for him. All other larger plan sizes came from an outside printing source.

The printed wood was needed in large quantities; this took three manually operated presses, with a fourth one to cut the die-cut woods. The presses were also used for a variety of other printing requirements.

The tube production included our "Kwik-Dri Cement", as well as the cement in kits. The cement in kits was later discontinued due to costs and evaporation. We had two machines to produce the quantities of Kwik-Dri tubed cement needed. These were Stokes Machines made in Philadelphia, Pa. The regular 5¢ and 10¢ sizes were produced in quantities of 10,000 to 20,000, each machine depending on the size, which would require about 8 hours. Later cement was put in bottles for the larger kits, which were produced on a series of bottle filling machines.

Third floor assembly lines were set up to handle; 10¢ kits-40, 000; 25¢ kits-25, 000; 50¢ kits-10, 000, these amounts were per day including 1,000 per day on \$1.00 kits and lesser amounts on higher priced kits. This required us to purchase in quantities of 250,000 folding boxes, collapsible tubes, bottles and set-up boxes in smaller quantities.

The basement was the saw room with an automatic machine for cutting strips, a sanding machine finishing two surfaces at one time, routers, bending and forming machines, band saws and a variety of other special machines.

My biggest problem was obtaining an adequate supply of balsa wood. Some how, by fate or destiny, I was able to locate a man, Otto Egar, from Guayaquil, Ecuador, South America, a German, who had lived there since World War I. He came to my office while looking for business in the United States and I hired him to buy Balsa Wood in Ecuador for The Megow Corporation. He returned and I immediately located the Bank, "Liberty Bank and Trust Co." on North Broad Street, to handle my imports. My representative located the best quality woods, saw that they were properly packaged, loaded and shipped. The payments were handled by "Letters of Credit". Upon arrival in the Port of Philadelphia, the balsa logs were stored in a warehouse that I had rented. The warehouse eventually became stocked to the roof with one million board feet of Balsa Wood.

I installed a saw within the balsa storage warehouse for cutting the balsa to the rough size. After processing, the balsa was delivered to our factory at Howard and Oxford Streets for finish processing.

After 1935 business expanded at a rapid rate, we now had Snyder in the New England area, had expanded the Mid-west at Chicago with three salesman, New York and Detroit regions were taken care of by Hobby Jobbers, Mr. Maus on the West coast and eight salesman working out of our Philadelphia Office, the foreign market was fair.

On April 4, 1937 I purchased a new car, a 1937 LaSalle Touring Sedan, Series-50, for \$1350.00. After my trade in, I financed \$896.00 plus \$33.80 for a year's insurance with 12 monthly payments of \$82.14. I quote the amounts as in today's market the price would seem cheap, also note the annual insurance charge of \$33.80.

In late 1938 we got into the Model Railroad branch of the business, first in the H.O. gauge by putting out a 50-cent kit. This put jitters into the manufacturers who were getting much more money for the same thing. We had planned on mass-producing them, which we did and millions were sold. This was followed by low priced sets of rail-car trucks, which also sold millions and later we refined this line by producing Automatic Couplers, needle bearing trucks, buildings and many accessories, including 0-Gauge cars and engines, the latter being custom built.

We also handled many other brands of model products, which we did not manufacture, to enable us to be of better service to our customers. We had the salesman and it cost very little to add the products for our customers needs, and in that way they were able to substantially increase our sales.

In 1938, my wife and I decided to buy a new home. Looking around at what once were beautiful homes occupied by thriving, healthy families; looking back now amazes me. Today (1974), after all these years, I [realize] the suffering these fine people suffered during the great depression and here was a young man of the coming generation, he was ambitious, the depression was his ally, he would prosper, he would build a business, employ at it's peak over 400 persons, he was one who was eager to move and rear his family in one of those homes.

During those days, which we spent looking over homes, deserted by less fortunate people, I well remember that sadness came over me at times. I would picture those folks who had to give up what they had worked so hard for. My thoughts often wondered; where are they now, where did they go, how does the father earn a living? These sad thoughts did not deter me.

I had my mind made up on a good selection in the very nice Baederwood section of Jenkintown, Pa. It had been a model brick home with 2 1/2 stories and an original selling price of over \$50,000. The house, located at 140 Wyndale Road, had been abandoned and was scheduled for a Sheriffs auction shortly.

I arranged with a local real estate broker to loan me the key so we could look it over. This was accomplished and our mind was made up, I must get possession of this house immediately! I had a couple of extra keys made and returned the original key to the local broker, saying nothing to him. Now I had a key so I could gain entrance at any time. A mover was contacted to come to our house early the next morning and I secretly moved into the home and homesteaded. I wanted to be there before the broker got wind of what I was doing. Everything went without a hitch and by the time the broker got wind of what was going on, my family was in and settled.

Later the broker came to the house and rapped on the door. I remember answering and you never saw a man so upset, he was so mad, screaming he would call out the army to boot me out in the street. We settled the fuss and I offered to pay rent on a monthly basis until the sale, which I intended to do anyway through my own personal broker. On April 28, 1938, a Sheriffs sale would take place at the local courthouse.

I attended the Sheriffs sale with my broker and was able to buy our dream home for \$11,000. It was mine now, lock stock and barrel. In less than two years, I had it completely paid off. Determination and youth kept me going. I would let nothing stop me from getting what I wanted and I felt that I was fair and honest since no one was getting hurt, in my small way the economy of America was the beneficiary.

In 1938, we were still in the midst of a serious depression, and as I look back today (1974) over my life and the effects of depressions on the Megow families, I must say, from the time I was born, up to the now "Age of Inflation" our families had no trouble with depressions. My father survived several depressions as like-wise myself, however many people did not and through no fault of their own.

In 1946, I had a small factory built in Ocean City, New Jersey, near our summer home. The building was located on the corner of 14th and Haven streets. In the few years this factory operated it produced a large quantity of Balsa Boat Hulls and Doll Heads.

The carving machine was later moved to our Philadelphia facility. The last time I knew who the tenants were, I understand the American Legion had purchased it.

World War II was declared on December 7, 1941 and during the war years balsa-wood was frozen from civilian use. To continue manufacturing kits meant using harder wood, this step ruined the model business as we knew it and allowed plastics to enter. My balsa warehouse on the Delaware River was completely filled to the roof and the Navy forced me to lock it up. In Trenton, N. J. a firm had contracted to build life rafts for the Navy, they were made of Balsa wood, so I sold them a Million Feet at an excellent profit and discarded the warehouse, which I had rented.

The war can upset a business and even though we manufactured many things for the war effort, when the war ended we were confronted with a complicated task of getting back into civilian production. This involved changing banks where I could get at least \$200,000.00 in working capital to carry on the business and make the conversion. The downtown Real Estate Bank and Trust Company gave me about \$200,000.00 that I needed and the Broad Street Trust gave me \$25,000.00. This was a great help, but over the next few years' banks started to tighten up and fellows like me (small fry) took the full impact.

I stood this pressure until 1948, then one day I came home and told my wife, Rae, "I have had enough". Slowly I liquidated and by the spring of 1949 the shop was closed and we and our children, Ruth and Richard were on our way to Florida. Ruth was attending Penn State. John was in the Marines and Bob stayed in Philadelphia to clean up the loose ends.

The past many pages give a reasonable account of the development of the Megow Corporation and the part it played in the forming of the Model Industry, the balance which I will write is going to refer to my own personal philosophy and opinions regarding the contribution the Company made to the Industry and different courses which I could have taken, if I so choose. As I sit here in my home in Orlando, Florida (1974) pondering my thoughts in order to give a good assessment I trust that readers in future generations will consider that it is not easy for a man to go through that part of his life which was so important to him without some experiences that later touches the heart. I can say that most experiences were rewarding and make me very happy to recall."

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*The following excerpt, by Robert Megow, is from the book Megow-A History of the Man and His Company by Charlie Reich.*

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“THE MEGOW STORY  
Family Memories  
by  
Robert Megow (son)

(The following story and comments as received from Robert Megow in a telephone interview in September 2001. Robert was born in 1923.)

My father, Fred W. Megow, was born in 1900. In 1929, he was a drafting and shop teacher at a local high school in Philadelphia, Pennsylvania...He decided to introduce a new course and teach his eager youths about aeronautics as a school project. He had the kids draw up their own plans, build a model from their plan and hold a contest to determine the winner. From that emerged the Parlor-Fly design, a small rubber-powered flying model. In order to further the project, they also designed a couple of [easily built] solid models. [Dad realized that he needed to find someone to supply the materials required to complete assignments.] In 1929, Dad quickly realized there were not many sources of model supplies and certainly no model shops to obtain these specialized [materials].

He was able to locate sources and purchase materials for his school class project, then made up the kits for his students. Dad and Mom would sit at the kitchen table in the evenings making up these simple packages. We had a few Parlor-Fly kits left over and Dad thought we might try to sell a few at our local sundries store called Vic's Sundries.

I went with Dad to Vic's where Dad carried in twenty kits that cost us six cents each to make, and offered to provide them on consignment, along with a small supply of model parts and accessories. Dad told Vic that the kits cost him six cents [to make] and they would sell them for [a dime]. Dad offered to split the profit with Vic. Times were tough then, as we were in a depression, and Vic was more than willing to add a new item that might provide possible additional sales to his store, especially with no investment cost. They shook hands on the deal, Dad left a cigar box to put the money in and we left.

Two days later, Vic called in an excited panic, said he was sold out [and wanted us to] bring more kits and supplies quickly as the kids were lined up at the door! From then on, Dad could think of nothing more than planning and building a model business.

In February [of] 1930, my Dad placed an ad for his Parlor-Fly kit in *Model Airplane News*, *Industrial Arts* and *Open Road for Boys* magazines. They were offered for fifty-cents, post-paid.

Dad set up a workshop in the basement, and the kitchen table was used for our kit assembly and mailroom. The quarters soon started arriving by the bagsful. After supper, we would sit around the table and assemble kits in small cardboard mailing tubes. It definitely was a family business, as we all had to pitch in and help with this rapidly growing venture.

As the business grew by leaps and bounds, I also became older and more involved in [it]. In fact, our whole family was involved in the business. I would go to school, come home and do my homework, then immediately start in helping with the day's [orders]. Our mail-order business grew so big, along with an ever-expanding product line, that Dad now offered Megow catalogs. He would bring home a fresh batch of catalogs daily from the printer and it was my job to package, apply the address labels (which, fortunately, Dad hired some lady to type for us) [and] prepare the catalogs for mailing. Then I had to sort them by state for mailing on the next day. We charged ten-cents for the catalog and shipped out thousands. I will never forget it, as the task became drudgery for a young boy.

Dad then made up a small cabinet from plywood to display his items and [use] in stores as a selling tool. He painted it green and this became known as Megow's "Green Cabinet." It held kits, balsa, cement, props, two spools of rubber and various small parts

for model building. Dad would then travel out one or two evenings a week, plus Saturday, to locate stores willing to become a Megow "Green Cabinet" dealer, all at an initial cost to them of \$7.50 for the cabinet and contents.

Our supplies grew in types and quantities, and we soon had all the neighbor's garages rented to store our stock.

Balsa was a problem for our neighbors and elated many complaints. It was not only the constant noise from sawing, but the balsa sawdust, actually not balsa sawdust but balsa talcum powder. We tried to control it, but it blew all over the neighborhood. I look back now and laugh, thinking how the environmentalists would shut us down today; however in those scarce money days, any complaints to authorities went on deaf ears as this was a successful moneymaking enterprise. During a depression, that offered employment and tax income for the city's coffers.

The fire department hated us and we had an inspection one day where they insisted that we find an alternate method of storing the highly combustible sawdust. We then built an outside metal storage shed and rigged a pipe and blower system from our basement saw-room to blow the saw powder into the storage shed. Weekly, we removed the dust from the shed and loaded it into a truck to carry it off to the local dump. This act of transferring the dust to the truck and driving away always created a cloud of dust throughout the neighborhood. Our street looked like a sawdust road. We were not the favored neighbors by many.

In addition, we rented most of our neighbors' garages for our warehouses, and there was a constant movement of trucks in and out [of] the narrow streets and alleys, delivering or shipping supplies. This venture would have never succeeded in today's era, as it would have been shut down as a residential nuisance before it had a change to grow. The neighbors were elated when we moved to our own manufacturing facility downtown...but the balsa dust always remained a problem of temporary storage and disposal.

I will never forget, in 1933, at the height of the Great Depression, Mom's reaction when Dad came home from his teaching job and announced that he was resigning from his teaching position and was going into the model business full-time. Mom became frantic and pitched a conniption fit. It took a long time for her to calm down and accept the facts from Dad. He was in the doghouse for quite awhile.

Dad had hired a guy in South America to buy balsa logs for us and ship them to huge warehouses he rented down by the waterfront. By 1941, the warehouses were filled with over one million board feet of huge balsa logs when the Japanese bombed Pearl Harbor on that infamous Sunday, December 7, 1941.

A week later, on Monday, United States government officials knocked on our door and insisted that Dad sell them the balsa logs for the war effort. We were advised that we had the largest supply of uncut balsa logs in the United States and the Navy needed them to

make life rafts. Dad offered to use the balsa to make Mae West life jackets for them; However, the Navy would not hear of our cutting up this prime balsa timber, and the logs were immediately on their way to a raft manufacturing facility in New Jersey. They made us an offer we could not refuse and we suddenly found ourselves in a model business with no balsa from which to produce models. This was the beginning of the end of the Megow model business.

Soon after this sad event, I graduated from high school and joined the Army, serving in the European front. The Megow factory was converted over to make items for the war effort. The model business also continued selling whatever was left in stock and manufacturing model products using whatever substitute materials could be obtained. However, the model business also slowed down as many of the model building young men went off to war.

When I returned home, in 1946, I went back to work at Megow's. Dad was distraught from losing a very large investment because he had to scrap a warehouse full of raw materials and finished goods from the government contracts when the war ended. When the end came, the government canceled all outstanding contracts and Dad was stuck with a huge surplus of expensive unneeded raw materials, finished merchandise and special tooling with no compensation offered from the government for the loss. That was considered his contribution to the war effort.

Soon thereafter came new post-war government regulations and a general difficulty for a small business to get going again. We also had no balsa to produce kits and lost our supplier in South America. Prices escalated to a point where our old [dime] kits would now have to sell at 79-cents, and with the higher costs and normal dealer/jobber discounts, our profit margin was whittled to next to nothing.

In the spring of 1949, after a long successful run, Dad came home one day and said he was throwing in the towel. The new government regulations, banks and unions were just too much to deal with. His joy of running a business was lost.

Dad liquidated the business and we all moved to Florida, where my folks retired. My dad, Fred Watrous Megow, had a stroke and died at the age of 77 on March 12, 1977, leaving a long legacy in the early days of the model manufacturing business.

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[See photographs from *Megow-A History of the Man and His Company* below]

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Fred W. Megow  
1900 - 1977



Main Office and Factory: Philadelphia, Penna.