

Upjohn History Presentation

The Start of the Company

- Our story starts in 1853, when William Erasmus Upjohn was born in Richland. We know this newborn best as W.E. Upjohn.
- He was awarded his medical degree at the University of Michigan in 1875 and became a country physician, based in Hastings. It bothered him more and more that medications of the day were so hard they travelled right through the patient. He started experimenting with ways to create a pill that dissolved within the body. It seems he became quite obsessed with this and one day he succeeded.
- The Upjohn Pill and Granule Company began around 1886 in Hastings. Its innovative product was the friable pill. It used a logo of a thumb crushing a pill.
- The three principals were brothers - W.E.Upjohn, Henry Upjohn and James Upjohn
- A move from Hastings to Downtown Kalamazoo followed quickly. Kalamazoo had a population of 14,000 people at that time and called itself the “Windmill capital of the world”. It was also a leader in buggy manufacturing – 47,000 were made.
- The first Upjohn catalog in 1886 included the following friable pills: Anti-constipation, Anti-syphilitic, Opium, Morphine, Nux Vomica, Digitalis, Strychnine, Blue Mass and Female. (Blue Mass contained a lot of mercury. Female was a mixture of herbs). Upjohn was particularly known for its quinine pills in the early years.
- The company also sold plenty of cannabis pills and tablets between 1897 and 1931.
- Back then there was no FDA to regulate drugs so companies could sell anything they wanted. It didn’t matter if a product worked or not, or how toxic it was to the patient. There were no rules.
- To give one example, Upjohn Blue Mass pills contain over one hundred times the permissible limit for mercury today.

Moving on to the First Half of the Twentieth Century

- The Upjohn Company held on to the friable pill too long and as a result the company almost went bankrupt around 1905 because their competitors had all moved to selling compressed tablets. I saw a local newspaper article from that time where Upjohn was described as the least successful company in the city. They did successfully make the switch to tablets, although some friable pills were still made for another thirty years or more.
- Around 1907 the name changed to The Upjohn Company (Makers of Fine Pharmaceuticals).
- Buildings in Kalamazoo were either bought or built by the company. Eventually the Upjohn triangle was formed – all the land between Lovell St, South St and Portage Rd was in use by the company. This included a company power plant.

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- By the 1920s the company was well-established and making a lot of money.
- During the Great Depression (1929-1939) W.E. Upjohn did not lay off any of his workers. He formed the Upjohn Farms in Richland at this time. Upjohn employees worked to cultivate vegetables and fruit, which were sold in Kalamazoo.
- The research tower (B25, demolished in 2007) and the headquarters building (B24, now used by Bronson Hospital) were built in 1934-5. These were major buildings, both paid for out of earnings.
- In the Second World War, Upjohn supplied 19 different pharmaceutical items to the military. Best known were the sulfa drugs (sulfanilamide and sulfadiazine). These are in the paper packets labeled Wound Tablets. They also did research on penicillin. Lots of quinine tablets were supplied to support jungle warfare.
- During WWII it was becoming obvious the company needed a major expansion of manufacturing facilities. Company leaders considered building upwards in Downtown Kalamazoo but decided to buy a spacious site out of town.
- 1,500 acres of land were then bought on Portage Road, the location of the current manufacturing site. At the time there was no city of Portage. On postcards from that era the new site is described as being near Vicksburg.
- The new Upjohn manufacturing complex took 5 years of construction to complete and cost \$32 million, all paid for out of earnings. The complex was fully opened in April 1951.

Now into the Second Half of the Twentieth Century

- Because everyone lived in the City of Kalamazoo and not everyone had an automobile, the company bought buses to shuttle people to work at the new plant in Portage. The fleet of buses grew to 15.
- The big products of the company at this time were antibiotics like neomycin, streptomycin and lincomycin. Upjohn had a big lead over other companies in steroids like cortisone, progesterone and hydrocortisone. Business was booming.
- The Upjohn Company went public in 1958. The private shares, all owned by members of the extended Upjohn family, were split 25 for 1. So every 1 private share became 25 public shares.
- Upjohn family members sold 2.41 million shares (17% of the total) to the general public at \$45 apiece. They made over \$100 million.
- A headquarters building was opened in Portage during 1961. This was Building 88, on the S.W. corner of the Portage Rd/Romence Rd intersection. It was state of the art and luxurious, with marble coming from Italy. Employees called it the Taj Mahal.

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- Numerous other buildings were constructed in Portage and Kalamazoo from the 1960s through the 1980s. Upjohn continued to manufacture a lot of product in Portage – bulk drugs, tablets, fluids and sterile products.
- From 1960 to 1989 there were organized tours of Building 41 that the public could take. They started in a museum at the front of the basement (next to the concourse), then walked to the East end on the first floor, returning via the basement. Tour participants ended up in the cafeteria for refreshments.
- In the 1980s the consumer products some of you may remember were still being made here – Kaopectate, Mycitracin, Unicap, Cheracol, Cortaid, Motrin and Pyroxate.
- The “Upjohn Airforce” started in 1956 with a Learstar turboprop and a company-owned hanger. In 1959 a Grumman Gulfstream that held 16 passengers was added. By the mid-1980s there were 4 planes and 7 pilots. 1100 employees per month used the planes.
- When W.E.Upjohn died in 1932, he set aside a block of Upjohn stock to fund an annual award for employees. These were the fabled Upjohn Awards. It truly was a honor and the high-point of a career to get this. In the 1980s there were 50 to 60 awards made each year, and each award would have included a check for 4 or 5 thousand dollars.
- The centenary of The Upjohn Company was in 1986. There were 19 nights of parties at the Hilton Hotel in Downtown Kalamazoo. At this time, the definitive book on The Upjohn Company “A Century of Caring” was published.
- The last two major products for the company were Xanax and Halcion tablets. In 1989 the first layoffs in company history occurred. These layoffs were voluntary and lucrative by today’s standards.
- By 1995 the company had run out of new products. Research had not been successful. In desperation it merged with a Swedish company called Pharmacia, forming the Pharmacia & Upjohn Company. At that time, Upjohn sales were 4 billion dollars and they employed 16,900 people.
- So The Upjohn Company ended in 1995 after 109 years.

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