

*Ex-Omahan's Plant Here—***Western Electric Was Early in Phones**

The giant corporation that will build a giant manufacturing plant southwest of Omaha was founded in 1869 by a college professor, a former telegrapher and a telegraph company executive.

Founders of what now is Western Electric Company were Elisha Gray, a college professor with an inventive turn of mind; Enos Barton, a former Western Union telegrapher; and Gen. Anson Stager, vice-president of Western Union Telegraph Company.

They set up a small shop, originally in Cleveland and then in Chicago. Initial operations were manufacture and repair of telegraph instruments and other electrical devices.

The firm, first known as Gray and Barton Company, became Western Electric Manufacturing Company in 1872. It became one of half a dozen firms competing in producing the telephone, invented in 1876.

The Bell System acquired controlling interest in the company in 1882. Headquarters now are in New York.

Gradually Western Electric concentrated on supplying the Bell network. By 1925 Western Electric had



Kappel . . . ex-Omahan

sold its power apparatus and home appliance business, its foreign telephone enterprises and its electrical jobbing business.

Today its main job in the Bell System is manufacture, purchase and distribution of supplies for Bell companies and installation of central office telephone equipment.

It also does work for the Government. In 1955, Western Electric sales were \$1,853,299,000, a 21 per cent increase over 1954. Sales to the Bell companies account-

ed for 66 per cent of the total.

The company at the end of 1955 had 120,054 employees, 31 per cent of them women.

Western Electric last year was a customer of more than 28 thousand firms in three thousand cities some in every state and in several foreign countries.

About 90 per cent of the suppliers were small business having fewer than five hundred employees, the annual report stated.

Fred R. Kappel, 54, president of Western Electric, is a former Omahan.

After graduation from University of Minnesota in 1924 with a degree in electrical engineering, Mr. Kappel joined the Bell System as a groundman for Northwestern Bell Telephone Company in Minnesota.

He came to Northwestern Bell general headquarters here as plant operations supervisor in 1937. He rose to vice-president of operations and a member of the board of directors in 1942.

Mr. Kappel became an assistant vice-president of American Telephone and Telegraph Company in 1949. He has been president of Western Electric since January 1, 1954.