

# **Cracker Jack in Baseball: Legacy of Marketing Genius**

**By Michael Osacky**

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In 1912, Cracker Jack popcorn became the mass marketing legend of the twentieth century. The Rueckheim brothers' were the marketing prowess behind the Cracker Jack brand. The brothers' first introduced their caramel coated popcorn to the world in 1893 at the Chicago World's Fair. The feedback received was nothing short of remarkable and the factories started to mass produce the popcorn. Prizes started being inserted into the candy boxes in 1912 and created mass hysteria. Nobody had even thought of including a prize into a candy box, or any other retail item ever before. Talk about mass marketing! The popcorn was soon being sold at baseball parks, and the Cracker Jack name was included to the song "Take Me Out to the Ballgame." This unique candy company simply became a magic monopoly in the confectionery industry.

During the years 1914 & 1915, Cracker Jack had an even bigger idea. The company had no clue of the historic significance in the making. Baseball is America's favorite sport. They decided to insert baseball cards into the boxes of every box. Every child in the country clamored to collect their favorite baseball player. They stuck their sticky fingers through the divine confection; hoping for the card of their dreams. One hundred and forty four cards were randomly inserted into the popcorn boxes. Today, these cards are very scarce and most of them contain a stain from the popcorn. The baseball card promotion was extremely successful and was brought back the following year, 1915. The factories had trouble keeping up with demand in 1914 so 1915 brought about one change. The baseball cards could be obtained in the boxes of popcorn or you could order them through the mail. Complete sets could also be obtained in the mail. The company demonstrated its ability in marketing to children. Cracker Jack had become the behemoth of the candy world with no competition.

Those baseball cards produced in 1914 & 1915 are now collectors' items and are worth quite a bit of money. A complete set of the 1914 baseball inserts recently sold for \$75,000 in 2009. Another 1914 complete set in much better condition sold for nearly \$1,000,000 in 2008. The hammer price was \$960,000. This set originated from a collector who has been constantly upgrading his collection for many decades. He is almost ninety years old and felt that the time was right to sell the set, along with thousands of other cards. The price of individual cards varies greatly with condition. The Hall of Fame players' also command more money. A 1915 Modcai Brown (#32) in perfect shape sold for \$40,000. A 1915 Christy Mathewson (different pose than the 1914 counterpart) in mid-grade sold for \$2,500. 1914 Branch Rickey can sell for \$8,000. According to the baseball card price bible, Standard Catalog of Baseball cards, the 1915 set was printed/distributed in at two different times. The low number cards (#1-144) had ten million cards produced during the first print. The high number cards (#145-176), had a first print of fifteen million cards. There were additional printings, but nobody knows for sure how many were actually minted. Regardless, only a small fraction of the cracker jacks are

still around today. Many of those are in low to mid-grade. High grade examples are seldom found, but command a lot of money. Chicago and New York were the cities that Cracker Jack had its offices/distribution facilities. Nearly one hundred years later, these two cities are prime spots to find the Cracker Jack baseball cards hiding in attics or garages.

The key cards from both 1914 & 1915 Cracker Jack are: Alexander, Brown, Cobb, Johnson, Jackson, LaJoie, Mathewson, Speaker, and Wagner. The fronts of the cards are identical in both years with a few exceptions. A select group of players' have a separate picture in each year. Turning the card over and looking at the reverse is the easiest way to tell the difference between a 1914 and 1915 cracker jack. There are two ways to determine what year you have. Firstly, the 1914 set had 144 cards while the 1915 contained 176. The reverse of the card mentions either 144 cards or 176 cards. Secondly, is the image on the reverse upside down? If so, you have a 1915 card. The 1914 set did not flip the image on the reverse. The 1915 set flipped the image on the reverse and is a great way to determine what the 1915 variety.

The Baseball Hall of Fame in Cooperstown, New York is home to some of the most exciting baseball artifacts in the world. The Hall of Fame does not purchase any of their artifacts. The museum is a non-profit organization and they accept donations from just about anybody. Many of their pieces come directly from the players', families of players', and estates. The museum regularly rotates their inventory in and out of the museum so the visitors' do not get bored seeing the same exhibits. Most of the pieces spend most of their time in storage and never see daylight. The Hall of Fame is currently displaying several 1915 Cracker Jack cards. They include Mack, Bresnahan, Bender, Chance, Barry, Alexander, Cobb, Carrigan, Collins, Plank, Baxter, Bush. They have at least 1 complete set from 1915, but the set is not currently on display.

The CJ brand today is all but forgotten. Sales are on the decline and there hasn't been a television ad in over fifteen years. Regardless, there is a Cracker Jack convention held every summer and the die-hard fans come out of the woodwork to attend. This is the fifteenth year of the annual convention. The convention is an off-shoot of the Cracker Jack collector's club. [www.crackerjackcollectors.com](http://www.crackerjackcollectors.com). Annual membership is \$20 for a one person or \$24 for the entire family. This price includes a quarterly newsletter called "Prize Insider." About sixty or seventy people attend the annual convention. The record attendance was one hundred and fifty people. The club is very small and only has a few hundred members', but they buy Cracker Jack popcorn by the caseload. The Cracker Jack's are not eaten, but given out to friends, family, co-workers etc. Most Cracker Jack club members' do not eat the caramel popcorn because they do not like the taste of it. The majority of the members' are based in the Midwest because that is where Cracker Jack had most of its facilities. More importantly, most prizes are concentrated in the Midwest. The current Vice-President of the club and author of Cracker Jack Prizes, Alex Jaramillo lives in California and says, "There are no cracker prizes out west. I love going to the convention and seeing what new prizes have been unearthed in the previous year." The conventions are also great to catch up with old friends and relax from the daily grind. The Cracker Jack show n' tell is a favorite game that is played at convention. "The game is hosted by Cracker Jack experts who determine if that Cracker Jack prize is an authentic Cracker Jack prize," says Larry White, author of The Unauthorized Guide to Cracker Jack Advertising

Collectibles. There is no “master list” of prizes so nobody knows for certain if a prize came from the popcorn box or not.

When Frito-Lay purchased Cracker Jack from Borden in 1998, one hundred million units of cracker jacks were being sold annually. Frito-Lay recognized the brand was still viable and built the product up. Close to one billion units of cracker jacks were sold by 2002 up from one hundred million just a few short years earlier under different ownership. The existing machinery was purchased in the merger and Frito-Lay was intent on streamlining operations, but still use existing machines to package product. The leadership was shocked at what they saw. They could not believe that an elderly woman was dropping the prize into the top of the machine and a few seconds later it came out the bottom as a wrapped prize. Management did not understand why a machine was not doing the work of the elderly woman. Management was clearly detached and was focused exclusively on profitability. A brand that has been around for one hundred years has some nostalgia that comes with the territory; this was one example of the nostalgia that had remained within the organization for decades. Unfortunately, everything was streamlined and automated after the merger and the elderly woman lost her job. Frito-Lay had several ideas to "re-start" the brand to increase sales. Firstly, the boxes started to be replaced by bags. Frito-Lay has all of their products in bags, so the transition from boxes to bags would be seamless. Dorito's, Frito's, Cheeto's are sold by the bag, not box. The bags have a longer shelf life and the product stays fresher in a bag. Consumers wanted more peanuts and wanted them more evenly distributed in the package. Under the Borden name, the peanuts were exclusively found on the bottom of the box. Frito Lay inserted the popcorn into bags upside down to increase the likelihood that peanuts are found throughout the bag, not on exclusively on the bottom. Under new ownership, cracker jacks were sold alongside Oreo's and M&M's. The popcorn was not sold on the same shelf as other brands of popcorn. This was a strategic move because sales of cookies and candies were growing at a faster rate than popcorn. Furthermore, popcorn evokes a healthier feeling than a bag of M&M's. Instead of going for the chocolate candy, grab the popcorn which is on the same shelf. In the Chicago market, Cracker Jack was hung on sides of big racks displaying Frito's, Dorito's, Cheeto's, etc at convenience stores and gas stations. Gas stations derive most of their profit from the convenience store inside. According to the January/February 2010 Candy and Snack Magazine, 2009 & 2008 lost 334 & 1419 convenience stores, respectively. Lottery tickets, canned goods, cigarettes, popcorn, candy, and many other goodies are found inside of the store. Convenience stores and gas stations still sell Cracker Jack product in both bags and boxes. Boxes are also available for purchase on the Frito Lay website. When the pay by credit card at the pump was introduced several years ago, the convenience store started taking a hit in their sales because customers were paying at the pump and not going inside to buy anything. Americans work harder and longer than ever before, and the pay at pump feature was great for busy people, but a detriment to the gas station ownership.

Unfortunately, the brand has fallen on hard times for several reasons. Firstly, the turnover in management for the brand has been extremely high. Frito-Lay has several different divisions and they want their best people to work on the most profitable brands. When somebody does a great job for the Cracker Jack brand, that person gets transferred to Quaker Oats, or PepsiCo. The Cracker Jack jobs are used as a stepping stone to more lucrative work within the parent organization. Currently, Cracker Jack does not have senior management for its brand. All

of the decisions are made by the parent company. Cracker Jack has no CEO, COO, CMO, etc. Secondly, Frito-Lay has turned its back on the consumer and the Cracker Jack collecting community. When Cracker Jack merged with Frito-Lay in 1998, they sent cases of Cracker Jacks to the Cracker Jack collectors and management would appear at every annual Cracker Jack convention. Frito Lay headquarters is in Dallas, TX. To create a buzz and celebrate the merger with Frito-Lay in 1998, Dallas played host to the Cracker Jack convention shortly after the merger from Borden. All attendees took a tour of the headquarters and ate like a king. As noted earlier, the conventions are exclusively held in the Midwest, but who could say no to Dallas. Today, management no longer sends free product and no longer attends the annual convention. The convention attendees viewed the management appearance as beneficial and looked forward to it. Management was very receptive to the needs/wants of the end user. Today, the end user is detached from the brand. There are several forum boards, but nothing positive to say about the brand. After going through numerous chat/forums, two things constantly come up for conversation. The consumers chastise the brand for not inserting enough peanuts into the packages. They also want better prizes. The prizes today are all made of paper. The prize is part of the wrapper. The wrapper and prize are one and the same. You take off the outside wrapper and that is the prize. Years ago, Cracker Jack conducted test runs with children to see if prizes would be liked and well-received by the children. The prizes used to be a key ingredient that affected revenues. If the children like the prizes, they would tell their parents' to buy Cracker Jack. The children would also trade the prizes on daily basis which further publicized the brand. There is no need today to pay for a test studies to see what prizes are enjoyed by children because every prize is a paper one.

Cracker Jack, a prize in every box has been a mainstay slogan since 1912. The prizes inserted into every box have changed for the worse, over the years. Toy cars, tobacco pipes, plastic animal figurines, baseball cards, fake tattoos, were the most highly collectible prizes several decades ago. The "thrill of the hunt" occurred between 1900-1990. After 1990, the prizes became cheap plastic novelty items, or paper items such as crossword puzzles. The current prizes inserted into bags of CJ are exclusively paper prizes. Paper games, paper stickers, paper jokes. The reason behind the paper prizes is two-fold. Firstly, Cracker Jack does not have a budget to buy prizes. The brand has been declining for years and it does not make sense fiscally to take away from the bottom line. Secondly, FDA (Food and Drug Administration) dictates what can be included into the candy corn. 1972 was the first year the FDA dictated what size the prizes could be. Many of the prizes from yesteryear are now considered a "choking" hazard by the FDA. However, the prizes pre-1972 are worth the most money and the most collectible. Many of these prizes consisted of boats, cars, or other vehicles that were inserted into the boxes as parts to be assembled by the purchaser.

"Some of the rarest finds include a cracker jack "foil" box that was manufactured between 1957-1960" according to Jaramillo. Every so often unopened boxes of cracker jacks will come to the market and everybody clamors to see what prize is inside that box. Many prizes have been found when a house gets torn down. It was a common occurrence several decades ago to store prized possessions inside a wall for safekeeping. On occasion, people would forget about their secret compartment and move out. When a house gets torn down, these treasures become unearthed.

The pricing of Cracker Jack popcorn is fairly straightforward.

From 1896-1918 a box of Cracker Jack was a nickel for 2 ounces. Sugar started to be rationed after the war (1918-1919) so the price doubled from a nickel to a dime. In 1920, the price dropped back to a nickel and stayed at a nickel from 1920-1940. In 1940, the box shrunk from two ounces to 1 1/2 but still cost a nickel. In the 1950s and 1960's the box shrunk again to 1 1/4 ounce and the price jumped to fifteen cents. In 1970 the box shrunk again to one ounce and the prices ranged from twenty-five to thirty-five cents. The one ounce size remained through the 1980's until the late eighties when the box weight increased to 1 1/4 ounces. Today a box cost fifty cents and a bag cost about \$1.

The CJ popcorn formula has remained the same for over one hundred years and the game of baseball has also remained fairly constant. However, the monster stadiums and the payrolls have sky rocked over the last few decades so the price of admission has increased accordingly. In 1920, you could enter Yankee Stadium for twenty-five cents. In 1930, the price to see the Chicago Cubs play at historic Wrigley Field was \$1.50. Prices in the 1940's remained between \$1.25-\$1.50 for a bleacher seat. The price of Cracker Jack also remained constant during this period. In 1955 you could enter Yankee stadium for \$1.00, but the 1960's saw a huge jump in ticket prices and the price of Cracker Jack (see above paragraph) also increased. Every ballpark today has different admission prices, but it is borderline unaffordable for a family of four to attend a baseball game. Four tickets, parking, food, drink, etc easily costs a few hundred dollars. The price of a bag of Cracker Jack today costs \$1.00

CJ is mainstream and most Americans are aware of the brand. It is a brand that has transcended from generation to generation. Consumers might not buy the brand, but they remember it from their childhood days and from going to the ballpark. Cracker Jack has been inserted into our television and radio for nearly one hundred years. In the 1934 movie, Bright Eyes, Shirley Temple mentions the CJ brand while holding a box of CJ. In the 1961 movie Breakfast at Tiffany's, the CJ brand is mentioned numerous times when referring to the ring that Paul is getting Holly. In the movie Little Rascals, Alfalfa gives Darla a ring and says, "I had to eat six boxes of CJ to find it." Kramer puts Toby's toe in a CJ box filled with ice, on an episode of Seinfeld. The CJ brand has been a favorite of musicians. Meatloaf, Tori Amos, and Weird Al have all mentioned CJ in their music.

As I am a baseball card 'collector' it's not just the cards I collect, it's also the history. As Cracker Jack cards become more difficult to find, so do the stories of Cracker Jack finds. Growing up in Chicago and being a White Sox fan, I would love to find a "Shoeless" Joe Jackson Cracker Jack card. It is tough to find and worth a nice chunk of money. The Jackson Cracker Jack is on my mind every day. He is the background picture on my phone. I wake up to Shoeless Joe and got to bed thinking about Shoeless Joe. Many old attics' still lie dormant with baseball cards of the bygone century. The cards are waiting to be discovered, and brought to light. I dream of the day, when some old attic will invite me in and reveal a Cracker Jack discovery. In the meantime, "Take Me Out to the Ballgame, buy me some peanuts and cracker jacks....."

Random facts...

1. July 5th is National Cracker Jack day. Sailor Jack (portrayed on every bag/box of Cracker Jack) is red, white, and blue
2. The dog on the box/bag is named Bingo. This started in 1918 and he is still on every box/bag today along with Sailor jack.
3. The formula has not changed since 1893. 2 grams of fat (none saturated) 120 calories, 15 grams of sugar per serving

*Michael Osacky is the founder of Baseball in the Attic, a Chicago-based company dedicated to locating vintage baseball cards and other sports memorabilia. He has been collecting since he was a teenager when his Grandfather bought him a shoebox of vintage cards for his birthday. He is an appraiser for professional athletes from teams such as the Chicago Bulls and the New York Yankees. He can be reached at [Michael@baseballintheattic.com](mailto:Michael@baseballintheattic.com) or 312-379-9090*