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The ABC Swindle: **The Bicycle Trust and the Commercialization of American Sport**

The story of the American Bicycle Company, the first great trust company in the history of American sport, has never been completely told. The development of ABC and its evolution into the Pope Manufacturing Company is an important chapter in the history of the commercialization of American sport. The ABC scenario is an early example of the takeover and exploitation of a sport industry by entrepreneurs whose only real interest was making money and whose guiding principle was “anything is possible to he who dares.”

Leaders in the formation of ABC, A.G. Spalding (Spalding & Brothers), the Popes (George and Albert; Pope Manufacturing Company), R. Lindsey Coleman (Western Wheel Works), Phillip Gurmully (Gurmully & Jeffery), A.L. Garford (Garford Manufacturing Company) and J.E. Bromley (Hartford Rubber Works). have been portrayed as desperate and foolish men who tried to revive the bicycle industry after the bicycle crash. They were neither desperate nor misguided; rather they and their partners in the ABC venture were entrepreneurs who knew how to make a killing in the market. They did not organize the bicycle trust to revive the industry. They knew that the days of large bicycle sales were over. They realised that the automobile was the vehicle of both the present and the future.

The ABC bicycle trust was formed for three reasons. First, organizers desired to control the output and the price of bicycles; second, they saw an opportunity to redirect the bicycle industry into the automobile industry; and third, they wished to spread financial risk through the use of debenture bonds and stock options. If ABC failed, they were not only protected financially but stood to make a substantial profit through the sale of company assets. Only the third of these objectives was successful: when ABC went into receivership in September of 1902, and the Pope Manufacturing Company went the same way in 1907, the organizers made a killing.

The paper is based on the following sources: ABC and Pope Mfg. Company records and financial statements; records and financial analysis by the New York Stock Exchange; records and analysis from *The Commercial and Financial Chronicle* (a trade magazine); articles and analysis by editors and specialist for *The Sporting Goods Dealer*; *Moody's Manual of Corporation Securities*; Reports of the Industrial Commission (results of the IC investigation of ABC and later of Pope Mfg. Co.); and various bicycle histories and journal articles dealing with the bicycle. ABC. and Pope Mfg. Co.



“Okay, so you’ve given me the hat—when do I get the *real* perks?”