
S.D. Warren Company

Stories of Maine's Paper Plantation


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Interview with John Beck

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John Beck Interview (January 29, 2003)

Position: education and research director, 1986-1991. Bi-annual training seminars (with @ of 11 Regions); prepared book of contract developments for @ company council (e.g. Scott Council) presented at annual meetings.

Summary of Story

Reasons for Local 1069's Not Cooperating

- **180' turn from UPIU's prior bashing of "teams"** (*note: Beck explains UPIU's commitment to pragmatism over an ideological approach*)
- **conflict with local realities**
- **local realities less positive because of new "profit-center" emphasis**
- **some int'l reps and local leader's "ideological" or "naïve Marxist" class conflict politics made it hard to embrace new view.**

Bargaining picture in paper industry: late 1980s.

Relationships were *extremes* – "During the 1980s ... the middle disappeared. ... Relationships got really bad, or really good, but there wasn't much in the middle."

High road -> Scott and James River, who wanted to avoid conflictual bargaining and to cooperate to reach some ends. The unions would offer labor flexibility and produce productivity/quality improvements as a quid pro quo for retaining Sunday premium pay and being free from IP-like threats.

"The end is the same ... The issue is, is the process different and were there quid pro quos. In cooperative contracts ... the emphasis was labor flexibility ... the acceptance of the team concept, or what is known generally as high performance work systems So trying to build some relief for the companies. And then the cost of doing that to the company was leaving alone Sunday premium."

Creation National Joint Committee

Initiated by Nee. Nee had a vision:

And when Nee moved from Champion to Scott, he decided that he wanted to change industrial relations. And he had a vision that the way to do that was to have this kind of national joint partnership kind of committee that would meet, and it would meet to talk out various things. And from the top of the organization espouse things that then hopefully would be implemented at the local level, or things could be done at the national level.

Original composition: top managers in Scott -“high flyers ... the real movers and shakers below [Scott CEO] Lippencott himself.” International Vice-Presidents and John Beck.

Scott members: SD Warren president Bob MacEvoy, Bill Wadsworth (headed tissue operations), HR vice-president Bob Rice, and LR VP John Nee. Also Tom Zepial and/or Paul Schraigel.

Eventually, local union leaders and mill managers were also added. An issue: initial group of regional VPs for UPIU had non-Scott backgrounds. UPIU worked to bring on local leaders to rectify this.

Gordon Roderick represented Maine.

Set up to avoid local conflicts spilling over to the national process:

“I think we worked it out ... to never have the mill manager and the local leader on at the same time.... The National Joint Committee went out of its way to attempt to not have local situations solved at the national level.”

How Jointness Was Presented to the Local Level

1st the committee was formed and met several times, putting together a mission statement. Then local Scott leaders and mill managers were brought in for large national meetings. Prior to these sessions, Nee was brought to address the Scott Council (an unusual though not unprecedented event).

The purpose then:

“... bringing all the locals together, and all the mill managers together, to talk about the fact that our initiative was going on, and to talk about, our belief that it really was an alternative to the low road, and that *we needed to find ways to cooperate, and in effect, put the bad guys out of business, rather than vice-versa.*” (emphasis added)

I.e. help these companies compete with low road companies through productivity growth.

(note: here I’m jumping towards the end of the interview (side 2), p. 18 second set of notes)

Q: One thing I’m just curious about – what kind of publications that the Int’l put out, either reports or things that would have appeared in the International newspaper, that both local leaders and rank and file might have seen about this subject? What was the print communications on the issue?

A: Various pieces were put out in the newspaper. There was also – Scott had its own internal organ, ok. [items were published there about it-MH] They [Scott] created a videotape, the year I left, 1991. So that was completed, in fact, I saw [it] at one of the joint meetings before I left staff.

Q: Do you recall anything about the flavor [of it], or your impressions of it?

A: No. It's really talking about – again, the importance of working jointly and all of that, ok.

There was a mission statement. We put out our notes, I think the minutes went out to all locations of the joint committee, if I remember.

Then we had a lot of these national meetings, where we had various people come and spoke. We had one guy come in and talk about Saturn. Somebody else came in and talked about the steel industry. *So there was this desire to have the locals understand what other unions had done, and that it was good stuff, kind of a thing.* [emphasis added]

Who's who in Maine

Gary Cook was int'l rep for Westbrook, and Gordon Roderick was int'l rep over Somerset and Winslow. "Gary, since he is the sitting regional vice-president." [note: this comes up later because of Cook joined Carver in being suspicious of the jointness initiative.]

How the Int'l dealt with explaining a "180" turn (Note: Very Key Passage)

Q: [abridged, Side A:310] So, was there an awareness at the Int'l that this was an issue, of a shifting of the gears so abruptly? Did it come up? And how did the Int'l approach that?

A: Well, I think the way that I always approached it, and, again, ... my other responsibility for the locals was, if I wasn't writing cooperative language on the one side, I was teaching people how to play the inside game and destroy the boss on the other. Right.

So, a lot of folks would look at me and say: "Well, wait a second, this is massively inconsistent, John. You were at the regional training seminar, teaching people how to screw the boss last month, and here you are at a Scott Council meeting, or whatever, you know, preaching cooperation.

And what I always said then, was, and still say now, is that in effect that, it is, simply, absolutely consistent. That is, what is consistent is what the orientation to the outcome is, not necessarily what the tool is. That you keep your eye on the prize,

and then you plan accordingly as to what vehicles are going to get you there. And that actually, it is all about member mobilization. You either mobilize the members to boycott the boss, you know, march through the center of Livermore Falls, or whatever. Or, you are mobilizing them to put the shoulder to the wheel with the boss, to try to beat the competition, and to try keep the plants open.

To me, it's absolutely consistent, right. Because in both cases, you're, what you are out to do is to protect the interests of the member, because you've done a good analysis of what's going to make things possible for us . . .

How are we going to be able to actually, you know, have economic and job security for our folks. And one time its one set of tools, and sometimes it's the other set of tools. Now, I had a lot of people though, who looked at it ideologically. They said: "How can you tell us that this guy is a fucking bastard one day, and then, in a little bit, you're going 'no, you know, that other guy is a fucking bastard but [this guy] *isn't* a fucking bastard, this guy is our buddy,' and all of sudden, you can't do that." They do [the] IWW, the working class and the employer class have nothing in common kind of a thing.

I thought that it was consistent, and that was one of the ongoing messages that I would push, always, from the podium.

Comment:

Note: here JB and the int'l was espousing a pragmatic philosophy. The "ends" of job and economic security could be served by *either* the high or the low road. They were tools to "protect the interests of the member" based on "a good analysis of what's going to make things possible for us."

As is clear from my own interviews and what JB says below, it wasn't so clear that the high road was possible from the experience at the local level. Why? Local history is one matter, but also the new corporate strategy of treating local facilities as separate profit centers and making them clear a certain hurdle or "pay." Paying meant often downsizing or breaking of agreements or perceived understandings.

JB continues on "how it was presented"

Now, I think that Wayne [Glenn] took a similar tact, in terms of the stuff he said – you cooperate with those who are willing to cooperate with you.

Jimmy [DiNardo] took a different tact, because, the fact that, he was an extremely plain-spoken person, he made it personal, and he said "the truth of the matter is, that I was distressed at these bastards," and he said, "John Nee's changed my mind."

So, DiNardo believed that he saw some trustworthiness in John Nee, ok, that would make him believe that the world was, could be, a different place.

And I always said, no, **when people would say – “Can we trust these guys?” – yeah, you can trust them to be the same bastards that they’ve always been. You know, the issue is that you have to look out – what’s in it for us? What’s going to continue to try and get the agenda forward.**

Note: in the following, JB sums up the need for a pragmatic approach, given the harsh circumstances of the late 1980s.

Q: From what I’m hearing you say, you’re describing pragmatism as opposed to an ideological approach.

A: **Yeah**, I think that we had to be unbelievably pragmatic, because the fact that, YK, when you’re sitting there, and your ideology is telling you that what you need to do is strike, but, the strike has turned into management’s weapon, then you have to say to yourself, we cannot use the weapons we’ve always used. You better look around, and look at the multiplicity of things. That it is not as easy as it was, and, just because we cooperate with them today, doesn’t mean that we’re not going to cooperate with them [tomorrow], that we’re going to cooperate with them always.

You know, the same thing is true other way. If you’re not cooperating with somebody today, it doesn’t mean that you’re not to turn around and make peace tomorrow. It is not not always perpetual war, nor is it always-perpetual peace.

But I think we tried to change the rules of engagement.

The gap between Int’l’s new jointness philosophy and Scott locals

Now, as you can imagine, if you talk to Carver or a lot of other folks, you’ll find there is a huge distance between what happens on the shop floor at Westbrook, and what happens in the corporate suites of Philadelphia, or what happens in the union suites of Nashville.

So that, in their mind, I think, at times, they said: “Now wait a second. If we’re so damned cooperative, explain to us what’s going on on the local level. How come it doesn’t feel cooperative?”

And that was a constant battle, as you can imagine, was to say to the corporation that, you know, “you’ve got to walk the talk on this stuff. You can’t preach cooperation and then turn around and hit people over the head at the local level.”

Here Beck describes the new strategic management approach of Scott, and how it produced a gap between the rhetoric of the jointness initiative and local reality:

The problem, of course, was that there was a major shift within major corporations at the same time that had to do, like I said, with the whole notion of treating each of the plants as a [separate] profit centers, and trying to figure out the economics of each specific plant, so that, when they're saying that they want to be cooperative, and then they turn around and say: "But, you know, we may well have to close locations, or look at what we're doing, we don't think that this is necessarily working - blah, blah, blah." [And] you say – "wait a second. Tell me more about this cooperation, if you are making job threats. Or if you're doing, whatever."

And I think that guys on the local level really wanted to see greater activity, quicker, I believe, in terms of proof-positive that this was a new Scott Paper than they necessarily seen before.

Note: to summarize, JB is explaining a conflict between the general pronouncement of a new cooperative labor scheme for Scott and the realities of the local level. Scott was also implementing a new strategic approach to running its business, i.e. by treating each plant as a separate "profit center." Thus, locals were seeing retrenchment or threats of retrenchment, or continuing of traditional conflictual relations (e.g. Westbrook) at the local level. Hence, a conflict that made buying into jointness a hard sell.

Q: At this time, union leaders at the local level describe a higher turnover in management – i.e. that there was instability in who was in charge in central headquarters, who they were sending to manage the local mills and what the announced plans and strategies were for particular plants or product lines. Do you have any perception of that?

A: I think you're right. But it matches a general change – you know, a lot of those guys were used to corporate America, old-style. Where your management on the local level was likely to have come up from the shop floor, to become superintendents or whatever. And they still had a good amount of that.

On the other side, they found more and more that there was a revolving door at the top of the plant. You know, that you were more likely to have somebody shipped in from elsewhere to take over, and so that they, I think, always doubted [their] motives. You know, when you've got someone coming in – especially where, some of them were hired from elsewhere. So if they are coming in from I.P. [International Paper], you're going – "well, wait a second. I.P. are all fucking bastards. You know. What in the world are we getting one of their retreads for?" If they were shipped up from the South, they would have a problem with that. If you want to find a reason to distrust local management, especially when they are not truly local, you can come with [a reason].

And I think it is true that a lot of the corporations around this time were doing a lot of "moving up by moving on" – that the only way that you became a mill manager was to move from your mill elsewhere, not necessarily [?] time in the mill.

So, there was that going on, I think that there were management changes that were going on, internal to Scott, so that Bob McEvoy retires at this point. There was a greater emphasis on number crunchers, and so guys like Bill Wadsworth, Harvey Wood – who came from Proctor and Gamble, Tom Zepial [?] A lot of these guys were viewed, I believe, by some members of the union as [being] fairly cold-blooded. That it was all about “what do the numbers tell us, you know? Don’t tell me what you are going to do, show me what you’ve done, tell me – what do the numbers tell us.

I think the guys – a lot of them, you know – thought that some of these guys ended up being too, uh, far too cold-blooded, and more importantly, too *distant*. I don’t think they had guys that they could get warm, fuzzy feelings about Tom Zepial, or Bill Wadsworth, or Harvey Wood.

And I think that that created a problem inside Scott, I believe, so that what you ended up with is these guys, who were above the local level, I think were not necessarily trusted for where they were coming from and how understanding they were.... You know, what the locals needed.

And a lot of the mills (sigh) – maybe its Westbrook or maybe its Winslow, I’m not sure which – maybe it is Westbrook, but I was on the floor at one of them, and the design, you know, all of the older mills – they had an unbelievable amount of transfer of paper.

MH: Yes, yes, that’s Westbrook. It is a 150 year-old mill.

JB: Yeah. So you’re taking rolls upstairs and downstairs. You’re putting them on roll trucks and you taking them from point A to point B. So, massively inefficient. Massively inefficient.

Note: the following describes the new, more competitive economics of the industry from the point of view of an official of the UPIU:

I think that that worried people very much at Westbrook, as it should. From the point of view of them looking at it and saying – “Hey, we’ve always made money here.” You know, you heard that a lot. Or “Paper still goes out the door.” But when you’re working at the local level, you, you believe it’s all about trucks out the door. And in reality, trucks out the door don’t tell you a thing about how much money you are actually making, because it is really – as you know as an economist – it is all about the actual price and the margins, rather than about whether or not you are shipping a lot of product, because you can’t run a paper mill, it’s not like you can slow a paper machine down. It’s not like you can simply take, you know, a month off here and a month off there. You know. The best thing you can do is run that baby full bore, putting the paper across the reel. And hope to hell to sell all of it, and hope to hell you can make a profit. So in that way, over capacity was one of the real killers that were going on.

Comment: so this last passage describes the emergence of a numbers-driven, more distant corporate management (with new people from other industries) and a new “mobile” or mill hopping mill management. This gave cynical, or critical, union leaders a greater opportunity to distrust. This distrust was fortified, again, by the realities faced by some locals – threats of downsizing, etc.

Q: What’s your perception of the differences within the Scott Council? Do you have any observations about the local differences you perceived?

A: Well, I think that one thing to bear in mind is that the existence of the IP strike in all of this meant that what you had was – and again, we’re in the midst of massive concessions – I believe that if someone was at all ideological, right, and believe in class struggle, that they would look at the situation and say – “You know, we’ve got a major war going on. “ And, “the war is between labor and capital, why in the world would we want to cooperate with capital?” Now that was felt much more acutely in Maine, than it was in – remember, [in] Mobile, IP was right down the street from [the] Scott plant. So you would think that they would’ve had the same thing, except for the fact that, of course, that in that case they were on lockout and not on strike, and they were not permanently replaced, they were only temporarily replaced.

So that much of what went on in Maine – you had the whole, the Maine Council. All the Maine locals would get together. The Paperworkers were the backbone of the state AFL-CIO, the largest single group. I believe that the environment there was just a lot stronger for [a] kind of a belief that there was a real, live firefight going on, and that any treating with the enemy was treating with the enemy, ok? **And the Maine local leaders – Billy Carver on the one side and Car Turner on the other,** not to mention the guys in Winslow, but just Somerset and Westbrook – both of those were S.D. Warren mills. Winslow was a tissue mill, so that the tissue mills, then the original white paper mills, **I believe that, both in Carver and in Turner, you get two extremely smart, very class-aware, local leaders. So that, they, both of them I think, had a tendency to distrust the motives of others, and, as the old phrase goes, just because you’re paranoid, doesn’t mean that people aren’t following you around.**

Note: so JB is saying that Carver and Turner are very smart, class-aware, and tended to distrust the motives of their opposites. The inflamed passions and concerns of IP strike locally in Maine hardened this attitude, as did legitimate local concerns. As JB puts it: “as the old phrase goes, just because you’re paranoid, doesn’t mean that people aren’t following you around.” He sums up here about their distrust and “not buying that the low road and the high road were so substantially different.”

And I’m not saying they didn’t have a reason to distrust the motives of others. But they assumed, I think, especially in light of the IP strike – you know, that if

somebody said “Hi, I’m from headquarters, I’m here to help you” – that’s the last thing they were going to believe.

So that, I think that they had a tendency to have much of what was going on in their labor relations colored by what was going on generally in the concession wave, and that they were not necessarily buying that the low road and the high road were so substantially different.

Their fear of being co-opted, in these programs, you could cut it with a knife. And ... even in they had never read a line of Marx, you know, [they had a] very, very strong kind of local, nascent Marxist [view], in terms of their class analysis.

pp. 15-19 of notes

- He describes the Marinette (a tissue mill) Wisconsin as being an exemplar of jointness being success, along with the Mobile Scott tissue mill.*[He qualifies this with noting that Mobile’s UPIU president, JC Lucky, was a very tough union leader.]*
- Muskegon, an S.D. Warren mill it was a “mixed kind of a relationship” – but it worked fairly well.
- JB comments that the contrast seems to be between the “corporate cultures” of S.D. Warren “white paper” mills versus “tissue” mills that were Scott’s original business.
- Feels that if they had been successful in implementing jointness faster, they could have staved off Lippencott getting deposed and replaced by Dunlop, who broke up the company. Also says that Lippencott may have brought down the company anyway through rosy accounting (a la’ Enron). (17-18)

(Side B: 148)/pp. 22-23.

Key points below:

- **Gary Cook shared Carver, Turner’s suspicion of jointness.**
- **Unlike other locals in Scott, where reps supported jointness and fought with those local leaders.**
- **Maine locals’ contrast with others that did buy more into the initiative.**

Now, the reason that that is important, and, if nobody has told you this before, you might want to check with Gary, since he is the sitting regional vice-president.

If my memory serves me correctly, and I think that it does, **Gary was pretty much *death on these programs too***. So that the difference is that if you've got a rep, who in effect, is ideologically in line with the folks [Carver, Turner] , then they're going to be mutually supportive, ok. Where that isn't going to be the case if you have somebody who is basically espousing the reverse. ***And Gary had a very, very strong – as I said before, kind of a naïve Marxist [view], the world is divided into two halves kind of a view.***

So, in that way, that is very different than others who found themselves fighting with their reps over these issues.