

POSTSCRIPTS

THE WINTER, 1982, issue of this journal contained an article on Samuel C. Pandolfo, a southwestern businessman whose attempt to build an automobile empire in St. Cloud failed when he was convicted of using the mails to defraud. Author John Dominik, concluding the story with Pandolfo's departure from St. Cloud in 1923 to serve a prison term, made it clear that his protagonist's career did not stop in a jail cell.

A number of readers wanted to know the end of the tale. From Stillwater, for example, John B. Baird wrote: "I am sure that there is much more to tell. Please do a follow-up on the 'whole-wheat, greaseless, raisin, chocolate do-nut' caper. You can't stop with a cliff hanger!" John Dominik provides the following response:

WHILE Pandolfo was in Leavenworth Penitentiary, a new plan replaced his dream of a motor company. He was made a clerk in the prison hospital, and the daily association with assorted health problems there set his agile mind working. He had been actively promoting one business or another all his adult life and that would continue so long as he lived.

Paroled in October, 1926, he set out for St. Cloud. He was without funds; the appeals of his conviction had drained away the considerable sum he had earned with Pan Motor Company, but his friends in St. Cloud were organizing a rally to raise money for him. Between 400 and 600 well-wishers greeted him as he stepped from the Great Northern train, and two nights later in the crowded Miner Theatre he frankly explained his condition. He had a rupture, he said, some abscessed teeth, and indigestion. He was going to Battle Creek, Michigan, to recuperate — but he would return.

Back in St. Cloud early in December, Pandolfo's first efforts to raise money involved exhibiting the motion pictures made of the Pan plant during its heyday, the pictures that Judge Kenesaw M. Landis had disallowed during his trial. Pandolfo now charged admission to see them.

During the first two weeks of January, 1927, Pandolfo gave the large audiences viewing the films several hints concerning a new enterprise. At one time he mentioned an unspecified industry that would be supported, he said, "by the combined investments of us common people."



SAM PANDOLFO

It was not until August that the specifics — or one of them — appeared. It was a pan (naturally!) for making "greaseless do-nuts." Manufactured for him in Chicago, it was sold on the basis of the healthful food it would produce. By September he had leased a building, remodeling it into a café that would specialize in health food.

Pandolfo intended his St. Cloud café to be the flagship of a nationwide restaurant chain. His aggressive advertising style, untempered now by Ben Forsyth's fine hand, was soon exhibited in St. Cloud newspapers. "One [of Pan's whole-wheat, raisined, greaseless do-nuts] every morning will keep the doctor away and put iron in your blood and will clean the digestive tract of all foul, decayed matter." If the gross appeal to health didn't pull buyers, perhaps an appeal to civic pride would. "If every family in St. Cloud will use these wonderful health do-nuts daily, in two months I will have a health food factory going here that will put the town on the map." He tried the direct approach, too. "You need this high quality food and I need your patronage."

Never one to run a business on its own profits, Pandolfo raised funds for the health-food business by borrowing money on his personal note. If there were any doubt about his sales ability, he erased it by issuing (selling) his personal note, renewable as long as he paid the seven per cent interest. No one, apparently, questioned his ability to repay the principal if he couldn't pay the interest. At the end of the year Pandolfo had what

amounted to a medicine show traveling the Dakotas, Montana, and other northwestern states, selling greaseless do-nut pans and borrowing money on his personal notes.

Early in 1929, Pandolfo announced a contest to promote his do-nuts. The first prize was to be a new Ford two-door sedan, awarded to the writer of the best letter describing how Pan's greaseless do-nuts improved the eater's physical condition. ("Nobody is one hundred per cent," Pandolfo said.) The letter writers were required to eat at least one health do-nut a day for at least 30 days.

His inability to award the car at the conclusion of the contest — the local Ford dealer refused to give him the car on credit — foretold the end of Pandolfo's business activities in St. Cloud. In July, 1930, the health-food company and café closed, and Pandolfo moved to Denver, where he had opened offices after purchasing the Grandma Cookie Company there.

Within three years of the move to Denver, Pandolfo was again in receivership. He blamed creditors who had been "ribbed up" to press for payment while he was out of town. By the time he returned with the money, he said, it was too late.

Following the Denver foreclosure he went back to selling insurance for several years, but in 1938 he was in Albuquerque, New Mexico, organizing the Old Line Insurance Shares Corporation. The company's purpose was to buy, sell, and loan money on premium notes for insurance and to deal in real estate and personal property.

A real-estate purchase brought Pandolfo into his second serious confrontation with the law. He had

purchased a large tract on the edge of Albuquerque, and with his customary enthusiasm he had entered it on his books at the valuation he calculated the lots would bring, not at the price he actually paid. Not only did this entry wipe out the possibility of showing a profit on the books, it raised the complaint of a shareholder. Pandolfo was arrested in 1941, tried, and convicted of using the mails to defraud. (The property, incidentally, was located precisely where Albuquerque later expanded.)

Pandolfo was released on bail while he appealed his conviction; when it was again denied by the United States Supreme Court, the 68-year-old promoter had to be tracked to Montana and returned by a federal marshal. He was sent to Leavenworth but later transferred to the federal prison in Seagoville, Texas, where he instructed prisoners in elementary mathematics and Spanish.

Paroled again after four years, Pandolfo returned to selling insurance in Colorado. But in 1956, on his way to Alaska, he stopped in St. Cloud to visit friends. He was 81 years old and intended to make a fresh start up north. There in 1958 he organized the Alaska Underwriters Corporation, whose purpose was to "form all kinds of insurance companies, purchase real estate, everything!" The business was barely under way when Pandolfo suffered a stroke in December, 1959, and died January 27, 1960, at the age of 85.

Despite his two major and many minor brushes with the law, perhaps the best assessment of his character had been exhibited by St. Cloud citizens who had gathered to greet Pandolfo in 1926 when he returned from prison. After all, the old man said years later, "you don't meet a crook with a brass band!"





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