

The Schafer Company Traces Its Roots To 1870

A History of The Schafer Company 1870-2000

Abraham Schafer came to Little Rock, South Carolina, in the late 1860's from Darlington County. He first worked for Mr. Tom Dillon. Mr. Dillon, fed up with the land owning farmers who owned all of the land around Little Rock—and would sell none of it—sold his Little Rock business to Mr. Schafer in 1870, and thus was started The Schafer Company.

In 1888 Sam Schafer, the only son (but three daughters) of Abraham and Rebecca Schafer, was born. He began working in his Father's store at an early age.

In about 1898, Sam Schafer, along with his friends in the 4th grade (Ernest Cottingham & Bill Stackhouse), all got mad at the teacher who had reprimanded them for mischief, went back that night and burned down the Little Rock School. Of course, they could never go back there, so they all had to trudge about 2 miles from Little Rock to attend the Bunker Hill School. This did not last long, so my

father actually wound up with about a fifth grade education. This never held him back; he was a voracious reader, and in his adult life was as well educated and well versed as anyone I had ever known.

Sam Schafer became General Manager of the dry goods part of The Schafer Company, while Abraham continued to manage the hardware and grocery departments. This was a country store, largely to supply the neighboring farmers with whatever their "hands" needed, and would pay for them when the crops came in in the fall.

Alan Schafer was born in 1914, attended Little Rock School through the 7th grade, and graduated from Dillon High School in 1930. During his years from age 6 on, Alan Schafer worked in his parents' and grandparents' store, and saved every penny he could from this, even setting up his own ice cream stand beside the store where he sold Eskimo Pies every Saturday. By 1928 Alan Schafer had saved about

\$2,000.00 with which he planned to pay for his college education. However, due to crop failures, and the drop of the price of cotton from 75 cents a pound to 5 cents a pound, many farmers went broke, and this in turn caused the 3 Dillon banks which had merged into one, to close their doors in October, 1928.

Sam Schafer, also broke, sold his son's bank account for 10 cents on the dollar, and had to use the money to keep his business alive. When Alan Schafer attended the University of South Carolina in Columbia, in 1930, all he had was a \$20.00 Scholarship that paid for his room (tenement) rent, and \$20.00 in Dillon County Scrip. The County had no money to pay its teachers or other employees so they issued scrip, which the local merchants had to accept, or go out of business themselves. But when Alan Schafer got to Columbia, they would not accept Dillon County Scrip, until the late Senator Jim Hamer prevailed on them to accept it. This still left Alan Schafer with no place to eat, and no money. He worked a day or two in the mess hall for his food, but found this too boring and still left him with no cash. So, he walked up and down Main Street in Columbia offering to work any place on a strictly commission basis. Finally, a small ladies' shoe store hired him, and soon he was making \$35.00 a week, which was a huge salary in those days.

In 1933, as he neared his senior year, Alan Schafer was called by his father to come home. His grandfather was at the point of death. As his favorite grandchild, there was no hesitation, Abraham Schafer died in the fall of 1933, at age 83.

In 1932 Franklin Roosevelt was elected President and his #1 campaign promise was to repeal the 18th Amendment which outlawed the sale of Alcohol. Sam Schafer had seen an opportunity, and he went to Baltimore, bought a pickup load of beer, and came home to re-sell it. Amazingly, people who could not pay their grocery bills were buying cold beer for cash at 75 cents a bottle! From that beginning, Sam Schafer and Alan Schafer began the Schafer Distributing Company, which to this day covers 26 of the state's 46 counties, distributing such great beers as Miller, Miller Lite, Icehouse and Heineken. With 150 employees, it is one of Dillon County's best and most progressive businesses.

Mr. Sam Schafer had been diagnosed with cancer in 1942, but with his three sons in the military, he swore that he'd beat it until World War II was over. He did. The war ended on August 14, 1945 (Jap surrender) and Sam Schafer passed away on August 18th—4 days later. A pure case of mind over matter.

In 1949 Schafer Distributing Company had branched out with added warehouses in North Carolina, including one in Maxton (Robeson County). Out of the clear blue, N.C. passed a local option law, and Robeson County was the first to vote, to

outlaw the sale of beer. We had 200 customers in Robeson County who had no intention of not selling beer begging us to find a place close to the line where they could pick up (legally) up to 2 cases at a time.

So, Alan Schafer went out onto U.S. 301, at the state line, bought 3 acres of red clay fields from a great lady, Miss Ada Hamilton, and on this land was built an 18 x 36 foot building for the sole purpose of selling beer to the people across the line. By accident, the place was called South of the "Border Beer Depot". When the first sign went up, we received a call from Governor Strom Thurmond's office asking us—in order to appease the N.C. Sheriff and Governor—not to call it a beer depot. We agreed, went to Columbia and bought \$300.00 worth of simple, used restaurant equipment, and changed the name to South of the Border Drive-In. What we did not realize in advance, was that there was not a single place on U.S. 301 where a traveler could get a sandwich and a drink without wandering off of the highway. Soon, the tourist business was far outstripping the beer part (even though we sold 13,000 cases of Miller High Life in 1950, more than any other retailer in the U.S.). The tourists kept piling in, and we had to expand, and expand some more. A gift shop was added in 1951, a motor inn was added in 1954, a campground in 1958, and almost every year since, S.O.B. has been growing with more and more tourist related businesses.

Alan Schafer was discharged from the army in 1946, and he immediately proceeded to organize his businesses so that they could grow. He created Palmetto Properties, Inc., which owns almost all of the property at South of the Border, and built and rents 6 branch warehouses for Schafer Distributing Co., in Myrtle Beach, Florence, Dillon, Sumter, Columbia and Orangeburg. It adds new properties every year, paid for from cash earnings.

As South of the Border's sign program grew—it had to grow to keep up with the growth of the tourist traffic—Ace-Hi Advertising was incorporated and today handles all of the advertising for South of the Border and its related industries.

Border Court, Inc. (South of the Border Motor Hotel) had grown far beyond its initial 36 rooms—to its present capacity of 304 rooms—so this necessitated a new separate company.

In 1957 the Eisenhower administration, remembering the German Military Autobahn, which made the Germans a much tougher enemy to defeat, announced to creation of the United States Interstate Limited Access Highway System. Obviously this concerned South of the Border people who immediately went to Washington to find out how this would affect the South of the Border location. We were delighted to learn that I-95 would enter South Carolina at approximately the location where U.S. 301 and U.S. 501 also came into South Carolina. Following this information, we

started buying up properties adjacent, around and near South of the Border, including 300 acres in North Carolina, to be prepared for the new interstate. Unfortunately, a few local people, jealous of South of the Border's success, went to the State Highway Commission and asked them to remove the I-95 corridor away from South of the Border—even if it meant going through Marlboro County. If they had succeeded, you can imagine the disaster to Dillon County's tourist industry and its growing industrial businesses that came here largely because of the I-95, 301, 501 accesses.

In 1950, the Miller Brewing Co. asked Schafer Distributing to take over the South Florida market for Miller, including Dade and Monroe Counties (Miami & Key West). They did, and created a new company "Miami High Life, Inc." The year before Schafer took over the Miami operation, the previous wholesaler had sold less than 25,000 cases for the year. After the first year, the new Miami

operation had passed 300,000 cases per year and by 1964 had a volume of more than 3 million cases, at which time the company was sold to a Texas multimillionaire, at a large profit for the 14 years we built that business.

In 1980 Alan Schafer retired as an active manager of Schafer Distributing Co., Inc. and turned it over to his sons, Richard and Billy Schafer, who have won a multitude of awards and prizes for success. This past year (2000) they are on their way to a week's vacation paid for by the Miller Brewing Company, for ranking in the top ten (among 600) wholesalers in the country.

From 1980 to 2000 Alan Schafer and his wife, Patty, built South of the Border and its related companies to 100% increase in traffic and business and profits. It continues to be the best known tourist complex on the eastern seaboard, attracting at least 7 million visitors per year from every state in the union, plus a number of foreign countries.