

The Klein Family and Klein Chocolate Factory

The Klein family did not leave many traces before immigrating, but they are believed to be from a village in West Prussia and they are believed to have immigrated in the largest German immigrant wave in March 1883 and Mr. Gottfried Klein brought his five children and handmaiden who he later married.¹ Gottfried Klein settled in Lancaster with his family and worked as a mill hand but nobody in his family was as successful as his two oldest American-born children, William and Frederick.² Before they were introduced to Hershey, their father Gottfried Klein came from a small village near Lubawa in West Prussia and were part of the largest German immigrant wave. The wave brought nearly 1.5 million Germans to the United States.³ The chocolate factory stayed in the family until 1970 but this was after Frederick pulled out of the company.⁴

In 1883, Gottfried and Mary Klein moved from Germany to Lancaster City, Pennsylvania in the United States.⁵ After moving to the United States, they had seven surviving children, William (1884-1954), Frederick (1888-1972) Anne, Daisy, Paul, Martha, and Henrietta Klein.⁶ The Klein children, being children of German immigrants, spoke German fluently.⁷ The Klein's had very little money.⁸ They lived at 349 Dauphin Street in Lancaster, Pennsylvania in 1900 after moving from Germany in 1883.⁹ The Klein family built a stone house on a dairy farm.¹⁰ Abraham Lincoln's funeral train drove through the backyard of the property the house was built on.¹¹ The brothers were raised on Woodward Street in Lancaster City and they made chocolate and sold them on Penn Square until Hershey hired them to do easy tasks in his factory.¹² After spending time with Hershey, they moved to Elizabethtown in 1913 to establish their own factory.¹³

In 1916, William Klein married Ray Treichler whose father, Abraham Treichler, was a doctor in the Masonic Village.¹⁴ They had one son, William Klein Jr. who had one son, William Klein III.¹⁵ William Klein's son, William Klein Jr., took over the factory following his father's death in 1954.¹⁶ William, William Jr., and both of their wives are buried in Elizabethtown.¹⁷

Frederick Klein was the co-founder of Klein Chocolate Factory and he was the President of the factory in 1917.¹⁸ He married a woman named Jane and they had a daughter named Jane Louis.¹⁹

¹ Christian Wilbers, William Klein (1884-1954) in *Immigrant Entrepreneurship: German-American Business Biographies, 1720 to the Present*, vol. 4, edited by Jeffrey Fear, German Historical Institute. Received October 25, 2017,

<http://immigrantentrepreneurship.org/entry.php?rec=226> . 2.

² Ibid., 2.

³ Ibid, 3.

⁴ Ibid., 7.

⁵ Phillip P. Clark, The Family of Gottfried Klein, (Elizabethtown, PA: Archives of Christ Lutheran Church), 1.

⁶ Ibid., 1; Jean-Paul Benowitz, Historic Elizabethtown Pennsylvania- A Walking Tour (Charleston: Arcadia Publishing, 2014), 41.

⁷ Jean-Paul Benowitz, "Milk Chocolate Industry Has Been in Elizabethtown for More Than 100 Years," *Elizabethtown Advocate* 7, no. 41 (Thursday October 13, 2016): 6.

⁸ Wilbers, 2.

⁹ Ibid., 1.

¹⁰ Benowitz, 2014, 80.

¹¹ Ibid., 80.

¹² Benowitz, 2016, 6,8.

¹³ Ibid., 6.

¹⁴ Ibid., 8.

¹⁵ Phillip P. Clark, The Family of Gottfried Klein, (Elizabethtown, PA: Archives of Christ Lutheran Church), 1.

¹⁶ Ibid., 8.

¹⁷ Ibid., 2.

¹⁸ Ibid., 2.

¹⁹ Ibid., 2.

Nothing is known about Anne Klein.²⁰ Daisy Klein, however, operated Daisy Klein's Dress Shop in Elizabethtown and is buried in Lancaster.²¹ Paul Klein worked at the factory as well as his two older brothers but never reached a position higher than supervisor, which he held in 1917, but he eventually moved to Reading, PA and worked at Jacob's Aircraft in Pottstown.²² Martha Klein married George Cresswell in 1920 and they had a son named George and a daughter named Francis who married a man named Donald Fink and then they had a son named Michael.²³ Henrietta Klein was most likely not married and she lived with her sister Daisy.²⁴

In 1857, Milton Hershey was born in Derry township, Pennsylvania.²⁵ In 1893, Hershey attends the World's Columbian Exposition in Chicago and realizes the potential of making chocolate.²⁶ In 1894, Hershey established the Lancaster Caramel Company, after two other failed attempts at making candy.²⁷ In 1898, William and Frederick attracted the attention of Milton Hershey while selling homemade chocolate eggs on Penn Square in Lancaster.²⁸ William was hired on the spot, due to his "work ethic and entrepreneurial spirit," and Frederick began in 1900, once he was old enough.²⁹ Their German heritage also influenced Hershey's decision, due to Germany being one of the premiere chocolate makers at the time.³⁰

The Klein brothers were first only used for menial tasks around Hershey's mansion, like clearing off snow, but were later moved to making chocolate after proving themselves to Hershey.³¹ Hershey would make constant trips to chocolate factories in Germany and Switzerland to gain more insight into making chocolate, but was unsuccessful.³² In 1900, Hershey sold his caramel factories and Lancaster Caramel Company for one million dollars, in order to focus exclusively on making chocolate.³³ In order to learn more about making chocolate, Hershey sent William to the Walter Baker Chocolate Co. in Massachusetts. William gained work experience but gained no insights into how to combine the chocolate and milk to make a better milk chocolate.³⁴ In 1905, Hershey moved his chocolate making business to the Derry Township, with the Klein family following him due to their financial dependence on the two oldest brothers. By the early 1910s, four children from the Klein family were working for Hershey, with William in multiple positions and Fred as the roasting room supervisor.³⁵ Hershey brings in Dr. Mostart, a German chemist who claimed to know how to make milk chocolate, to learn how to make better chocolate. William served as a translator for Mostart, allowing him firsthand experience with combining American and European chocolate making techniques.³⁶ Hershey had been using powdered milk to make chocolate, but Dr. Mostart said that the only way to make good milk chocolate was to use real milk. Hershey eventually had to use skim milk after finding it to be a cheaper and better way to make chocolate.

In 1912, the Klein brothers left Hershey and established the Klein Chocolate Company in Elizabethtown, after an alleged pay dispute.³⁷ There were signs William and Frederick were planning to leave

²⁰ Ibid., 2.

²¹ Ibid., 2.

²² Ibid., 2.

²³ Ibid., 2.

²⁴ Ibid., 2.

²⁵ Wilbers, 1.

²⁶ Ibid., 3.

²⁷ Lancaster Caramel Company, Hershey Community Archives, accessed October 26, 2017, <http://www.hersheyarchives.org/essay/details.aspx?EssayId=43>

²⁸ Benowitz, 2016, 6.

²⁹ Richard K. MacMaster Elizabethtown: The First Three Centuries. (Morgantown, PA: Mastof Press, 1999), 172.

³⁰ Wilbers, 3.

³¹ MacMaster, 172.

³² Wilbers, 3.

³³ Lancaster Caramel Company.

³⁴ Wilbers, 3.

³⁵ Ibid., 3.

³⁶ Ibid., 3.

³⁷ MacMaster, 172.

for some time, though.³⁸ The family sold their home in the fall and on 24 December they worked their final day at the Hershey Chocolate Company.³⁹ The factory quickly became competition for Hershey and by 1922, Klein chocolate was the largest milk chocolate producer in the country.⁴⁰ Hershey and the Klein family had no ill will towards each other after they became competitors, often treating each other with respect and friendliness.⁴¹ While Hershey used skim milk, the Klein brothers used regular and real milk to create an “old world” tasting treat.⁴² During World War I, Hershey earned millions on contracts with the government, and, while Klein Chocolate did not sell to the same extent as Hershey, they too got into business with the government.⁴³ After the war, chocolate bars became highly popular with the American public, leading to both Hershey’s and the Klein brothers’ businesses to explode.⁴⁴

The following year, the Klein’s moved to Elizabethtown and, with their younger brother Paul, opened their own chocolate business: Klein Chocolate Company.⁴⁵ In 1921, Paul would run a second plant for the company.⁴⁶ When the Klein Chocolate Company opened, aside from the brothers, there was only one employee, due to limited funds. In their first year of business, the brothers made a measly \$13,000. These limited funds also affected the way they worked. The brothers could not buy a new batch of cocoa beans until they sold the chocolate made by the last batch. To help out the impecunious business owners, owners of local businesses loaned money, short term, to the brothers and took stock in Klein Chocolate as a security measure.⁴⁷ The Klein’s shop was located on Market Street.⁴⁸ The October after establishing, the Klein’s developed their “3 Cent Lunch Bar.”⁴⁹ This bar was endorsed as a healthy snack by William’s father-in-law, a local Masonic Village physician, Dr. Treichler. Dr. Treichler called the bar “a muscle building, brain building food for grown-ups as well as for youngsters.”⁵⁰

After a year of business, the Kleins incorporated their company to finance a move to a larger, more modern and personalized factory at Brown and Bainbridge Streets in Elizabethtown.⁵¹ By this time the company was selling chocolate almond bars, flat cakes, and eight-in-a-line bars.⁵² The factory was near a reinforced concrete bridge.⁵³ A year after the move, the Klein’s expanded their factory and got new machinery.⁵⁴ This renovation earned the chocolate factory the compliment of being called “one of the finest buildings in the state.”⁵⁵ In their shop and factories, The Klein’s produced real milk chocolate.⁵⁶ Because they made real milk chocolate, the brothers Klein had the largest milk chocolate factory in the United States in 1922, requiring six

³⁸ Wilbers, 3.

³⁹ George Bowman, interview by Kay Kreider, 1982, 89OH79, Hershey Community Archives Oral History Collection, Hershey, PA, 8.

⁴⁰ Jean-Paul Benowitz, Historic Elizabethtown Pennsylvania, (Elizabethtown, PA.,2017), 41.

⁴¹ Wilbers, 3.

⁴² Ibid., 3.

⁴³ Ibid., 4.

⁴⁴ Benowitz, 2016, 6.

⁴⁵ Ibid., 6.; Jean-Paul Benowitz, Images of Elizabethtown (Charleston: Arcadia Publishing, 2014), 67.; Jean-Paul Benowitz, Historic Elizabethtown Pennsylvania- A Walking Tour (Charleston: Arcadia Publishing, 2014), 41.

⁴⁶ MacMaster, Richard K. Elizabethtown: The First Three Centuries (Elizabethtown: Elizabethtown Historical Society, 1999), 172.

⁴⁷ Christian Wilbers, William Klein (1884-1954) in *Immigrant Entrepreneurship: German-American Business Biographies, 1720 to the Present*, vol. 4, edited by Jeffrey Fear, German Historical Institute. Received October 25, 2017, <http://immigrantentrepreneurship.org/entry.php?rec=226> . 2.

⁴⁸ Jean-Paul Benowitz, “Milk Chocolate Industry Has Been in Elizabethtown for More Than 100 Years,” *Elizabethtown Advocate* 7, no. 41 (Thursday October 13, 2016): 8; Ibid., 2.

⁴⁹ Ibid., 8.

⁵⁰ Ibid., 8.

⁵¹ Christian Wilbers, William Klein (1884-1954) in *Immigrant Entrepreneurship: German-American Business Biographies, 1720 to the Present*, vol. 4, edited by Jeffrey Fear, German Historical Institute. Received October 25, 2017, <http://immigrantentrepreneurship.org/entry.php?rec=226> . 2.

⁵² Ibid.

⁵³ Jean-Paul Benowitz, Historic Elizabethtown Pennsylvania- A Walking Tour (Charleston: Arcadia Publishing, 2014), 85.

⁵⁴ Jean-Paul Benowitz, “Milk Chocolate Industry Has Been in Elizabethtown for More Than 100 Years,” *Elizabethtown Advocate* 7, no. 41 (Thursday October 13, 2016): 8.

⁵⁵ Ibid., 8.

⁵⁶ Ibid., 8.

million quarts of milk a year.⁵⁷ The milk they delivered came in horse-drawn wagons as well as trucks.⁵⁸ The workers at the Klein factory weighed and tested the milk and sterilized milk cans before returning them to the farmer.⁵⁹ They only used fresh milk straight from Elizabethtown cows, an idea Milton Hershey later stole for his factory. Milton Hershey even had a train track built specifically to transport the milk, with various stations along the track.⁶⁰ Both the Hershey company and the Klein company used these milk stations for their factories.⁶¹ With so much popularity, the Kleins kept their candy at a low price and used real Lancaster County milk which then made them grant the slogan, “Milkiest Kind of Milk Chocolate.”⁶² The Kleins, from over 1,500 cows spread across approximately 200 farms, produced nearly ten million pounds of milk each year.⁶³ Now booming, the Klein’s were able to hire another 199 people to work for them, making 250,000 chocolate bars each day.⁶⁴ In 1923, the Kleins began offering sick pay, insurance, and hospital service to these employees.⁶⁵

Troops in World War I were in need of “high-calorie convenient meals.” The Kleins’ “3 Cent Lunch Bar” filled the need and thus they provided twenty million bars.⁶⁶ Since they provided these bars as meals for troops, the Kleins went to court with the claim the chocolates were not candy, but real food. Therefore, they argued they should not be obligated to pay the federal candy taxes and wanted to recover taxes already paid. Both the Klein and Hershey companies took the case to the Supreme Court with their argument. The Kleins lost in court because sugar was added to the chocolates with the intention of “taste gratifying consumption”, making the chocolate bars qualify as candy.⁶⁷ However, in favor of the company, after returning from the war, soldiers were buying the chocolate bars they ate overseas, causing a large increase in sales.⁶⁸

With the success of the company, also came the success of the Klein’s baseball team. This semi-professional team played on the Klein Chocolate Company Athletic Field. In addition to playing local teams, including the African-American Harrisburg Marvels, the Klein team also played higher caliber teams. The team was rather good, managing to beat the Boston Red Sox, Brooklyn Dodgers, and the Washington Senators in a single week.⁶⁹ After the success of his chocolate and baseball team, William Klein made plans to

⁵⁷ Jean-Paul Benowitz, Images of Elizabethtown (Charleston: Arcadia Publishing, 2014), 67.; Walking Tour, 41.; MacMaster, Richard K. Elizabethtown: The First Three Centuries (Elizabethtown: Elizabethtown Historical Society, 1999), 173.

⁵⁸ Richard K. MacMaster, Elizabethtown: The First Three Centuries (Elizabethtown: The Elizabethtown Historical Society, 200), 172.

⁵⁹ Ibid.

⁶⁰ Jean-Paul Benowitz, Historic Elizabethtown Pennsylvania- A Walking Tour (Charleston: Arcadia Publishing, 2014), 41.

⁶¹ Jean-Paul Benowitz, Images of America: Elizabethtown, (Charleston, South Carolina: Arcadia Publishing, 2015), 73.

⁶² Christian Wilbers, William Klein (1884-1954) in *Immigrant Entrepreneurship: German-American Business Biographies, 1720 to the Present*, vol. 4, edited by Jeffrey Fear, German Historical Institute. Received October 25, 2017, <http://immigrantentrepreneurship.org/entry.php?rec=226> . 2.

⁶³ Jean-Paul Benowitz, “Milk Chocolate Industry Has Been in Elizabethtown for More Than 100 Years,” *Elizabethtown Advocate* 7, no. 41 (Thursday October 13, 2016): 8.

⁶⁴ Ibid., 8.; Jean-Paul Benowitz, Historic Elizabethtown Pennsylvania- A Walking Tour (Charleston: Arcadia Publishing, 2014), 41.

⁶⁵ Ibid., 8.; Jean-Paul Benowitz, Images of Elizabethtown (Charleston: Arcadia Publishing, 2014), 68.; Jean-Paul Benowitz, Historic Elizabethtown Pennsylvania- A Walking Tour (Charleston: Arcadia Publishing, 2014), 41.; Christian Wilbers, William Klein (1884-1954) in *Immigrant Entrepreneurship: German-American Business Biographies, 1720 to the Present*, vol. 4, edited by Jeffrey Fear, German Historical Institute. Received October 11, 2017, <http://immigrantentrepreneurship.org/entry.php?rec=226> .; MacMaster, Richard K. Elizabethtown: The First Three Centuries (Elizabethtown: Elizabethtown Historical Society, 1999), 173.

⁶⁶ Ibid., 8.; Ibid., 67.; Ibid .; MacMaster, Richard K. Elizabethtown: The First Three Centuries (Elizabethtown: Elizabethtown Historical Society, 1999), 173.

⁶⁷ Ibid., 8.

⁶⁸ Christian Wilbers, William Klein (1884-1954) in *Immigrant Entrepreneurship: German-American Business Biographies, 1720 to the Present*, vol. 4, edited by Jeffrey Fear, German Historical Institute. Received October 25, 2017, <http://immigrantentrepreneurship.org/entry.php?rec=226> . 2.

⁶⁹ Jean-Paul Benowitz, “Milk Chocolate Industry Has Been in Elizabethtown for More Than 100 Years,” *Elizabethtown Advocate* 7, no. 41 (Thursday October 13, 2016): 8.; Jean-Paul Benowitz, Historic Elizabethtown Pennsylvania- A Walking Tour (Charleston: Arcadia Publishing, 2014), 41.; Ibid.; MacMaster, Richard K. Elizabethtown: The First Three Centuries (Elizabethtown: Elizabethtown Historical Society, 1999), 2013.

build a country club. However, the Stock Market Crash prevented these plans from coming to fruition and what was meant to be a country club became a shortened golf course.⁷⁰

William had a son, William Jr., who became vice president of the Klein Chocolate Company. When William Sr. died, William Jr. was promoted. Now holding three positions at the company his father and uncle had started, William Jr. was the general manager, treasurer, and secretary of the Klein Chocolate Company. After thirty years of working for the company, William Junior finally became president. A few years thereafter, he sold the company to the M&M Mars company.⁷¹

Nearly forty years after purchasing the Klein chocolate company, M&M Mars spent \$70 million to expand the factory. Staying true to it's roots, the M&M Mars factory in Elizabethtown is the leading producer of chocolate liquor, which is needed to make all chocolates nationwide. Almost every chocolate product made by Mars begins in Elizabethtown.⁷² M&M Mars has also kept their research and development facility in Elizabethtown.⁷³

⁷⁰ Jean-Paul Benowitz, Images of Elizabethtown (Charleston: Arcadia Publishing, 2014), 68.; Jean-Paul Benowitz, Historic Elizabethtown Pennsylvania- A Walking Tour (Charleston: Arcadia Publishing, 2014), 41.

⁷¹ Jean-Paul Benowitz, "Milk Chocolate Industry Has Been in Elizabethtown for More Than 100 Years," *Elizabethtown Advocate* 7, no. 41 (Thursday October 13, 2016): 8. Wilbers.

⁷² Jean-Paul Benowitz, Images of Elizabethtown (Charleston: Arcadia Publishing, 2014), 67.

⁷³ *Advocate*, 2.; Jean-Paul Benowitz, Images of Elizabethtown (Charleston: Arcadia Publishing, 2014), 67.; Jean-Paul Benowitz, Historic Elizabethtown Pennsylvania- A Walking Tour (Charleston: Arcadia Publishing, 2014), 41.