### **Archaeological & Historical Commission**

**Planning and Development Department** 

### LANDMARK DESIGNATION REPORT

LANDMARK NAME: National Cash Register Company

**OWNERS:** Deborah Keyser and James Stafford

**APPLICANTS:** same as owner

**LOCATION:** 515 Caroline Avenue - Downtown

**30-DAY HEARING NOTICE:** 07/20/06

AGENDA ITEM: Ic HPO FILE No.: 06L129 DATE ACCEPTED: 07-15-06 HAHC HEARING DATE:08-24-06 PC HEARING DATE: 08-31-06

#### SITE INFORMATION

Tracts 7A and 8, Block 3, SSBB, Houston, Harris County, Texas. The site includes a two-story, concrete block, stucco clad commercial building.

TYPE OF APPROVAL REQUESTED: Landmark Designation

#### HISTORY AND SIGNIFICANCE SUMMARY

The building for the National Cash Register Company at 515 Caroline Avenue was built in 1929 for the very innovative and growing cash register company. NCR was founded by John Henry Patterson, who was an astute and capable business man, who guided NCR to become the most successful cash register manufacturing and sales company in the United States. He not only created a successful company, but he also created enlightened working conditions for his employees that were advanced for the times. The NCR building at 515 Caroline was dedicated on April 8, 1929, which was the 59th anniversary of the invention of the cash register. The building, which housed one of their many showrooms, was designed by famed architect, Joseph Finger of Houston. The building is a "finely detailed example of Italian Renaissance Revival architecture, not often seen in Houston." Because of its small scale, its affinity is more with the domestic architecture of northern Italy.

#### HISTORY AND SIGNIFICANCE

John Henry Patterson, who established the National Cash Register Company, "was born on December 13, 1844, near Dayton, Ohio. He spent his early years attending public schools in Dayton, as well as working in his father's saw and gristmills. During the American Civil War, he enlisted in the Union Army but served only one hundred days near the war's conclusion." (Ohio Historical Society)

"Following the Civil War, Patterson enrolled in Dartmouth College, graduating in 1867. He became a collector of tolls on the Miami and Erie Canal that same year, a position that he held until 1870. In 1870, Patterson became involved in the coal industry, serving as manager of the Southern Ohio Coal and Iron Company." (Ohio Historical Society)

"Patterson had previously owned a grocery and general store in Ohio. He tells the story as to why cash registers became a necessity for his business: 'We were obliged to be away from the store most of the time so we employed a superintendent. At the end of three years, although we had sold annually about \$50,000 worth of goods on which there was a large margin, we found ourselves worse off than nothing. We were in debt, and we could not account for it, because we lost nothing by bad debt and no goods had been stolen. But one day I found several bread tickets lying around loose, and discovered that our oldest clerk was favoring his friends by selling below the regular prices. Another day I noticed a certain credit

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customer buying groceries. At night, on looking over the blotter, I found that the clerk had forgotten to make any entry of it. This set me to thinking that the goods might often go out of the store in this way-without our ever getting a cent for them. One day we received a circular from someone in Dayton Ohio, advertising a machine which recorded money and sales in retail stores. The price was \$100. We telegraphed for two of them, and when we saw them we were astonished at the cost. They were made mostly of wood, had no cash drawer, and were very crude (Ritty's Incorruptible Cashier). But we put them in the store, and, in spite of their deficiencies, at the end of twelve months we cleared \$6,000." (Museum of American Heritage)

In 1882, Patterson became a partial owner of the National Manufacturing Company in Dayton, Ohio, which, according to Wikipedia Encyclopedia, "was established to manufacture and sell the first mechanical cash register, invented in 1879 by James Ritty.

James Ritty, a saloonkeeper in Dayton, Ohio, "patented a machine with a mechanism similar to one he had seen count the revolutions of an ocean liner's propeller in its engine room. His 'Incorruptible Cashier' used metal taps with denominations pressed into them to indicate the amount of the sale. There was a bell to 'ring up' sales. It also had a total adder that summed all the cash values of the key presses during a day. Ritty's invention caught the eye of John H. Patterson when he purchased several machines for use in his retail store. Patterson bought the rights to Ritty's invention (from Jacob H. Eckert, who had purchased the rights from James Ritty) for \$6,500 in 1884 and put it into production under the auspices of his newly formed company, National Cash Register, better known now as NCR." (Museum of American Heritage)

"Patterson, eccentric and aggressive, made NCR a successful business. Eighty-four companies sold cash registers between 1888 and 1895; only three (the St. Louis, Ideal and Michigan) survived for any length of time. Patterson set up an inventions department to create bigger, better and more thief proof registers. He began a training program for his salespeople, often terrifying the novices by auditioning their sales pitches himself." (Museum of American Heritage)

In 1884 the National Manufacturing Company and its "patents were bought entirely by John Henry Patterson and his brother Frank Jefferson Patterson and the firm was renamed the National Cash Register Company. Patterson formed NCR into one of the first modern American companies, introducing new, aggressive sales methods and business techniques. He established the first sales training school in 1893, and introduced a comprehensive social welfare program for his factory workers." (Wikepedia)

"The company grew slowly, producing only sixteen thousand registers in its first decade." Patterson used the following message from 1885 through 1915 to demonstrate the limitations associated with the outmoded cash drawer:

"I am the oldest criminal in history. I have acted in my present capacity for many thousands of years. I have been trusted with million of dollars. I have lost a great deal of this money. I have constantly held temptation before those who have come in contact with me. I have placed a burden upon the strong, and broken down the weak. I have caused the downfall of many honest and ambitious young people. I have ruined many business men who deserved success. I have betrayed the bust of those who have depended upon me. I am a thing of the past, a dead issue. I am a failure. I am the Open Cash Drawer." (Ohio Historical Society)

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"Other significant figures in the early history of the company were Charles F. Kettering, Thomas J. Watson, Sr. and Edward A. Deeds. Watson, the founder of IBM, eventually worked his way up to general sales manager. Bent on inspiring the dispirited NCR sales force, Watson introduced the motto 'THINK!' Signs with this motto were erected in factory buildings, sales offices, and club rooms during the mid-1890s. 'THINK' later became a widely-known symbol of IBM. Kettering designed the first cash register powered by an electric motor in 1906. Within a few years he developed the Class 1000 register which was in production for 40 years, and the O.K. Telephone Credit Authorization system for verifying credit in department stores. NCR expanded quickly and became multi-national in 1888." (Wikipedia)

"Between the 1880s and 1890s saw the emergence of bitter legal and competitive tactics among companies. Most of the standard practices at that time would not be permissible today, but many laws governing competition had not yet come into effect." (Museum of American Heritage)

"A case in point is the National Cash Register Company and its founding president, John Patterson. Eventually, NCR found ways to sue all of the makers of premium registers. There were less than two dozen firms that put up any kind of competitive fight. It was NCR's strategy to use every means of legal protection and every competitive technique to weaken the competition or to put them out of business altogether. Many businesses were acquired. For instance, NCR bought out the Union Cash Register Company in 1892 because it was too good to be allowed to compete. It had a number of features that NCR felt it should have in its own machines." (Museum of American Heritage)

"A company called Heintz Cash Register made a machine in 1894 which, instead of ringing a bell for a sale, used a bird that would 'cuckoo.' NCR filed suit for patent infringement and secured a permanent injunction which silenced the cuckoo. In 1905, NCR bought out thousands of old cash registers from the Hallwood Company, a major competitor, so that Hallwood would have a low inventory. NCR continued to buy out the competition or to sue them for twenty more years." (Museum of American Heritage)

"After the National Cash Register Company had been in business almost twenty-five years, John Patterson, NCR's president, realized that changes were due. Many of the company's top executives left in 1908, allowing the company to make a fresh start. Patterson remained an aggressive competitor, at one point observing 'To succeed in business it is necessary to make others see things as you see them.'" (Museum of American Heritage)

"The post-1908 catalogs were impressive in their comprehensiveness - a machine for every price, every feature, and every establishment. NCR was flexible. If the customer would pay for it, John Patterson would have his engineers make a cash register do almost anything. The cash register is surely one of the earliest examples of flexible manufacturing. NCR's millionth cash register was sold in 1911, and by 1915, the company was Dayton's major employer, with over 5900 workers on the payroll. The two millionth machine was sold only nine years later." (Museum of American Heritage)

"In 1912, the company was found guilty of violating the Sherman Antitrust Act. Patterson and Watson were convicted for illegal anti-competitive sales practices as the government contended that NCR was doing 95% of all cash register business which was a monopoly, and they were sentenced to one year of imprisonment. Their convictions were unpopular with the public due to the efforts of Patterson and Watson to help those affected by the Dayton, Ohio floods of 1913, but efforts to have them pardoned by President Woodrow Wilson were unsuccessful. However, their convictions were overturned on appeal in 1915 on the grounds that important defense evidence should have been admitted." (Wikipedia)

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By 1911 NCR had opened its first showroom office in Houston Texas located at 808 Texas Avenue (Opt) "Two million units were sold by 1922." (Wikipedia)

In 1924 NCR moved from 808 Texas in Houston, Texas to 610 San Jacinto. (Opt)

"In 1925 the NCR company went public with an issue of \$55 million in stock, at that time the largest public offering in United States history." (Wikipedia)

As the company grew nationally, it also grew in Houston. NCR built their own showroom at 515 Caroline Avenue in 1929.. The building was dedicated on April 8, 1929, which was the 59th anniversary of the invention of the cash register. William A. Ryan was the manager of the local branch of NCR. The building, which housed one of their many showrooms, was designed by famed architect, Joseph Finger of Houston. The building is a "finely detailed example of Italian Renaissance Revival architecture, not often seen in Houston. Because of its small scale, its affinity is more with the domestic architecture of northern Italy. (Southwest Center for Urban Research)

Patterson who founded NCR "was well known for his compassion for his employees." "In order to manufacture better cash registers, he needed to boost morale and to motivate his employees. He built a new factory that was 80 percent glass, which allowed more light and better ventilation. He provided women workers with coffee and soup for lunch. Machine operators sat on actual chairs with backs for support rather than on stools. He provided his workers with indoor bathrooms and showers. Patterson implemented a ventilation system to provide clean air to his workers. He also maintained a doctor's office in his factory to assist injured workers as quickly as possible. Patterson also encouraged his employees to take frequent exercise breaks, and a suggestion box allowed them to freely voice their opinions. Although standard to us today, Patterson's enlightened working conditions were ahead of the times. Patterson's happy, healthy crew turned out quality machines that he had no trouble in marketing and selling. Patterson also engaged in civic work as well. Following the Dayton flood of 1913, the National Cash Register Company provided approximately one million dollars to assist people in recovering from the disaster. The company allocated an additional 600,000 dollars to study how the community could prevent flooding in the future. In addition to these efforts, Patterson donated money to help build parks and playgrounds. He also allocated funds to create the first public kindergarten in Dayton. Patterson died on May 2, 1922. His son, Frederick B. Patterson, assumed control of the National Cash Register Company. That same year, the company produced its two millionth cash register. It also had begun producing other business machines. During World War I and World War II, the National Cash Register Company helped the United States' war effort." (Ohio Historical Society)

During World War I NCR manufactured "shell fuses, plane engines and aircraft instrumentation, and during World War II built aero-engines, bomb sights and code-breaking machines, including the American bombe designed by Joseph Desch." (Wikipedia)

NCR continued to operate their showroom at 515 Caroline until 1943, when they moved their offices to Fannin Street, and then to Main Street in the 1950s. (Southwest Center for Urban Research)

"Building on their wartime experience, NCR became a major post-war force in developing new technology. In 1953, following their acquisition of Computer Research Corporation the previous year, the company created a specialised electronics division. In 1956, NCR introduced its first electronic device, the Class 29 Post-Tronic, a bank machine using magnetic stripe technology. With GE the company manufactured its first transistor-based computer in 1957, the NCR 304. Also in the 1950s NCR introduced MICR (Magnetic Ink Character Recognition). In 1962, NCR introduced the CRAM storage

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device, the first mass storage alternative to magnetic tape. The company's first all-integrated circuit computer was the Century 100 of 1968. The company adopted the name NCR Corporation in 1974." (Wikipedia)

"In 1982, NCR became involved in open systems architecture. Its first such system was the UNIX-powered TOWER 16/32, the success of which (approximately 100,000 were sold) established NCR as a pioneer in bringing industry standards and open systems architecture to the computer market. These 5000-series systems were based on Motorola 680xx CPUs and supported NCR's proprietary transaction processing system TMX, which was mainly used by financial institutions." (Wikipedia)

"In the 1980s, NCR sold various PC compatible AT-class computers, like the small form factor NCR-3390 (called an 'intelligent terminal'). They proposed a customized version of MS-DOS, NCR-DOS, which for example offered support for switching the CPU between 6, 8 or 10 MHz speeds. The computers featured an improved CGA adapter, the NGA, which had a 640x400 text mode more suitable for business uses than the original 640x200 mode, with characters drawn using single-pixel-wide lines, giving an appearance similar to that of classic IBM 3270 terminals. The additional four-color 640x400 graphical mode was identical to CGA's 320x200 mode from a programming point of view." (Wikipedia)

"In 1990, NCR introduced the System 3000, a seven-level family of computers based on Intel's 386 and 486 CPUs. The majority of the System 3000 range utilised IBM's Micro Channel architecture rather than the more prevalent ISA architecture, and utilised SCSI peripherals as well as the more popular parallel and serial port interfaces, resulting in a premium product with premium pricing." (Wikipedia)

"NCR was acquired September 19, 1991 by AT&T for \$7.4 billion and was joined with Teradata Corporation on February 28, 1992. As an AT&T subsidiary, its 1992 year-end headcount was 53,800 employees and contractors. By 1993, the subsidiary produced a year-end \$1.287 billion net loss on \$7.265 billion in revenue. The net losses continued in 1994 and 1995, losses that required repeated subsidies from the parent company and resulted in a 1995 year-end headcount of 41,100. During these three years, AT&T was the former NCR's largest customer, accounting for over \$1.5 billion in revenue." (Wikipedia)

"For a while, starting in 1994 the subsidiary was renamed AT&T Global Information Solutions, but in 1995, AT&T decided to spin-off the company, and in 1996, changed its name back to NCR in prepartion for a spin-off. The company outlined its reasons for the spin-off in an Information Statement sent to its stockholders, which cited, in addition to 'changes in customer needs' and 'need for focused management time and attention', the following:

...[A]dvantages of vertical integration [which had motivated AT&T's earlier acquisition of NCR] are outweighed by its costs and disadvantages....[T]o varying degrees, many of the actual and potential customers of Lucent and NCR are or will be competitors of AT&T's communications services businesses. NCR believes that its efforts to target the communications industry have been hindered by the reluctance of AT&T's communications services competitors to make purchases from an AT&T subsidiary." (Wikipedia)

"NCR re-emerged as a stand-alone company on January 1, 1997. In July of 1997, NCR purchased Compris Technologies, a privately-held company in Kennesaw, Georgia producing software for restaurant chains." (Wikipedia)

"In November of 1997, NCR purchased Dataworks Inc., a 60-person privately-held company in San Antonio, Texas." (Wikipedia)

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"The Montgomery County Historical Society and NCR Corporation joined in 1998 into an innovative partnership committed to preserving the voluminous NCR Archive. For more than three months in late 1999, trucks traveled between NCR's Building 28 and the Historical Society's Research Center, bringing the three million pieces of this extraordinary collection to its new home." (Wikipedia)

"In 1998, NCR sold its computer hardware manufacturing assets to Solectron and ceased to produce general-purpose computer systems, focusing instead on the retail and financial industries. In 2000, NCR acquired CRM provider Ceres Integrated Solutions and services company 4Front Technologies. Recent acquisitions include self-service companies Kinetics, InfoAmerica and Galvanon, and software company DecisionPoint. In 2006, NCR acquired software company IDVelocity and the ATM manufacturing division of Tidel, a cash security equipment manufacturer specializing in retail markets." (Wikipedia)

The building for NCR at 515 Caroline Avenue in Houston Texas was designed by the architectural firm of Joseph Finger, Houston, Texas. The building was built in 1929 at a cost of \$28, 000, and was dedicated on April 8, 1929, which was the 59th anniversary of the invention of the cash register. The building was designed for and housed one of NCR's many showrooms. The building is a "finely detailed example of Italian Renaissance Revival architecture, not often seen in Houston." Because of its small scale, its affinity is more with the domestic architecture of northern Italy.

According to the Southwest Center for Urban Research, the building includes three bays on principal elevation and nine bays on the side elevations. The building features a flat roof with red tile canopy with wide eaves over the front elevation. Roundels appear above each entry door on the first floor. The simply framed doors are located on either side of a central display window glazed with large panes of glass. The side elevations feature double sash windows. Triple arched windows are located in the central bay on the second floor and each window features a fanlight above the casement windows. Decorative spandrel panels of carved stone with rectangular and diamond moldings are located between each window.

According to the Handbook of Texas, Joseph Finger "was born on March 7, 1887, in Bielitz, Austria. Finger received his primary, secondary, and technical education in Bielitz. Immigrating to the United States in 1905, Finger settled initially in New Orleans. He moved to Houston in 1908 where he worked in the branch office of the Dallas architect, C. D. Hill and Company. In 1912, Finger became the junior partner of Houston architect, Lewis Sterling Green. Between 1914 and 1919 he was in partnership with James Ruskin Bailey and from 1920 to 1923 with Lamar Q. Cato. From 1923 to 1944 Finger practiced under his own name. From 1944 until his death, he was in partnership with George W. Rustay. From the beginning of his first partnership, Finger was identified with the design of office, hotel, retail, industrial buildings and a few residences. Finger was responsible for designs for the American National Insurance Company Building in Galveston (1913, demolished); Cheek-Neal Coffee Company (Maxwell House) Building in Houston (2017 Preston Ave. - City Landmark); the Ricou-Brewster Building in Shreveport, Louisiana (1924, with Seymour Van Os); the De George (1913), Tennison (1922), Plaza (1925), Ben Milam (1925 - demolished), Auditorium (1926), and Texas State hotels (1929 - City of Houston Landmark) in Houston; the Vaughn Hotel, Port Arthur (1929); the Charlton Hotel, Lake Charles, Louisiana (1929); and the McCartney Hotel, Texarkana (1930). Finger designed retail stores for EverittBuelow (1926, altered), Levy's (1930, altered), and Battelstein's (1923, 1936, 1950) in Houston, and numerous auto showrooms in Houston during the 1920s. He was architect of the Model Laundry, Galveston (ca. 1913), Texas Packing Company (1924), H. M. Tennison Manufacturing Company (1925), and Truscon Steel Company (1941) buildings in Houston." Finger also designed a small number

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of residential buildings, including the Simon and Mamie Minchen House (1931) (City of Houston Landmark).

As the city's foremost Jewish architect from the 1910s through the 1940s, Finger designed many Jewish institutional buildings, as well as buildings for individual Jewish clients. Among these were Congregation Beth Israel Temple (1925), Congregation Beth Israel Mausoleum (1935), and Congregation Beth Yeshurun Synagogue (1949), as well as the Concordia Club (1915, demolished) and the Wolff Memorial Home (1930, demolished). During the 1930s Finger was responsible for such major public buildings as the Montgomery County Courthouse, Conroe (1935, altered); Jefferson Davis Hospital (1937, demolished; with Alfred C. Finn); Houston City Hall (1939 - City of Houston Protected Landmark); and the Houston Municipal Airport Terminal and Hangar (1940 - City of Houston Protected Landmark). At the time of his death, Finger and Rustay's Harris County Courthouse (1953) was under construction in Houston. Finger was best known for his exuberant modernistic designs. These included the Art Deco-style Houston TurnVerein (1929, demolished), the A. C. Burton Company auto showroom (1929, demolished), and the Barker Brothers Studio (1930). Finger's office produced the Clarke and Courts printing plant (1936) and the Carnation Company creamery (1946-47, demolished) in the streamlined modernistic style. Finger's public buildings of the 1930s and 1940s were also designed in the modernistic style. Among the prominent clients for whom Finger designed multiple buildings, for both personal and business use, were the industrialist Henry M. Tennison, the confectioner W. H. Irvin, the merchant Philip Battelstein and his sons, the grocer Joseph Weingarten and his brothers, the oil operator James M. West and his sons and business associates, Simon Minchen, a real estate developer and Joel Cheek, a coffee manufacturer.

Finger was a member of the American Institute of Architects. He was also a member of Congregation Beth Israel, the Independent Order of B'nai Brith, the Houston TurnVerein, the Westwood Country Club, Chamber of Commerce, and the Benevolent and Protective Order of Elks. Joseph Finger died on February 6, 1953, in Houston.

#### RESTORATION HISTORY AND CURRENT CONDITION

Although the building's façade has lost some of its original visual appeal due to neglect and alterations, plans include the restoration of the building's exterior. Plans also call for the renovation of the first floor as lawyer's offices and their residence will be located on the second floor.

The information and sources provided by the applicant for this application have been reviewed, verified, edited and supplemented with additional research and sources by Randy Pace, Historic Preservation Officer, Planning and Development Department, City of Houston.

#### **BIBLIOGRAPHY**

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Houston City Directories (various) 1929 and thereafter.

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Pace, Randy, City of Houston, Historic Preservation Officer, Planning and Development Department, "Landmark Designation Application for Cheek-Neal Coffee Company Building", Joseph Finger, architect, Houston, Texas.

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#### APPROVAL CRITERIA FOR LANDMARK DESIGNATION

#### Sec. 33-224. Criteria for designation of a Landmark.

(a) The HAHC and the commission, in making recommendations with respect to designation, and the city council, in making a designation, shall consider one or more of the following criteria, as appropriate for the type of designation:

S	NA	S - satisfies	D - does not satisfy	NA - not applicable
	☑ (1) Whether the building, structu a visible reminder of the de city, state, or nation;		*	
	☑ (2) Whether the building, struct state or national event;	ure, object, site	or area is the location	of a significant local,
Ø	☐ (3) Whether the building, struct group or event that, contributhe city, state, or nation;	•		•
Ø	☐ (4) Whether the building or structural architectural style		_	in the area exemplify a
Ø	☐ (5) Whether the building or structure remaining examples of an arc		· ·	
☑	☐ (6) Whether the building, structu within the area are identified the heritage of the city, state,	as the work of		•
	☑ (7) Whether specific evidence ex	ists that unique	archaeological resource	es are present;

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$\checkmark$	(8)	Whether	the	building,	structure,	object	or	site	has	value	as	a	significant	element	of
community sentiment or public pride.															

#### STAFF RECOMMENDATION

Recommends that the Houston Planning Commission accept the recommendation of the Houston Archaeological and Historical Commission and recommend to City Council the landmark designation of the National Cash Register Company at 515 Caroline Avenue.

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SITE LOCATION MAP
NATIONAL CASH REGISTER COMPANY
515 CAROLINE AVENUE
NOT TO SCALE

