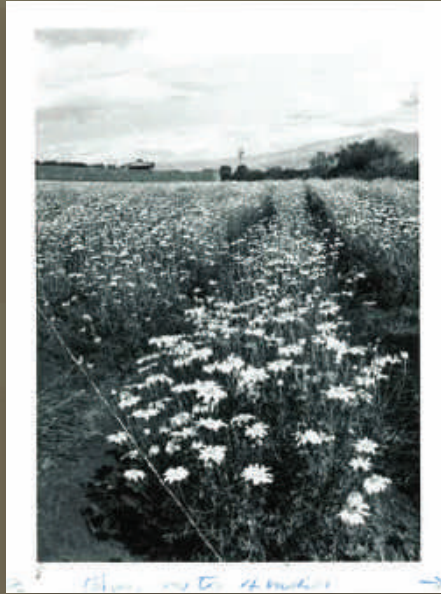




The MGK Story:
The First 110 Years





Pyrethrum flowers

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Foreword

By Barbara Gullickson

From the day I was born in 1928, I have watched four generations of men in my life provide leadership to this company as it grew from a small dry goods operation into a global leader in the pest control industry. For me, it has been both a pleasure and an honor.

In 1928, my grandfather, Alexander McLaughlin, ran the company known as McLaughlin Gormley King. I don't remember him well, but through stories I know that he was a wonderful salesman who got this company off the ground in the early 1900s. I remember well when he passed away and my father, George, began to run the business. My father was a thoughtful, gentle man who was wonderful with people. But between the great depression and World War II, times were very difficult for the company, and my father worked extremely hard to keep MGK above water. He continued his role in the company through my childhood, my teen years, and as I became an adult.

I met and married Bill Gullickson in 1952, and we moved to Chicago and began to raise our family there. My oldest sons Bill, Jr., Mike, and Jim were all born there. We stayed until my father called Bill with an offer to come back to Minnesota and work for the family business, an offer my husband eagerly accepted. He was an optimist, both energetic and outgoing, and he joined MGK with enthusiasm. And so in 1960, I watched the third generation of my family become involved in running MGK. My husband worked hard for the company and I took care of our family, which grew a bit larger when Steve was born in 1962.

My husband, like my grandfather, was a great salesman who traveled across the world in search of pyrethrum. He loved to talk about the business, and I literally sat and listened for many hours. Together, I traveled with Bill on behalf of MGK to Kenya, South America, England, France, Germany, Italy and, of course, Japan. And the people that he did business with became his friends—and our friend, as well.

Bill and I were both extremely proud to see our sons take on leadership of the business as Bill was ready to retire. Bill, Jr. was like my father and played an important role in modernizing our company, computerizing the operations, creating a team and building the wonderful new plant in Chaska. Steve is more like my husband was, a salesman at heart with big ideas and big goals.

Before he passed away, my husband often used to say that our sons were doing a much better job of running the company than he ever did.

And I'm proud of them all, having watched them run this company my entire life, together with all of the wonderful people over the years who have made MGK successful. Together they have all built a great reputation for MGK as a company that is fair, trustworthy, and honest. I'm proud of that, too.

It has been entirely my pleasure to watch this business grow, from my unique perspective right in the middle of it all. And at age 85, I'm still excited about the future of MGK.

Barbara Gullickson

July, 2013



1

Drugs, Feeds and Extracts

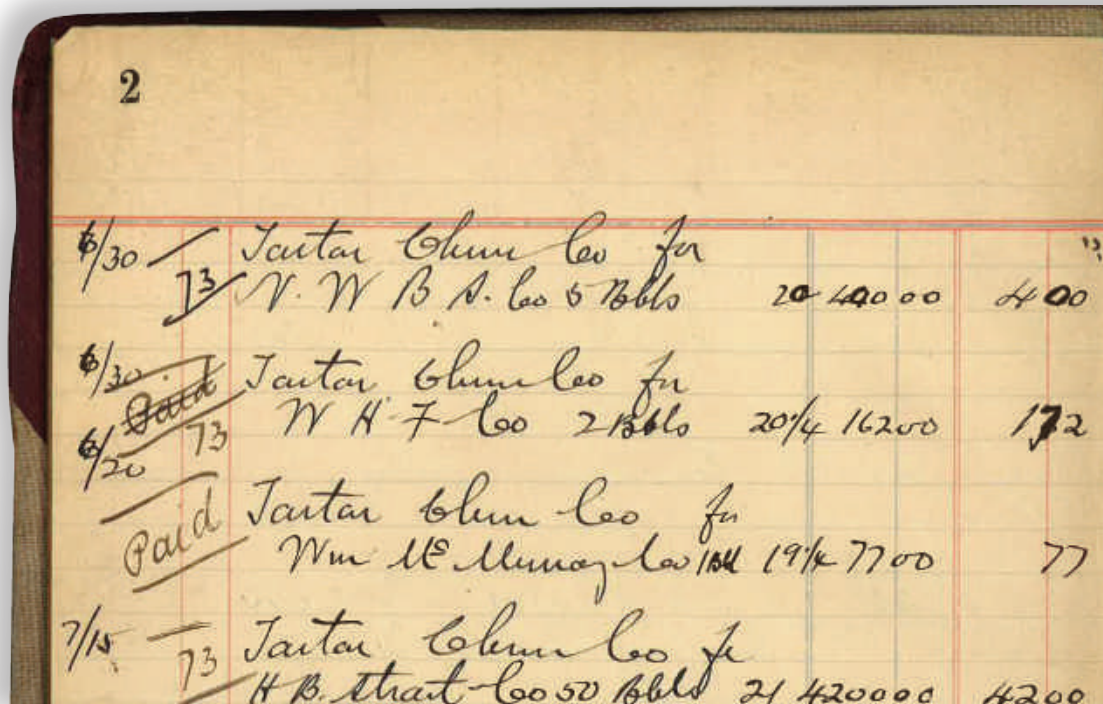
In 1901, Alexander McLaughlin formed a company that would import botanical ingredients and spices from across the world. He ground these materials—barks, plants, fruits and flowers—into very simple formulas and sold them as botanical drugs and nutraceuticals. His tenacious sales efforts built a market for those products in pharmaceutical and veterinary supply firms.

By 1908, McLaughlin's venture was ready for its next steps. Together with brother-in-law, Samuel King, and pharmacist John Gormley, who brought money and business acumen to the table, he made the McLaughlin Gormley King Company (MGK) a corporation under Minnesota law. It is not accurate to say that this new venture was without vision, nor could you say that its future direction was etched in stone. In those early decades, MGK would take several twists and turns in the process of finding its ultimate direction.

Four men were present on the evening of April 29, 1908, at the very first meeting of the company's new board of directors: Alexander McLaughlin owning 241 shares of the new company, John Gormley owning 169, and Samuel S. King owning 103. King's son, George A.N. King, also joined the company's board and was named secretary.

The first order of business was to purchase a going venture called Twin City Drug for the sum of \$41,500. This business added capacity and credibility to the job of importing, milling and distributing botanical drugs.

Their business became profitable fairly quickly. By 1912, MGK was able to pay 10% bonuses to six of its employees, based on profits from the previous year. This venture was primed for growth and it needed a place to manage that increased activity.



Their business became profitable fairly quickly. By 1912, MGK was able to pay 10% bonuses to six of its employees based on profits from the previous year. What it needed most was a place to manage that increased activity. In a fairly intensive search, the firm identified several tracts of land located near the University of Minnesota campus and the banks of the Mississippi River. In April 1909, the board authorized its secretary to negotiate for the purchase of 5 lots at the corner of 18th Ave SE and 5th St, offering up to \$5,000 plus options for two additional lots. One month later, the board voted to raise its offer to \$6,500 for the same land.

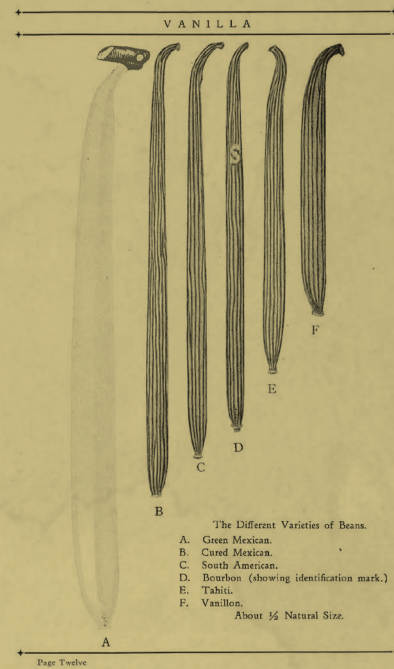
Once acquired, the board hired the architects Bell, Tyrie and Chapman to design buildings for the land they had purchased. The original specifications called for a concrete, fireproof building, four stories with basement, 60 x 120 feet, with a heating plant, gas and electric lighting, and a fireproof vault, plus "all the necessary arrangements for handling the business of the company in the most economical manner possible." Several months later, MGK decided to amend its specifications to include a sprinkler system.

The company took out a construction loan for \$30,000 to finance its new buildings on the seven lots they had acquired. By 1913, McLaughlin announced to the company's shareholders that the new mill had been completed.

The company was in the midst of a period of good sales and good income. MGK announced a profit of nearly \$17,000 in 1913, increasing to a high water point of \$75,000 in 1917, and declaring a stockholder's dividend of \$70,000 during that period. Alexander McLaughlin now served as both president and general manager of the organization.

The new space gave MGK the room to explore new ventures as opportunities presented themselves, and McLaughlin and his associates continued to expand the growing market for botanicals. MGK added big, new grinding and packaging facilities so that botanicals and spices—at first handled in bulk in original packages—could be sold nationally through wholesale grocery and manufacturing channels.

MGK also had room to explore new ventures in this building. In September of 1914, the board voted to begin selling "disinfectants and disinfecting materials, and sanitary



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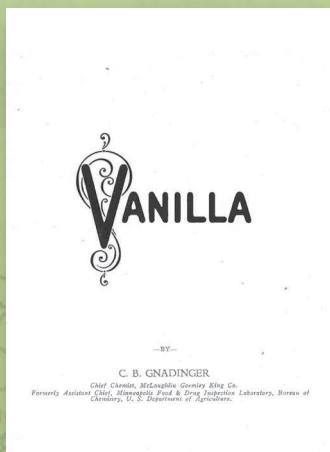
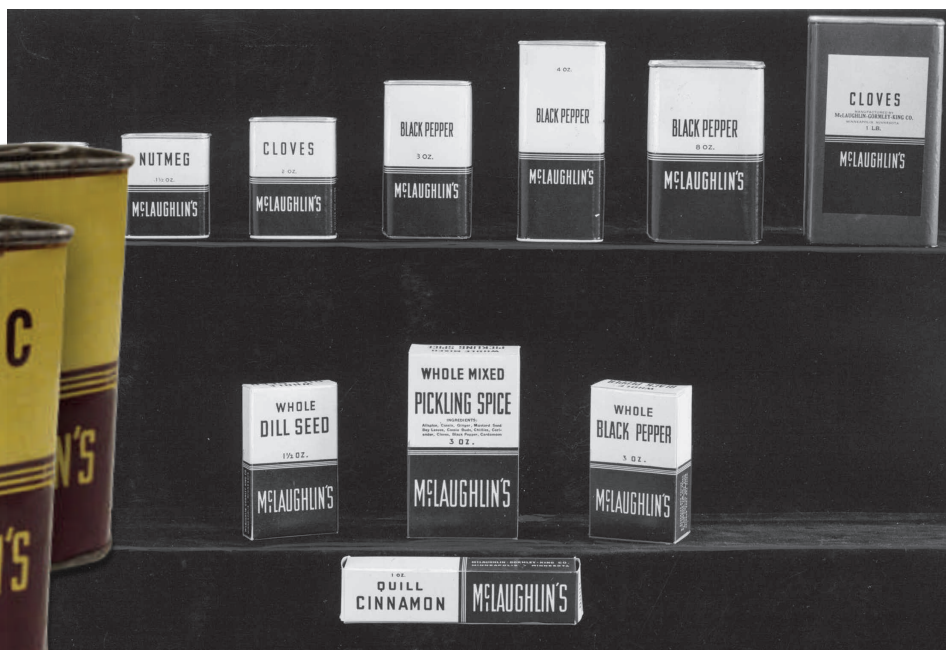
9/14 General Behin Leo for
 Paid H. M. Lambert
 25 Bbls Sulph Alumina 183²⁵

8/18 Paid Wieglin Wickes Bk. Mfg Co
 for Adams Mfg Co 150⁴ Bourbon 9 13 50

8/18 Haushaw Fuller Goodwin Co
 for U. J. O'Neil
 45⁴ 6x8 Nickel Anodes 64 29 00
 50⁴ Dbl Nickel Watts 13 1/2 6 75

179





MGK was importing and exporting products to and from nearly every country in the world. Its flavor extracting department was a growing part of the venture, working with cinnamon, vanilla, cloves and other materials to create new and improved products for the marketplace.

supplies” directly to schools and hotels. They named this venture Stuart Sanitary Supply Company. Not every McLaughlin Gormley King initiative turned to gold, however. This particular venture was closed down in 1917 due to unprofitability.

In early 1916, the board agreed to purchase \$8,000 worth of equipment to form McLaughlin Chemical Works, including “apparatus machinery and materials for manufacturing of certain aniline dyes and chemicals.” The work would be conducted in a separate building from where the botanicals, spices and food products were produced, so the new company paid a monthly rent of \$100 to its parent.

The first attempt at building a chemical business, however, became a short-lived venture that closed within 18 months due to “a large amount of money expended for experimental work without producing any satisfactory returns.”

Meanwhile, the core business continued to add profitable lines and markets. By the end of World War I, MGK added retail spices and flavoring extracts to its product base, selling them under private grocery company labels and under the McLaughlin’s brand, both in bulk and in retail containers.

Sales were coming in from across the U.S. and beyond. MGK had sales offices and sales agents outside of Minnesota. In one such market, New York, the company decided to establish a stronger foothold. So in 1920, in order to “take care of Eastern business and reduce expense of doing business in New York City,” the MGK board committed to adding a branch plant in or near the East Coast.

MGK purchased a mill in Rockaway, New Jersey, for \$35,000 in March 1921, hoping that it would increase capacity and opportunity for the firm. It proved to be a break-even idea at best. Just three years later, board members voted to “sell the Rockaway property at the best price obtainable for quick sale.” MGK sold the property in 1924 to Joseph Harris, taking a small loss. In a sign of the importance of maintaining a national presence, however, the company agreed to keep a New York sales branch open for business.

1. Mexican (State of Vera)
2. South American (Guai)
3. Bourbon (Madagascar)
4. Bourbon (Comoro Isla)
9. T

At this point in time, MGK was importing and exporting products to and from nearly every country in the world. Its flavor extracting department was a growing part of the venture, working with cinnamon, vanilla, cloves and other materials to create new and improved products for the marketplace.

Then, MGK took its business in a major new direction, though one very much in sync with the work in which it had been engaged for more than 20 years.

Several years earlier, in 1919, the company had hired a young chemist away from the USDA, Charles Gnadinger, who had come chiefly because of his expertise in working with extracts. He took an interest in investigating chrysanthemum flowers, whose dried flowers were frequently included in spice shipments from overseas.

At that point, it had long been known that pyrethrum, a naturally occurring chemical in the chrysanthemum plant, had qualities in it that repelled and even killed insects. Gnadinger, with his company's consent, decided to study that plant's extract to identify better ways to capitalize on its qualities.

Gnadinger and his team developed a technique to quantify pyrethrum, so that it could be used in consistent quantities sufficient to develop commercial products. The company's first effort with pyrethrum was a solution of 20 lbs. of pyrethrum flowers to one gallon of kerosene. That solution led to another one, an acetone extract of pyrethrum that would be marketed to growers and household users. Diluted in a weak soap solution (one part extract to 800 parts water), the product was first sold as Evergreen in 1927.

Evergreen was an effective product because it controlled a wide variety of insects while being nontoxic to humans and animals. Impressed with the potential of marketing such a product, the MGK board called a special meeting on July 16, 1927, "to consider the proposition of marketing and advertising Evergreen Insecticide." Though the board took no definitive action that day, those who know this story will recognize the meeting as the first step in moving MGK in its ultimate direction.

Charles B. Gnadinger

The story: *Gnadinger didn't discover pyrethrum. In fact, there's evidence that Caesar's army used pyrethrum, crushing some flowers and putting them on their heads for lice control. But MGK figured out how to standardize the flowers for insect control. And you have to give a big chunk of that credit to Gnadinger, who saw the flowers coming in product shipments and, as an expert in working with extracts, decided to study them. So thanks to his work, we can say, "we're going to deliver the same product day in and day out and it's going to perform in the same way each time."*

Steve Gullickson

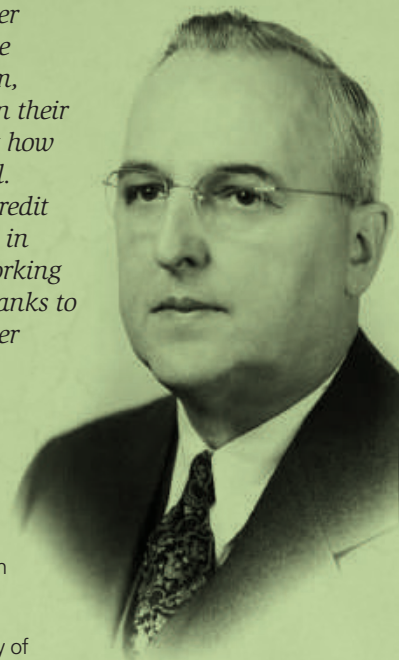
In 1919, in an effort to investigate properties of certain botanicals MGK was handling, MGK hired Charles B. Gnadinger, then a chemist and assistant chief of the Minneapolis Food and Drug Administration Laboratory of the USDA.

Gnadinger was brought in, first and foremost, to devote his talents to the chemistry of extracts, most specifically pure vanilla extracts. But by the late 1920s, he began work on a line of insecticides based on pyrethrum, helping MGK become the first company able to consistently measure the levels of pyrethrum extract in solution, thereby ensuring uniform effectiveness. He also was the first in a long line of MGK managers who traveled the world in search of pyrethrum flowers, engineering the first purchase from a farm in Dalmatia, Yugoslavia.

Under Gnadinger's scientific guidance, MGK would devote much time to the strategic and prolonged research into pyrethrum's effectiveness as a pest control ingredient. Gnadinger became known as the most prominent industry expert, and wrote and edited the first published edition of *Pyrethrum Flowers*.

By 1930, the MGK board of directors gave Gnadinger a six-year contract for \$6,500 per year, including the stipulation that if the company was sold or operations discontinued, he would be assured of fulfillment of the obligation. In 1935, he joined the company's board of directors, even serving briefly as president of MGK in the early 1940s.

Gnadinger earned 7 patents on concentrated pyrethrum extracts and wrote or co-wrote 18 publications in industry journals such as *American Chemical Society* and the *Journal of Economic Entomology*. He retired from MGK in 1950.





Shortly after, MGK decided to invest itself more fully into this fledgling insecticide business, hiring Mitchell Advertising Agency in 1929 and appropriating \$24,000 to advertise Evergreen in national gardening magazines. As a further indication of this new direction, MGK joined the National Association of Disinfectant and Insecticide Manufacturers.

Gnadinger, who became a stockholder in 1927, became a well-known pioneer in working commercially with pyrethrum. By 1928, the board had agreed to upgrade its facilities, investing \$10,000 to increase its capacity to fulfill growing demand for the production of Evergreen. The company remained profitable during that period, with 1927 profits coming in at just under \$50,000.

Though Alexander was still leading the company at this point, he had brought in his son, George, to join him in the company's leadership circle. In 1926, George became a shareholder and was elected to the board of directors. At this point, George owned 396 shares of MGK stock. Though growing, most of the business was still a family affair. At that time, both Alexander McLaughlin and Samuel King were still active board members, though Mr. Gormley, while maintaining his ownership stake, had stepped down from the board in the early '20s. Another King, G. H. N. King, ran the company's New York office.

This growing and profitable venture was now beginning to attract outside interest, and the board members explored the possibility of growth through a merger. Though they considered an opportunity to merge with Murray and Nichol Manufacturing Company of Chicago in the early '30s, the board ultimately voted against it in 1932.

The Gnadinger-led manufacturing team increased the company's commitment to the insecticide business, convincing the company to invest in a new product, pyrocide. This commitment was an indicator that MGK would need to seek out ways to ensure that they could find supply of enough pyrethrum to continue to meet demand.

In addition, quality became a growing issue, and the team recognized the need to conduct more research into the toxicity of the pyrethrum products it was developing. While working to test products in real conditions, Gnadinger believed that the company needed its own dedicated place to evaluate how its products worked on insects. During this period, the company invested \$5,000 per year to build an insectary that would breed flies, aphids and red spiders year-round as test insects.

As this research and production process grew, it became clear that MGK would have to figure out how to acquire a much larger supply of chrysanthemum flowers. In 1933, Gnadinger presented to the board a proposal that they contract with a woman in Dalmatia, Yugoslavia, Ms. Dubrovnic, who grew the needed plants. Soon afterwards, MGK had found a more productive source of pyrethrum from growers in Kenya, where the equatorial environment could produce several crops of flowers per year. In its first commercial purchase, MGK bought 4 tons of Kenyan pyrethrum flowers from D.H. Pell-Smith, beginning a long series of partnerships with African growers.

PYROCIDE

20

**DEODORIZED
CLARIFIED**

**PYROCIDE
20
REGULAR**

THE ORIGINAL STANDARDIZED
PYRETHRUM CONCENTRATES

McLAUGHLIN GORMLEY KING CO.
MINNEAPOLIS, MINNESOTA • U. S. A.

The Gnadinger-led manufacturing team increased the company's commitment to the insecticide business, convincing the company to invest in a new product, pyrocide.

EVERGREEN
The Fast-Selling
NON-POISONOUS
GARDEN SPRAY
PROTECTS GARDENS
AND GARDENERS

EVERGREEN
Garden
SPRAY
NON-TOXIC
NON-IRRITIOUS

KILLS INSECTS ON PLANTS
such as aphids, scale, mealybugs, etc.
... recommended by garden experts
everywhere. Sell it with complete con-
fidence of high quality.

Evergreen, the old reliable brand
Garden Spray sells fast—leave no com-
petitor. Order today.

Better Insecticides
**McLAUGHLIN GORMLEY
KING COMPANY**
Makers of Insecticides Formed 1902
MINNEAPOLIS, MINNESOTA

Seed Nov 26 - Feb., March, April, May - 1932

After building a market for Evergreen, MGK continued to add new pyrethrum-based insecticide products such as Pyrocide 20 and Dry Pyrocide, a dust that could be used as a raw material to sell to licensed manufacturers who had their own brands. This new product, with measurable amounts of pyrethrum content, generated new levels of demand, and would utterly transform both the marketplace and the company's sales organization.

These successes convinced MGK leaders of future opportunities in its expanding insecticide and food lines. Betting on the future, they decided to sell off a significant portion of the business that had led to the company's success in earlier years. According to an ad in *Oil, Paint and Drug Reporter Magazine* in February of 1935, MGK announced the sale of the botanical drug, stock food and stock remedy business to S.B. Penick & Company of New York.

At this point, with Alexander and George McLaughlin firmly in control with 60% of the company's shares between them (the Kings held 35% of the shares at this point, with Gormley selling most of his shares through the years), the company's future was coming into better focus. MGK ran an insecticide and chemical business in one of its buildings, and produced a line of food and spice products in the other.

Prior to the start of World War II, the company was exporting pyrethrum insecticides to 30 countries in Europe, South America, Africa and Asia. A strong business base had been established, and an international network of agents and brokers were in place to sell both insecticides and spices. A leadership transfer after Alexander McLaughlin suffered a stroke in 1936 would make growth more difficult, as would the upcoming war. But after more than 30 years in business, MGK had become a pioneer in a new industry, in which it would remain a leader for years to come.

Alexander McLaughlin

The Story: *In the mid-1920s, future MGK vice president Clifford Rovick was a 17-year-old factory worker for the company. When it was his turn to make the mail run to the University Post Office, he took the company car and, to his dismay, received a parking ticket while there. He returned to the office, nervous about the consequences that awaited him, and he ran directly into Alexander McLaughlin, company president, at the front door. Afraid he might be fired, Cliff hesitantly showed Alexander the ticket, and Cliff was told to follow him back to his office. Upon arrival, Alexander handed Cliff \$5 to cover the ticket, along with the warning, "Don't park in that place again."*

Bill Gullickson, Jr., as recalled from Cliff Rovick

Alexander McLaughlin went into business in 1901 as a grinder of plant leaves, barks, fruits and flowers to make and sell products for pharmaceutical and veterinary supply firms. Born and raised in Scotland, he was a focused, big-hearted man who supported his products with great energy and tenacity.

He knew how to sell things best of all. "He would go out and sell farmers the idea that their cows would eat more if they put his product into their food," recalled Barbara Gullickson, his granddaughter. It was said that whenever business would slow down, Alexander would get on a train and, within a week, orders would once again fly in across the telegraph.

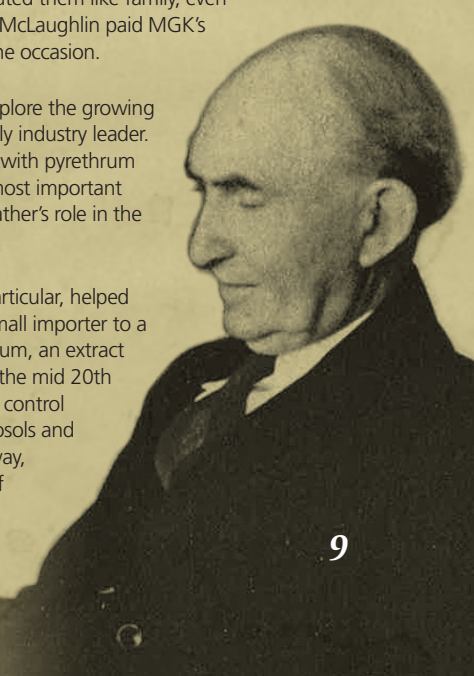
On the family side, he was a devoted father to three children, Lillian, George and Isabelle. He ran a traditional household on Minneapolis' Lake of the Isles where you learned your manners, spoke when spoken to, and wore your best clothes for church on Sunday.

When he formed a corporation with John Gormley and Samuel King in 1908, he envisioned that McLaughlin Gormley King would have a broad core of products and divisions. In those early years, the young company offered several hundred nutraceuticals and botanical drugs, as well as creosote-based sheep and cattle dips. Together, the new partners purchased Twin City Drug for \$41,500, and combined it with Alexander's business interests to build a company that quickly became profitable. They soon invested in a brand new manufacturing facility and continued to explore new ventures.

MGK went through some challenging years as well. However, through a combination of heart and hard work, Alexander made sure the company always stayed above water. He valued his employees and treated them like family, even when business was slow. In fact, it is said that McLaughlin paid MGK's payroll out of his own pocket on more than one occasion.

Under his guidance, the company began to explore the growing industry of insecticides, and became a very early industry leader. At the time of his death in 1939, MGK's work with pyrethrum as an insecticide had become the company's most important work. Alexander's son, George, assumed his father's role in the company's leadership circle.

The hard work of Alexander McLaughlin, in particular, helped MGK evolve during those early years from a small importer to a chemistry-based enterprise focused on pyrethrum, an extract from the chrysanthemum flower. Throughout the mid 20th century, MGK built a core expertise in the pest control qualities of pyrethrum, developing liquids, aerosols and powders for a worldwide market. Along the way, building competencies in identifying sources of pyrethrum and complying with the growing environmental regulations within the industry.



2

Innovation and Survival

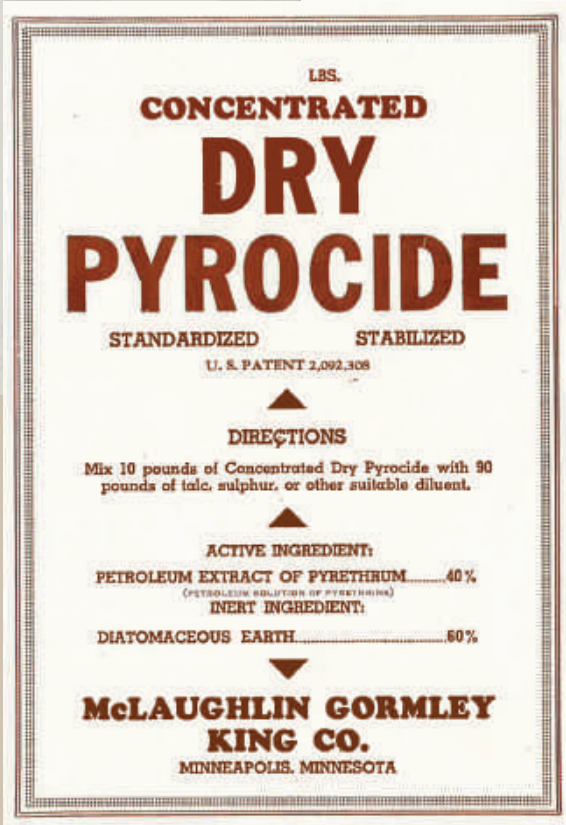
When a young George McLaughlin came to work for McLaughlin Gormley King in 1926, he expected to have more time to learn the ropes. George, a relatively recent college graduate, had spent some time selling insurance since graduation. He took over the reins in 1936 when Alexander McLaughlin suffered a stroke.

Though MGK had been established thirty years earlier and had built a base of profitable product categories in both spices and pest control, the coming years would test the company's mettle as the world moved out of a post-depression era and ever closer to World War II. It would test George's ability to navigate the company as well.

Key to the company's growth was its work with pyrethrum, which became MGK's most important product by 1936. Rather than sink during the depression years, the company actually invested in new plant equipment to expand its pyrethrum processing capabilities. Among MGK's successes during this period was the development of Dry Pyrocide, an insecticidal product in the form of concentrated dust. Pyrocide dust became a commercial success with a new group of customers: home gardeners, truck crop growers, beet farmers and other commercial growers.

MGK refined its marketing approach in order to capitalize on the opportunities brought forward by Dry Pyrocide. It built a new sales organization and published extensive sales manuals and literature to aid in the product's growth. Dry Pyrocide was preferable to—and less toxic than—other insecticides that were available, relatively easy to apply, and proven to be highly effective at insect control. Additionally, this insecticide in its dry form could be stored more easily and for longer periods of time

Dry Pyrocide, an insecticide product in the form of concentrated dust, became a commercial success with a new group of customers: home gardeners, truck crop growers, beet farmers and other commercial growers.



without the product losing strength, another important advantage.

Yet due largely to events happening around the world, MGK encountered great difficulties in maintaining the flow of the key ingredients required to manufacture its pest control products. The evolution of pyrethrum led to availability of higher quality crops around the world. Japan was the first country to produce pyrethrum flowers in a greater potency, relying partially on purchasing crops grown in China. To capitalize on this higher quality ingredient, MGK invested in a Japanese laboratory. Soon, Japan was providing nearly all of the pyrethrum purchased in the U.S.

When Japan moved troops into northeast China in 1937, the Roosevelt administration in the U.S. imposed an embargo on many products from Japan, including natural pyrethrum. For a company now exporting product to 30 countries, including Argentina, India and South Africa, the outcome was potentially disastrous for MGK. This shutdown of their main pipeline for the key ingredient of its growing line of pest control products ultimately threatened the survival of the company.



In need of an alternative supply of pyrethrum flowers, the company jumped on an opportunity to encourage growers in Kenya to produce the crop. By offering a higher price for the plant than what they had paid in Japan, MGK was able to build a new supply chain to meet its needs. At first, MGK purchased the entire supply of flowers from Kenya.

George McLaughlin

The story: *In the 1950s, the company continually searched for new sources of pyrethrum. Somehow, my father identified an opportunity in the Congo in Africa. One problem: Schilling Travel, Minneapolis' only travel agency, could only get him to Kenya. "We can get you to Nairobi, but that's it—you're on your own after that." So George flew to Nairobi and from there figured out his way to the Congo, which turned out not to be such a great opportunity after all.*

Barbara Gullickson

George McLaughlin, along with his sisters Lillian and Isabel, were the three children of Alexander McLaughlin. After graduating from college, George went into sales in the insurance business until, in 1926, Alexander asked him to join the family business. Upon Alexander's stroke, George was thrust into MGK's top leadership position. George was a kind, gentle and thoughtful man, according to his daughter, Barbara. Having to take over the role that his father had filled impressively for over 30 years, he didn't share his father's self-confidence or his salesmanship. "But his superb caretaking talents brought MGK through difficult times," Barbara recalled.

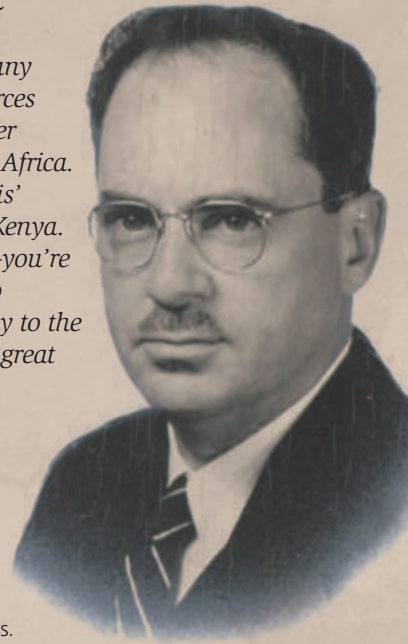
At first, George opted to turn MGK's reins over to Dr. Gnadinger, the lead chemist, who served as president for a short period. But within a year, George moved into the lead position.

Unfortunately, there were many stressful times early on in George's tenure, primarily surrounding the post-depression years and World War II, when the international market that MGK built collapsed as pyrethrum became unavailable. There were also shareholder conflicts as the original generation of leaders passed on their MGK investments. Meanwhile, in addition to supporting his wife and daughter, George was still supporting his mother and his two sisters.

Yet people remember George as a hard-working man, always wearing a suit while at the office. He championed issues of fairness, such as when he expressed concern that the funds MGK was paying for pyrethrum in Kenya were not going directly to the farmers. "He played an important role in making sure that farmers in different countries were paid for the crop they grew," explained Bill Gullickson, Jr.

George was well-loved for this sense of fairness, his dry sense of humor, and his wonderful ability to work with people. It was that skill, in contrast to the outgoing nature of his father, that made him an effective leader for MGK. In 1958, he turned over the role of president to Caroll Clark, who had served as factory manager and general manager. As chairman, George focused on longer term planning while Clark ran the day-to-day business.

In 1962, George recruited his son-in-law, William Gullickson, to leave his advertising sales position in Chicago and move up to Minneapolis, ultimately to take over the company's leadership role. George remained active in the company and, at the time of his death in 1975, was still MGK's single largest shareholder with 16% of its stock.



Joe Moore

The Story: *In a company full of serious people, Joe brought a great sense of humor to his work. When he worked with Dr. Gnadinger in the '30s and '40s, Joe loved to play practical jokes on him. Gnadinger was a stern and imposing man. Joe was the only one who could get away with it.*

Bill Gullickson, Jr.

Throughout the company's history, it's likely that MGK's most unique character was Dr. Joseph B. Moore, who became its vice president in charge of research.

Joe attended Cornell University, then crossed the country to work in the apple business in Washington state. There, he became well known to MGK team members as an important customer. Soon they successfully wooed him into a vital role with the company as director of research.

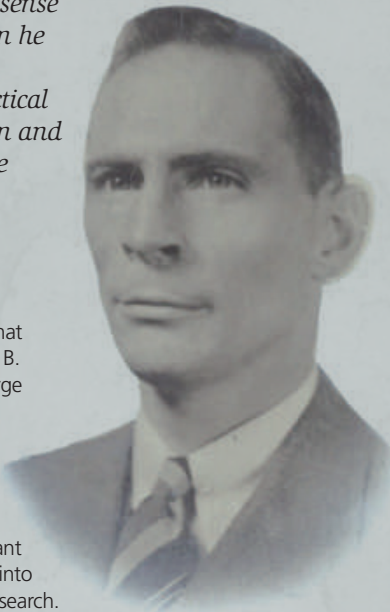
Throughout his years with the company, others considered Moore an innovator and an important source of ideas. He looked at things differently and recognized new opportunities. That's not to say that all of his ideas worked. "A lot of them failed," recalled Bill Gullickson, Jr. "Like most research, he'd think of something and then go out into the real world to try it, and sometimes would say 'no, that didn't work.'"

He traveled often in search of new products for MGK to bring to market. He became a close confidant of George McLaughlin, a frequent traveling companion and a close friend, Barbara recalled. Described as one-of-a-kind, a creative thinker and even a visionary, his impact on the company lasts to this day. As Bill Gullickson, Jr. recalls, "the company's current methodology for mosquito control is a direct result of Joe Moore's work." He encouraged development of the first ultra low volume fogger, which could effectively treat large volumes of acreage with very small amounts of chemical, thus limiting public health concerns.

Moore and his wife, Beth, owned several acres of land in Edina, where they kept horses, goats, ducks and an assortment of other animals.

In 1938, when the company purchased 600 acres of land in Pagosa Springs, Colorado, to investigate the options of growing its own pyrethrum, Joe directed the project. Through several years, he ran the project with gusto, even adopting it as his family's own vacation ranch. The McLaughlin family made annual summer trips out to the land as well. "I had the best time out there," recalled Barbara, who went there in her early teens. "They brought many of their animals out there, and kept horses there, and I had my own pony." When MGK decided to close the project, Moore purchased a portion of the land back from the company to convert it into a real vacation home.

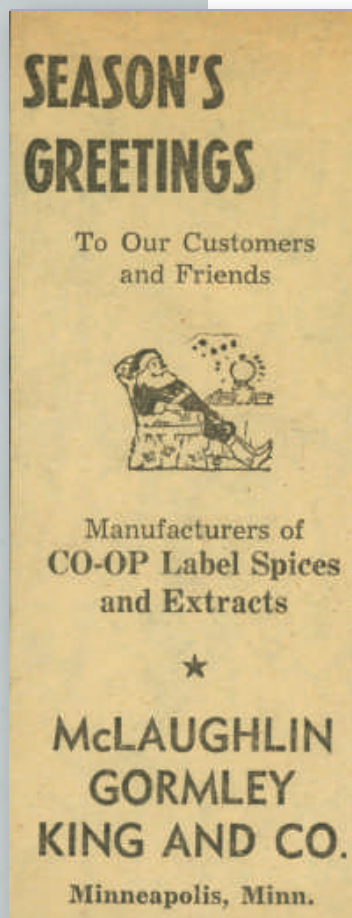
*December 17, 1946,
Holiday Ad in Co-op
Builder Magazine*



But as the war expanded throughout the world, pyrethrum became a vital resource for the control of malaria, a known danger for U.S. and Allied troops in Guam, the Philippines, and other key battle areas. In 1942, pyrethrum was declared a strategic war material for the control of malaria, and all pyrethrum grown in Kenya—a British colony—was reserved for use by Allied armies. During those war years, MGK produced exclusively for the U.S. Department of Defense and the Navy, which ensured business, but dramatically curtailed its international sales efforts.

MGK purchased 600 acres of Colorado land in 1938 to experiment with its own growth of natural pyrethrum. After several years of growing, MGK realized that the cost of labor in the U.S. made growing the crop far too expensive. They shut the project down, selling a portion of the land back to VP Joe Moore, who had been in charge of the project and converted it into a family ranch.

The Navy's ongoing need to protect troops from malaria forced it to look for new ways to grow pyrethrum. The Navy developed a farming operation in Oregon, relying on interned Japanese Americans to provide free labor. While this effort was successful at producing some pyrethrum flowers, the model they used would not be useful after the war. "The only reason the Oregon project was successful was because they had no labor costs," explains Bill, Jr., indicating why pyrethrum never caught fire as a marketable crop in the U.S.



In 1943, all of MGK's manufacturing efforts became dedicated to the production of pyrethrum extract for the use in aerosol spraying overseas, in areas occupied by Allied troops.



★ DOUBLE MISSION ★

U. S. NAVY FACTORY

THE EVER continuing improvement of the well-known pyrethrum insecticides has been further stimulated by current military demands. As a result, MGK standards of quality, which have always been high, will be set even higher for post war production.

Under a companion program of research we are now developing and testing new DDT insecticide formulations. Identified and marketed under the trademark "Multicide" they will include the following:

LIQUID CONCENTRATES: Multicide Commercial Growers' Spray, Multicide Emulsion Spray, Multicide Dispersion Spray, Multicide Spray-Oil Fortifier.

SOLID CONCENTRATES FOR DUSTS AND SPRAYS: Multicide No. 80, Multicide No. 75W, Multicide No. 50, Multicide No. 50W, Dry Multicide.

Pyrethrum products will be available

The names "Pyroicide" and "Multiicide" are the

NON-HALOBIDE PYROCIDE DUST TRADE-MARK

McLAUGHLIN GORMLEY
MINNEAPOLIS

Meeting the military demand for malaria control hastened development of new ways to disperse pyrethrum. In 1943, all of MGK's manufacturing efforts became dedicated to the production of pyrethrum extract for use in aerosol spraying in overseas areas populated by Allied troops. The company excelled in this new area, improving the quality of the product as the war continued.

When World War II ended in 1945, the marketplace for pest control products had changed dramatically. Continued production shortages and high prices for quality pyrethrum had encouraged other manufacturers to develop less expensive products, most notably DDT. With pyrethrum-based products unavailable during the war, DDT-based products stepped up and gained recognition. MGK found that demand for its line of products had dropped significantly.

FACTS REGARDING SELO

The Relative Toxicity of Pyrethrins and Resins as Fly Spray Insecticides
By C. B. GRABROSKY AND

McLaughlin Gormley King

A synergistic combination



PYROCIDE® MIXED WITH MULTICIDE® MAKES A GRADE AA SPRAY

Trade mark Reg. U.S. Pat. Off.

Better Insecticides

★ New high strength aluminum alloys have revolutionized airplane manufacture because they are lightweight yet have a tensile strength far greater than the combined strength of their component parts.

Similar progress now appears in the insecticide industry, with the discovery that Pyroicide combines synergistically with Multicide to produce far greater strength than if each is used alone.

The fast action of Pyroicide (Pyrethrum) is complemented by Multicide (DDT), assuring high final kill. Combined, their effectiveness is multiplied ... they become deadly to both flying and crawling insects.

And when efficiency goes up, costs come down—in this case, 33%.

You can get more information on this amazing synergistic combination by writing McLaughlin Gormley King Company, Minneapolis, Minnesota.

McLaughlin Gormley King Celebrates Fiftieth Year

McLaughlin Gormley King Company, Minneapolis, processor, formulator and supplier to the insecticide industry, is celebrating its fiftieth year in business. The company was founded in 1902 by Alexander McLaughlin to grind and process botanical drugs. Members of the King and Gormley families became partners soon thereafter, and the company was incorporated under its present name in 1908.

About 1920, the management specialized in the processing of pyrethrum flowers, then known as "insect flowers." Various kinds of extract and concentrations were developed including the trade-marked product "Ever Green," still widely used by amateur gardeners.

In 1930, the first method of assay for pyrethrin content was developed, known as the Gnadinger-Carl or copper reduction method. This led to the standardization of pyrethrum extract for the first time. MGK also produced the first "highly concentrated extract" known as "Pyrocide 20," standardized to contain two grams of pyrethrins per 100 cc. This enabled manufacturers for the first time to produce insecticides of measured and uniform effectiveness.

In 1937 MGK offered the first premium for high pyrethrin content flowers in order to encourage Kenya Colony growers to develop a new and more dependable source of supply.

During World War II it produced more highly concentrated and purer pyrethrum concentrates, now widely used under the trade-marks "Pyrocide 175" and "Pyrocide 88." A new manufacturing plant operating at capacity used from one-quarter to one-third of all of the pyrethrum imported into the country.

With the development of the allyl analog of cinerin I, so-called "synthetic pyrethrin," McLaughlin Gormley King developed an intense interest and did an extensive amount of work in entomological laboratory and field research. The management induced Benzol Products Company, Newark, N. J., to produce this new synthetic insecticide under contract. So successful was this joint venture that McLaughlin Gormley King Co. is credited with establishing one of the first large scale commercial developments of pure allethrin.

This has resulted in consumption of MGK Allethrin in eighteen months ending April 1, 1952, of the equivalent of more than 1,100 tons of high content pyrethrum flowers. More than 12,000,000 aerosol packages have by now been marketed by civilians or used by the military containing its new synthetic active principle. Many millions more are now on order and in process.

The company, finding that the most suitable synergist for use with pyrethrins and allethrin appeared to be N-octyl bicycloheptene dicarboximide, purchased the patent for this product now marketed as MGK "264." As a result of these activities, and a continuation of a substantial pyrethrum manufacturing business, the company's sales have increased 40 percent in the last five years.

The management of the company is under George McLaughlin, president and treasurer, who became president in 1936. He is the son of the original founder, Alexander McLaughlin, who died in 1939. Other officers are Carroll A. Clark, vice-president and general manager; Paul D. Torpin, vice-president and general sales manager, and Frank J. Radeck, a director and assistant sales manager.

McLaughlin Gormley King Correction

In reporting the fiftieth anniversary of McLaughlin Gormley King Company, Minneapolis, Minn., in the previous issue of OPD, it was erroneously stated that the firm has shown a 40 percent sales increase in the last five years. MGK sales have risen 400 percent during the period.

Again, George and his colleagues were forced to fight for the ultimate survival of their company. "My father would pace up and down the floor when times were tough for the company," recalls Barbara.

At this point, MGK "made a drastic change in management philosophy," according to the writings of Carroll Clark, a chemical engineer who joined the company in 1932. Though George still ran the company and was the majority shareholder, he chose to delegate more authority to an entire executive team, which included Clark, Clifford Rovick, Dr. Joe Moore, and Paul Torpin. Clark, the factory manager, was appointed general manager. This leadership structure remained in place through 1958, when Carroll Clark was named the company's president. George became chairman of the board of directors.

Working together to keep the company moving forward, this group of leaders earned the respect of all employees. "They were concerned about all employees, treating us as an important part of the company," recalled Dean Kassera, a chemist who joined MGK in 1959. "We didn't just come to work at MGK, we came to work hard and make the company grow."

A few key projects kept some revenue flowing through MGK during those early post-war years. And the MGK leadership team proved able to adapt to the new marketplace. Having perfected their product line for aerosols brought renewed opportunities.

In 1947, the U.S. Congress passed the Federal Insecticide, Fungicide and Rodenticide Law, which required tests for safety and efficacy of all insecticide products. Though this legislation at first looked like a barrier for MGK, the company developed an important expertise in the interpretation of application of this law to its own products, as well as to the products of customers, vendors and partners. From then and continuing through the date of this publication, MGK has developed an important niche in navigating the rules required by the EPA (formed in 1970) to successfully earn product registrations. This expertise would lead to key MGK services to customers in later years: assisting them with understanding of the new laws and registration of their own products so that they could be used in the pest control industry.



The company's production and marketing of spice products under the names McLaughlin's and Spice of Life also continued through the '50s.

MGK celebrated its 50th anniversary in May of 1952.

Perhaps the most important outcome from the pyrethrum shortage during the war years was the exploration of new ways to achieve the results MGK had found using pyrethrum. MGK helped to develop this market for synthetic pyrethroids. In 1948, the company agreed to purchase 10,000 lbs. annually of a pyrethroid called allethrin. They entered a three-year contract with the Benzol Products Company of New Jersey. Within a year, MGK was using allethrin as an active ingredient in some of its products. Today, the continued development and use of pyrethroids remains a vital element in the company's product development and sales process.

The 1950s were fairly good years for the McLaughlin Gormley King Company, as the company found new opportunities to purchase pyrethrum from around the world, and as new pyrethroid products came to market. The company had sales offices in Chicago, New York, and in several locations overseas. The company's production and marketing of spice products under the names McLaughlin's and Spice of Life also continued through those years.

In 1960, partly out of desire to add some youth to the company's leadership team, partly out of business need for new talent, and partly out of an effort to spend more time with his daughter and grandchildren, George McLaughlin reached out to William Gullickson, who married his daughter Barbara eight years earlier.

The couple had three children and was quite settled into suburban life in Chicago. Bill, a World War II veteran of the U.S. Army Air Forces who had graduated from University of Minnesota with a degree in journalism, was working as an advertising sales manager in Chicago for *Sports Afield* and *Space and Aeronautics*, both Hearst publications. Yet something in George's approach convinced his son-in-law to make a big career move, so William Gullickson, Sr. brought his family to Minneapolis and joined MGK with great enthusiasm.

Bill, who first became manager of international sales, added positive energy to the company and was a fast learner. In 1964, when sales manager Paul Torpin passed away, Joe Lee, who ran the Chicago sales territory for MGK, became domestic sales manager. Gullickson's role increased as well, when the board elected him first vice president of the company, and he was named the company's new marketing manager.

MGK ANNOUNCES...

New Success With Allethrin

**EFFECTIVE ROACH CONTROL - SAFE
LOWER COST FLY SPRAYS - ODORLESS**



McLaughlin Gormley King announces three new Booster Concentrates (all containing Allethrin MGK) which produce superior, toxicologically safe, roach and fly sprays with costs reduced to effect worthwhile savings. These products have been thoroughly tested by independent laboratories during a period of more than a year and have been used in practice by experienced pest control operators.

SUCCESSFUL MGK BOOSTER CONCENTRATE "Z" FOR ROACHES
— Makes superior Roach Spray. Toxicologically safe, practically odorless, it is being successfully used in all types of food preparation plants, factories, mills, warehouses, stores and homes. Price is exceptionally low.

SUCCESSFUL MGK BOOSTER CONCENTRATES "X" AND "Y" FOR FLIES — Two very effective concentrates which are guaranteed to make Grade "AA" Sprays. Toxicologically safe, practically odorless, and is being used in homes, food establishments, on cattle and wherever sprays are found to be most effective.

IT'S HERE... Allethrin* MGK

FOR EXPERIMENTAL USE IN...

AEROSOL INSECTICIDE CONCENTRATES

SPRAY INSECTICIDE CONCENTRATES

DUST INSECTICIDE CONCENTRATES

* Allethrin is the ally homolog of Chlores I, the so-called "synthetic pyrethrum".



September, 1948

MGK Allethrin

MGK Allethrin, the long-sought synthetic substitute for pyrethrum, is now available. Its active ingredient—allethrin, MGK recognizes that allethrin for introduction into commercial markets. Allethrin has, beyond that, allethrin is equal to pyrethrum in its killing power, and is superior in odor, quality and stability. However, our research suggests that for the present allethrin is best for use with pyrethrum. Such conclusions are based on its superior to or better than pyrethrum odor, when properly formulated, and will allow the current stock supply of pyrethrum. Certain synergists have shown increased effectiveness.

ROUGH PROOF

TOAP & CHEMICAL

1000 W. 10th St. Minneapolis, Minn. U.S.A.

10/1/49



Pyrocide Aerosol Mix

IN MANY FORMULATIONS

McLAUGHLIN GORMLEY KING COMPANY
MINNEAPOLIS, MINN. U.S.A.

In 1948, the company agreed to purchase 10,000 lbs. annually of a synthetic pyrethrum called allethrin. Today, the continued development and use of pyrethroids remains a vital element in the company's product development and sales process.



Alexander McLaughlin

Pyrethrum Processing Room



1901 Alexander McLaughlin formed a company that sold botanical drugs and nutraceuticals made from imported barks, plants, fruits and flowers.

1908 Alexander McLaughlin together with Samuel King and John Gormley, founded McLaughlin Gormley King Company (MGK), a corporation under Minnesota law.

1909 MGK board authorized its secretary to negotiate for the purchase of 5 lots at the corner of 18th Ave SE and 5th St.

1926 George McLaughlin became a shareholder and was elected to the board of directors.

1927 MGK's first pyrethrum-based product, *Evergreen*, sold to public.



1928 The board agreed to upgrade its facilities, investing \$10,000 to increase its capacity to fulfill growing demand for the production of Evergreen.

1942 Pyrethrum was declared a strategic war material for the control of malaria.

1943 All of MGK's manufacturing efforts became dedicated to the production of pyrethrum extract for use in aerosol spraying in overseas areas populated by Allied troops to control malaria.

When World War II ended in 1945, the marketplace for pest control products had changed dramatically. Because of continued production shortages and high prices for quality pyrethrum, other manufacturers had developed less expensive products, most notably DDT. MGK found that demand for its line of products had dropped significantly.

1947 U.S. Congress passed the Federal Insecticide, Fungicide and Rodenticide Law, which required tests for safety and efficacy of all insecticide products.

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1960 William Gullickson, Sr. brought his family to Minneapolis and joined MGK.

1962 MGK sold the remainder of its spice business to Hygrade Food Products Company, divesting itself of the well-loved *Spice of Life* and *McLaughlin's* brands. *It was a sad moment for many at the company, but very forward-thinking in terms of paving the way for future growth.*

1964 William Gullickson was elected first vice president of the company, and named the company's new marketing manager.

1964 MGK formed the Kenya Pyrethrum Company as a company subsidiary.

1967 MGK formed a partnership with Dr. James Hardwicke to build a new subsidiary, Hardwicke Chemical, based in Elgin, South Carolina.

Hardwicke Chemical began to manufacture piperonyl butoxide, a synergist, and Diethyl-meta-toluamide, an insect repellent better known as DEET, both of which became integral ingredients in MGK's overall product line

1969 William Gullickson, Sr. was named president in 1969. George and long-time president Carroll Clark still played prominent roles at MGK. Clark retired in 1971. Four years later, George passed away,

1980s MGK had become a bonafide international company, with a sales force that covered the entire United States, as well as countries across the globe, all actively selling MGK's aerosols, sprays, repellents, synergists, and crop protectors. A growing line of products, combined with growing custom solutions and a newfound expertise in compliance to government regulations, put the company in solid standing for the end of the 20th century.

MGK's leadership recognized that compliance would be a key requirement for any future success, so the company made a conscious decision to turn it into one of the company's strengths. Not only were the company's product lines and procedures fully compliant, but its expertise helped MGK's customers become compliant as well.

1982 Bill Gullickson, Jr. moved to Minnesota and became general manager and COO. His first order of business was to incorporate computers into the operation.

1989 Sumitomo Chemical purchased a 20% share of MGK.

1989 Bill, Jr., became CEO.

Aerosol spray development



2000s As political issues in Kenya made it a less viable pyrethrum producer, the company turned to new partners around the world—purchasing an interest in BRA in Australia, and taking a controlling interest in a subsidiary in Tanzania in 2006.

MGK continued to expand its branded products line from Evergreen Pyrethrum Concentrate and Dry Pyrocyde to PyGanic, Nyguard, Bedlam Plus and VamPyre. With over 250 active product registrations in the U.S. alone, MGK remains poised to meet the needs of its ever-growing customer base.

2001 MGK launched *PyGanic*, the company's first certified organic brand. *Its first branded product.*



2001 University of Minnesota claimed the company's original building by eminent domain and razed it in 2004 to make room for the land's current occupier, the University's Ridder Arena.

2006 Steve became President of MGK.

2006 MGK buys a majority share of the Pyrethrum Company of Tanzania.

2010 MGK establishes Muhavura Extractions Ltd in Uganda for pyrethrum processing.

1900

1910

1920

1930

1940

1950

1960

1970

1980

1990

2000

2010

1912 MGK took out a construction loan for \$30,000 to finance its new buildings on the seven lots they had acquired. By 1913, the new mill had been completed.

1917 MGK profits reached \$75,000, and declared a stockholder's dividend of \$70,000. Alexander McLaughlin now served as both president and general manager of the organization.

1919 MGK hired Charles Gnadinger. He took an interest in investigating chrysanthemum flowers, whose dried leaves were frequently included in spice shipments from overseas.

Pyrethrum, a naturally occurring chemical in the chrysanthemum plant, had qualities in it that repelled and even killed insects. Gnadinger, with his company's consent, decided to study that plant's extract to identify better ways to capitalize on its qualities.

1930s The Gnadinger-led manufacturing team increased the company's commitment to the insecticide business, convincing the company to invest in a new product, pyrocyde.

During this period, the company invested \$5,000 per year to build an insectary that would breed flies, aphids and red spiders year-round as test insects.

MGK found a more productive source of pyrethrum from growers in Kenya, where the equatorial environment could produce several crops of flowers per year. In its first commercial purchase, MGK bought 4 tons of Kenyan pyrethrum flowers from D.H. Pell-Smith, beginning a long series of partnerships with African growers.

Dry Pyrocyde became MGK's top selling product, which increased both the profits and demands of the company.

1936 Pyrethrum had become MGK's most important product.

1937 When Japan moved troops into northeast China in 1937, the Roosevelt administration in the U.S. imposed an embargo on many products from Japan, including natural pyrethrum. This shutdown of their main pipeline for the key ingredient of its growing line of pest control products ultimately threatened the survival of the company.

1950s The 1950s were fairly good years for the McLaughlin Gormley King Company, as the company found new opportunities to purchase pyrethrum from around the world, and as new pyrethroid products came to market. The company had sales offices in Chicago, New York, and in several locations overseas. The company's production and marketing of spice products under the names McLaughlin's and Spice of Life also continued through those years.

1958 Carroll Clark was named the company's president. George became chairman of the board of directors.



George McLaughlin

1970 U.S. government formed the Environmental Protection Agency (EPA), a group that would steadily add regulatory laws such as the Toxic Substances Control Act and the Resource Conservation Act. MGK began to dedicate key resources to creating the necessary documentation required and working to understand the full impact of the new regulations.

1970s William, Sr's search of pyrethrum supply alternatives led him to Japan, to a company called Sumitomo Chemical. In the early '70s, they were having success with a pyrethroid called pynamin forte. By the late '70s, Sumitomo still had not succeeded in selling pynamin forte in the U.S. During a significant pyrethrum shortage, Bill, Sr. traveled to Japan and once again pitched the Japanese chemical company, projecting that he could sell 40 metric tons of the product, a promise the Sumitomo people expected would be impossible. Their response was, "we'll take you up on that, but we don't think you can do it."

MGK delivered, forming the basis for the company's most important business partnership that continues today. Bill and his team had cemented MGK's reputation as an outstanding sales agent for Sumitomo.

1972 MGK moved its chemistry and administrative operations to a new building located in Golden Valley, MN. That facility remains MGK's corporate headquarters at the time of this writing.

1979 Bill Gullickson, Jr. joined MGK at the international sales office in White Plains, New York.

1992 MGK invests in alternative production of pyrethrum in Australia.

1997 MGK completed the move of its entire plant from its Minneapolis location to a new site in Chaska.

1998 Bill, Jr's youngest brother, Steve Gullickson, officially came on board as director of sales and marketing.

Pyrethrum processing plant, Africa



Tractor at work in chrysanthemum fields, Australia

African field worker with child picking chrysanthemum flowers



Chrysanthemum flowers

3

Strengthening the Vision

M GK had a difficult task ahead of it in the early 1960s. George McLaughlin knew that the company's spice business had been struggling, but it was his son-in-law Bill who helped to convince him that it was time to close that division. Despite a crew of loyal, hard-working women who ran the production facility, the business had become unprofitable.

George and Bill came to recognize that, if MGK was to grow, they would need to shed the portion of the business that had been its core industry back when the company was first founded. So in 1962, MGK sold the remainder of its spice business to Hygrade Food Products Company, divesting itself of the well-loved Spice of Life and McLaughlin's brands. It was a sad moment for many at the company, but very forward-thinking in terms of paving the way for future growth.

One key investment MGK made during this period was to acquire its own property for the production of pyrethrum. The country of Kenya had become a major grower of the plant—at one time, 85,000 Kenyan farmers were employed full time growing pyrethrum. MGK formed the Kenya Pyrethrum Company as a company subsidiary in 1964.

In 1967, MGK formed a partnership with Dr. James Hardwicke to build a new subsidiary, Hardwicke Chemical, based in Elgin, South Carolina. Hardwicke was a brilliant organic chemist, “the only man I knew who could think in three dimensions,” recalled Bill Gullickson, Jr. Hardwicke Chemical produced intermediates used in pesticide production and also produced mosquito repellent chemistry.

“Jim Hardwicke could literally take a carbon molecule and see in his head its three-dimensional form, and turn it over and twist it to form new chemicals,” said Bill, Jr.

MGK took the proceeds of the Hygrade sale and reinvested it in this venture more closely related to its core business. MGK owned 65% of Hardwicke Chemical, with Hardwicke owning the remaining shares. Hardwicke and Bill, Sr. became both close friends and very successful business partners. Hardwicke Chemical began to manufacture two critical chemicals for MGK: piperonyl butoxide, a synergist, and Diethyl-meta-toluamide, an insect repellent better known as DEET, both of which became integral ingredients in MGK's overall product line



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At its core, however, MGK sold products based on pyrethrum, and that's where Hardwicke Chemical's greatest value came. The company's most prominent innovation was a model for making the components required for all the different pyrethroids used in the agricultural community. Though not new, Hardwicke figured out how to do it less expensively than had been done previously. Together with Bill's leadership, they figured out how to engineer, produce and market successfully for years. "My dad's involvement was from the business end—how to price things and how to pay attention to costs. The two of them were quite a team," recalls Bill, Jr.

Not everything that Bill, Sr. touched turned to gold, however. As he explained to his son Steve, "I just went out and tried to get technology, trying to bring us things that we could then craft and bring to the marketplace to drive revenue." He purchased about a half-dozen entities or ideas that ultimately failed. But two deals he made kept the company alive. "When MGK wasn't making a dime in the '70s, Hardwicke Chemical was making so much money that it kept our financial statements looking healthy," Steve added.

In 1972, MGK made a significant real estate decision, moving a major portion of its operation away from its manufacturing plant in southeast Minneapolis. Though all production would still be performed there, the chemistry and administrative operations moved to a new building located in Golden Valley, MN. That facility remains MGK's corporate headquarters at the time of this writing.

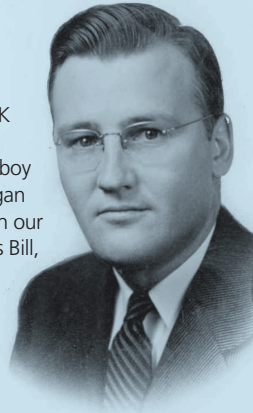
When Bill was named president in 1969, both George and long-time president Carroll Clark still played prominent roles at MGK. Clark retired in 1971. Four years later, George passed away, ending a 50-year period during which he led the company through both profitable and difficult times.

Bill, Sr. was now firmly in place as the company's leader. He inherited a few notable challenges. In 1970, the U.S. government formed the Environmental Protection Agency (EPA), a group that would steadily add regulatory laws such as the Toxic Substances Control Act and the Resource Conservation Act. In the coming years, MGK began to dedicate key resources to creating the necessary documentation required and working to understand the full impact of the new regulations. The costs of operating the MGK business would increase.



Clifford Rovick

Cliff worked for MGK for over 50 years, beginning as a stockboy in the 1920s. He began at age 16, working in our food business, recalls Bill, Jr. "He was a very, very smart man, despite the fact that he never finished high school."



Rovick worked his way up through the company, becoming an office boy, a bookkeeper, and beyond. "By the time my Dad got here in 1961, Cliff was vice president in charge of procurement and credit. Basically, he was the operations manager and head of all of MGK's administrative functions."

Mr. Rovick, as Bill remembers him, was Bill's first boss at MGK when he spent a summer working at the company. "He was a pretty stern Norwegian guy and he didn't tolerate a whole lot of back talk from young people. When I worked for him he was always Mr. Rovick."



In 1972, MGK's administrative and chemistry operations moved to its new Golden Valley, Minnesota, location and remains there today.

CHAPTER 3 : STRENGTHENING THE VISION

Later in that decade, the company's largest client at the time, S.C. Johnson, began to purchase pyrethrum directly from Kenya and other countries, dramatically affecting the company's sales. Fortunately, the investment in Hardwicke Chemical continued to produce dividends. So with some failures and some successes under his belt, Bill raised the ante, traveling the world in search of pyrethrum while continuing to seek out the right combination of science and sales opportunities that would become MGK's sweet spot.

His search led him to Japan, to a company called Sumitomo Chemical. In the early '70s, they were having success with a pyrethroid called pynamin forte. Bill saw a big sales opportunity, so when Sumitomo representatives came to the U.S., he suggested to them that MGK become their sales agent in this country. But Sumitomo turned him down.

By the late '70s, Sumitomo still had not succeeded in selling pynamin forte in the U.S. During a significant pyrethrum shortage, Bill, Sr. traveled to Japan and once again pitched the Japanese chemical company, projecting that he could sell 40 metric tons of the product—a promise the Sumitomo people expected would be impossible. Their response was, "we'll take you up on that, but we don't think you can do it."

But MGK delivered, forming the basis for the company's most important business partnership that continues today. Bill and his team had cemented MGK's reputation as an outstanding sales agent for Sumitomo.

In 1979, a new generation of family leadership began when Bill Gullickson, Jr., the oldest son of Bill, Sr., came to work at MGK. After earning a degree in hotel management at Cornell University, his father asked him to join MGK's international sales office in White Plains, New York, together with sales managers Erwin Chark and Trevor Lloyd. Bill would focus on sales in Latin America.

Just three years later, Bill, Jr. moved to Minnesota and joined MGK's Golden Valley office as general manager and COO. Bill, Sr. remained as CEO and chairman. "My job was to modernize the company," Bill explained, which in 1982 meant learning how to incorporate computers into the operation. "We had no computers here at all and I worked to completely automate the office functions of the company."

Working with an older workforce, however, there would be quite a bit of resistance to the task of computerization. Yet as people realized the benefits, they began to adapt. It turned out to be a very important change for MGK. "The most resistant person in the whole building was my father, who wouldn't even let me put a terminal in his office."



In 1982, Bill, Jr. took on the task of modernizing MGK's workforce by incorporating computers into the operation.

William D. Gullickson, Sr.

The Story: Around 1960, my father got the call. And it probably went something like this, George said. "That's my only daughter, those are the only grandkids we're going to have, and you're gonna raise them close to home. So, come work for the company, get up here." In reality, my dad jumped at the opportunity to come work for MGK with his father-in-law.

Steve Gullickson

When Bill Gullickson moved with his wife Barbara and his three young children from Chicago in 1960, MGK needed to create a position for him, so they named him international manager. The new job meant he was on the road often, which his wife Barbara McLaughlin Gullickson remembers quite well. "We had three, then four boys in our house. He was gone a lot."

Born in St. Paul, Bill went to war at age eighteen after joining the U.S. Army Air Forces and getting sent to Italy. "He flew many missions overseas, bombing in front of the German armies," explained his son Bill, Jr. Upon returning, he graduated from University of Minnesota, married Barbara Jean McLaughlin, and move to Chicago to take a job in the advertising industry. He remained there until George, recognizing the need for new young leadership ("everyone had grey hair at that time," recalls Steve), recruited him to move into MGK.

"My father (George) was thinking of selling MGK, but as it came right down to it, he didn't want to. That's when he asked Bill to join," Barbara recalled.

William D. Gullickson is remembered as a great leader for MGK. A natural salesman, Bill was "confident in himself, worked hard and played hard," recalled former technical director and longtime employee Dave Carlson. "He was very fair, and I really liked working for him."

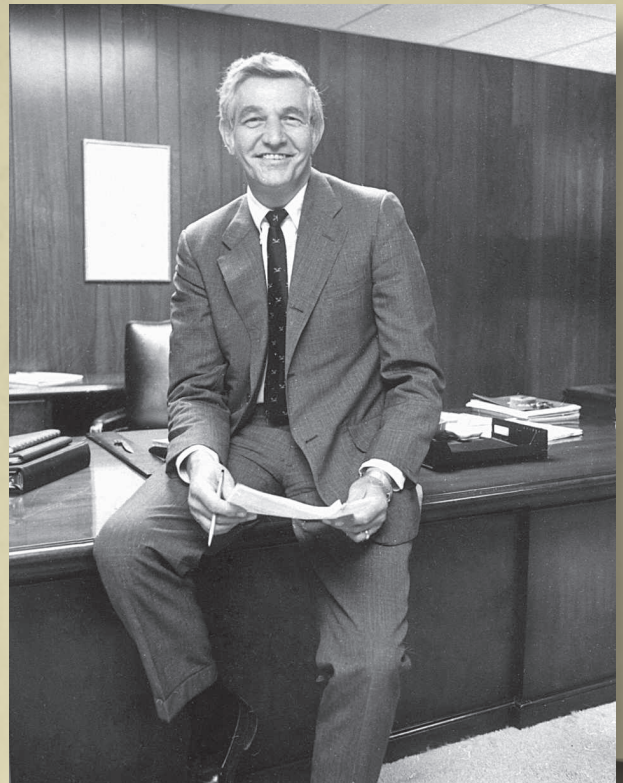
One of Bill's strengths was his willingness to look at new opportunities for the company by talking with others. A strong extrovert, he sought out new people, explored new ventures, and nurtured relationships.

He was, however, notoriously bad with details. Thankfully, he had a trusted secretary, Bertha Wellnitz, who supported him during much of his time at MGK. "He never could have accomplished what he did without Bertha," recalled Barbara.

He had another important quality, his ability to form friendships with the people he worked with. "What I came to realize," said Bill, Jr., "was that people that my dad did business with long term were his friends. And if he couldn't establish a friendship with someone, he would typically end the business relationship as well."

Ultimately, it was Bill who formed the bond with chemist Jim Hardwicke that enabled them to start a very profitable venture in 1968 that kept MGK in the black for nearly 10 years. And Bill was also the one who worked hard to establish the relationship with Sumitomo Chemical Company, first as a sales agent for pyrethroids and eventually as an equity partner.

Bill served as president and CEO until 1989, retiring and passing his job along to his oldest son, Bill, Jr. He remained an MGK board member and chairman through 2000, and passed away in 2011.



4

Leading the Industry Forward



By the early 1980s, MGK had become a bonafide international company, with a sales force that covered the entire United States, as well as many countries across the globe, all actively selling MGK's formulas for aerosols, sprays and repellents, along with MGK's synergists, pyrethrum products and other insecticides. A growing line of products and a newfound expertise in compliance to government relations put the company in solid standing for the end of the 20th century.

The MGK customer base was also quite impressive. At different times in its history, MGK counted Standard Oil, Shell Oil, Gulf Oil, Ralston Purina, Colgate Palmolive, Orkin, Fuller Brush, S.C. Johnson, and Ortho as important trading partners and clients.

Pyrethrum still stood as the key ingredient used by MGK chemists in many of its products, a result both of its effectiveness as an insect control agent and its environmental profile. "Pyrethrum had proven itself to be nature's best insecticide, one of a handful of things that occur in nature that provided reliable insect control," explained Steve Gullickson. Between the plant's natural occurrence and low mammalian toxicity, it remained an intriguing and important ingredient for the company.

The relative importance of pyrethrum in its natural form and synthetic pyrethroids designed to act similarly to pyrethrum also formed the basis for MGK's connection across the globe to Sumitomo Chemical in Japan. Having already demonstrated the value that MGK could bring to helping the Japanese company market its pyrethroids in the U.S., Sumitomo sought to build on the success of that relationship. For MGK, they valued the quality of the formulas that came out of Sumitomo's labs in the form of innovative new chemistries that proved highly effective and efficient.

Having been Sumitomo's U.S. agent for almost 10 years, MGK was held in high esteem by the Japanese giant. They sought a closer relationship with MGK, one that had been discussed continuously since they began working together. In 1989, after many years of discussion, Sumitomo Chemical purchased a 20% share in MGK. Though the size of MGK's operation was many times smaller than Sumitomo's multi-billion dollar business, the acquisition would prove to be a vital strategic move for both companies that would yield many fruits.

Bill Gullickson, Sr. and Jr. worked hard together to make a fair deal with Sumitomo, believing the relationship to be critical to MGK's long-term successes in chemistry, technology, sales and growth. "The impact of that relationship

In 1989, Sumitomo Chemical bought a 20% share in MGK.

was huge,” explained Steve Gullickson. As part of the stock transaction, Sumitomo made a commitment to MGK to offer first evaluation rights to all of its new technologies for environmental health purposes. “From that point,” he added, “we had both commercialization rights and exclusive distribution rights to Sumitomo products.”

These new technologies would mean significant opportunities for further MGK product development. “Our relationship with Sumitomo expanded the number of compounds we could work with—we had many more tools that we could use to develop products,” said Dave Carlson, a technical director and chemist for MGK. “We had new materials to learn about and more options to look at.”

As General Manager and COO, Bill Gullickson, Jr. played an important role both in developing a company workforce able to follow through on its commitments to its new shareholder, as well as to modernize the company through computers and other systems management that would have long-term benefits. He and his father formed a tight working relationship, but though they shared the same name, their styles were quite different. “My father was much more of a sales and marketing guy—meet the customers and get out into the field,” explained Bill, Jr. “I played much more the role of strategist and longer term visionary.”

In 1989, following the business transaction with Sumitomo, Bill, Sr. retired from his role as CEO, passing the torch along to Bill, Jr., who became CEO. Though Bill, Sr. remained as Chairman of the Board for the next 12 years, he played a much smaller role in MGK operations after his retirement.



Bill Jr, William Sr, and a portrait of George McLaughlin in the background



Bill Gullickson, Jr.

The Story: *At some point, someone in the company decided that we had to have performance reviews. So, I set up a meeting to have a performance review with Bill, and he sat me down and we started talking, and all of a sudden he said, “Well, we’re here to talk about performance. I want you to know that if there was a problem, I wouldn’t have waited until now to talk to you about it.” End of meeting.*

Dave Carlson

Bill Gullickson is the oldest of four sons of Barbara and William Gullickson, Sr. As a teenager, he worked some summers in the accounting department at MGK, mostly providing assistance to Finance Director Cliff Rovick.

But his first choice for a career was in hospitality. Bill earned a degree in hotel administration from Cornell University, and took a job with PepsiCo. Within a year, however, Bill’s father invited him to join MGK, offering him a job working in the international sales office in White Plains, New York. He spent several years in that office working closely with Director of International Sales Erwin Chark, focusing primarily on sales in Latin America. From Chark, he learned about customers and about the qualities that made MGK products and relationships unique.

“When I first came to Minnesota to work for MGK, my job was to modernize the company. We didn’t have any computers here at all, and so my job was to completely automate the office.” Bill recalls meeting quite a bit of resistance, because “everybody in this building was a lot older than me.”

As CEO, one of Bill’s many accomplishment was overseeing the development of MGK’s new manufacturing facility in Chaska, which opened in 1997. “We had outgrown our old plant, and it was quite difficult finding a place that would accept a chemical plant. We even looked outside of Minnesota!” Ultimately, Chaska proved to be a great community partner for MGK.

Bill served as CEO of MGK until 2005, when his brother Steve took over the reins. Bill served as the company’s chairman, remaining involved in special projects and long-term planning, until he retired in 2013.

Erwin Chark

The Story: *I carried two passports. MGK had and still has some very important customers in Israel. At the same time, I was making real progress in selling our products within the Arab world—including Egypt, Iraq and other countries. So I had to apply to the State Department and give them valid reasons why I needed a second passport. And, of course, when I explained everything, they granted me a second passport.*

Erwin Chark

There have been many memorable people through the years who have worked for MGK. One such unique man was Erwin Chark, who served as international sales manager for 30 years, working out of his office in New York.

Polite, thoughtful, and very hard working, Chark's efforts and energy helped to quadruple MGK's international sales volume by the time he retired in 1997. By his own count, Erwin traveled to 110 countries to "plant the flag" for MGK, seeking out new customers, recruiting new sales agents, and introducing MGK's product line all over the world.

"For me, it was basically a referral operation," recalls Chark. "I don't recall how, but I got connected with Mr. Mohammed Hadid, the minister of finance in Iraq. He referred me to the Mobil Oil people in Baghdad, and then subsequently to Egypt and Japan, and so forth. It started with a very small base and grew through the years."

Chark's greatest adventure with MGK was a six-week sales trip that took him to 30 countries. "I started off and decided to just keep going," he said, beginning in New York and making stops in Europe, the Middle East, Asia and Japan. "I'd never done that before, and I'm not interested in ever doing it again!"

As MGK's new official visionary, Bill recognized an upcoming need for room to grow. The once-spacious manufacturing plant in SE Minneapolis was now nearly 80 years old, and expansion on that site was no longer an option because of the surrounding growth of University of Minnesota. Thus began an extended project to create a modern new manufacturing facility in close proximity to MGK's headquarters in Golden Valley.

After selecting a site in Chaska, Minnesota, located 30 miles southwest of Minneapolis, Bill led the company through an in-depth process to develop and design the new site, inviting input from anyone who would be working at the new factory. "The building was really built by our MGK team," Bill explained. "They designed it. It's their building. There's a sense of ownership there that doesn't exist with a lot of plants. It's a great facility."

In 1989, MGK began a three-phase move from Minneapolis to its new site in Chaska, completing it in 1997. In 2001, the University claimed the company's original building by eminent domain and razed it in 2004 to make room for the land's current occupier, the University's Ridder Arena.

Bill's ascent to chief executive officer also coincided with the growth of compliance, another element that would play a key role in MGK's future. Beginning in the late '80s and continuing to present day, MGK and others in the industry were forced to provide toxicology data on all its products to the Environmental Protection Agency (EPA). "Our product development program came almost to a complete halt because we had to devote so much energy and time and resources to meeting all of these new demands," Bill explained.

The challenge of compliance with EPA and other regulations would become a constant, not only with MGK, but in the entire pest control industry. "Instead of keeping all our data in notebooks, we had to implement EPA's good laboratory practices. We needed to document everything so that studies and experiments could be reconstructed," recalled Dave Carlson.

MGK's leadership recognized that compliance would be a key requirement for any future success, so the company made a conscious decision to turn it into one of the company's strengths. Not only were the company's product lines and procedures fully compliant, its expertise helped MGK's customers become compliant as well. The MGK team knew how to earn product registrations for its formulas, as well as how to help their customers earn the necessary approvals.

"We, as a company, have always been sticklers for playing by the rules," Steve said, indicating the importance of following federal regulations. "Internally, we feel good about it when we go to sleep at night. Externally, people have confidence that when we bring them a product, it's going to be compliant."

The Chaska production plant



Having its own modern production facility gave MGK more room to explore new avenues for growth. Bill recalls, “in 1999, Don Sundquist approached me with an idea. He said we could make pure pyrethrum in our new facility, and we could get it certified as organic, which would give us an organic pesticide product.” Bill was concerned that, down the road, major distributors like Walmart and Kmart were going to squeeze margins, which would hurt MGK in a big way. “This was an opportunity to go downstream and capture more value.” Two years later, MGK launched PyGanic, the company’s first certified organic brand.

In a related move, Bill envisioned success in developing a line of MGK branded products, a move his father stood against. MGK had been formulators for a long time, and Bill, Sr. thought the company’s small size would make branded products prohibitively risky, recalled Barbara Gullickson. Bill realized that the company would need help in this area, and his sales manager, Trevor Lloyd, was getting ready to retire.

Bill turned his search for help inward, aggressively recruiting his youngest brother Steve, a successful sales and marketing manager in the pharmaceutical industry. Steve officially came on board in 1999 as director of sales and marketing. “We needed someone to come in and revamp our sales and marketing process, as well as to guide us down the path of developing our branded business,” recalled Bill. “I was confident in the skills that Steve could add to our company.”

As was true with past generations, however, Steve didn’t exactly jump at the opportunity. “I turned my father down when he invited me to join MGK after I graduated from University of Vermont.” But Bill eventually convinced him to join him in leading the family business.

Steve and Bill worked together to increase growth opportunities for the company, with Bill working inside the organization and Steve, perhaps a bit more like his father, going out to be seen in the industry and with customers. “I love interacting with customers and bringing home a sale,” said Steve.

Both of them also pursued the ongoing challenge of finding enough pyrethrum to meet MGK’s demand. As political issues in Kenya made it a less viable pyrethrum producer, the company turned to new partners around the world—purchasing an interest in BRA in Australia, and taking a controlling interest in a subsidiary in Tanzania in 2006. “We needed to hedge our bets. We believed we needed at least a three-legged stool—three sources of pyrethrum that we could count on,” explained Dave Carlson. “Australia and Tanzania are now two of those legs, and we’ll continue to search for the third.”

Sometime in the early ’90s, recalls Bill, Jr., the company decided to learn more about the marketplace by going directly to the customers to identify their needs. Although that philosophy ran throughout the operation, Erwin Chark noted that it was particularly true in the international marketplace. “I always had open ears in the Minneapolis area to respond to needs that my customers around the world would share with me,” he recalled. “They always gave me all the information and technical data I needed in order to register our products overseas,” he added. This high level of responsiveness, or what Chark called the willingness of the team to stand behind him, played a major role in MGK’s success.

An ongoing line of successful MGK products continues to respond to the particular needs of customers, from Evergreen Pyrethrum Concentrate and Dry Pyroicide to PyGanic, NyGuard, Bedlam Plus, Onslaught, Vendetta and VamPyre. With over 250 active product registrations in the U.S. alone, MGK remains poised to meet the needs of its ever-growing customer base.



MGK’s new branded line of products started with PyGanic and has grown to over 250 active product registrations.



Chrysanthemum fields viewed from airplane, Australia



Steve Gullickson

A graduate of University of Vermont, Steve Gullickson worked for 14 years in the pharmaceutical industry at Bristol Myers and Novartis before his brother, Bill, aggressively recruited him to join MGK in 1998. Bill liked the idea of handing the reins over to someone in the family, and also felt confident in Steve's expertise and experience in sales and marketing.

Steve brought to the company a passion for sales and an interest in meeting customers and understanding their needs. "I started out by calling on our customers in order to learn our business. I received a constant validation that if we can deliver better products, we can gain market share and run a more sustainable business." Steve brought to MGK a customer-focused attitude, a 'hallway management' philosophy that emphasizes community building through face-to-face communications and open-door policies. "I grew up as a salesman—I love calling on our customers." As president of MGK, Steve oversees all MGK operations, as well as the operations of its subsidiaries.

Together with Bill, the two remain focused on building MGK's branded business of insect control products and solutions. "It has been 12 years since we first started our branded business, and today it accounts for nearly one-fourth of our sales."

Steve also plays a key role in the industry, especially as a leader in RISE (Responsible Industry for a Sound Environment), a trade association that focuses on best practices for maintaining environmental and animal health, and in the American Mosquito Control Association.

Despite the fact that MGK leadership—and ownership—passed from Alexander McLaughlin to his son George, grandson William Gullickson, and subsequently to great-grandsons Bill and Steve, the family has always seen MGK as much more than a family business. MGK has been a Minnesota corporation, an employer of many, and an innovative company that took a leadership role in the pest control industry, both nationally and internationally. The reason the company succeeded wasn't about ownership, but rather because employees felt treated as if they themselves were also owners.

"We have been able to create an internal environment that creates a comfortable atmosphere. It allows us to establish high expectations. Over time, we have been successful because people have worked hard, not only for personal rewards, but for the overall benefit of MGK," Steve explained.

Longtime chemist and technical director Dean Cassera said it this way, "I think that the McLaughlins and the Gullicksons learned early on that when you treat the employees right, that they'll treat you right. I didn't just come here to work, but I felt like part of this company. Most of the employees I knew worked to make a decent living, but also to make the company grow."

Added international sales manager Erwin Chark, "the people that ran MGK have all been very, very good people. They took good care of all of us, and were very supportive of all the staff."

In today's MGK, the company holds monthly financial updates, which all employees are invited to attend. MGK also has a bonus program for employees, which Dave Carlson believes has improved the culture within the company. "Now that everyone knows more about what's going on, we feel a bit more involved in the process, and want to be sure we're contributing to the company's success."

Added Steve, "regardless of future changes in ownership or management, I believe that this company will continue to be successful if we can continue to extend that feeling of inclusion to all of our employees, both here in Minnesota and across the world."



Afterword

By Steve Gullickson

I always think it's interesting that people have thought of MGK as a family business. What does that mean exactly?

Certainly, if you look at the people who have held the titles of president, CEO, and general manager, you can follow a straight line from me to my brother, my father, my grandfather and my great-grandfather. And for many of the years, people named Gormley, King, McLaughlin and Gullickson have owned the largest stakes in our company.

But being a family business is bigger than that. And I believe we have survived for 110 years because our team members throughout the years—employees, managers and executives alike—have openly shared that they felt special when they worked for MGK because they, too, were treated like family. Our real leaders were not blood members of my family, but had names like Samuel King, Charles Gnadinger, Clifford Rovick, Joe Moore, Carroll Clarke, Frank Merry, Paul Torpin, Trevor Lloyd, Fred Price, Erwin Chark, Dan Unteidt, Dean Cassera, Dave Carlson, Glen Ellingson, and many, many others.

Because of how MGK has treated employees, many have told Bill and me over the years that they considered themselves as important members of our team, not just employees, because of how the company has treated them, always acknowledging that family comes first and business comes second. For everyone.

At the beginning of 2013, the owners of this company made an important decision to invite our longtime business partner, Sumitomo Chemical of Japan, to become our majority owner. So for the first time in many years, the majority of our shares are not owned by someone named McLaughlin or Gullickson.

And yet we're still a family business here. Our employees continue to be our best assets, and we do everything we can to keep them in the MGK family. We'll always treat our team well, and we'll continue to strive to maintain a great place for everyone to work.

If we do that well, our customers will also continue to want to work with us, and we know we'll continue to be a successful company.

Steve Gullickson, President
July, 2013

"I think that the McLaughlins and the Gullicksons learned early on that when you treat the employees right, that they'll treat you right. I didn't just come here to work, but I felt like part of this company."

Longtime chemist and technical director, Dean Cassera





Pyrethrum...

THE POWER FLOWER

The delicate flower, when extracted in suitable solvents, makes a powerful insecticide that is non-toxic to humans and warm-blooded animals. It is the source of non-toxic insecticides.

Modern pyrethrum products were literally born at MGK for it was MGK scientists who developed the sophisticated manufacturing processes, precise analytical methods, and dust-emergent systems that revolutionized the insecticide industry.

MGK put the power in the flower.