
S.D. Warren Company

Stories of Maine's Paper Plantation

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Interview with Karl Dornish

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Highlights:

- Product lines: very high-end catalogs, company annual reports, some trade books. Had long ago ceded market for magazines to much larger producers. He describes the competition (including Oxford/Rumsford, and a mill in Minnesota), a total of about 4 mills/companies – all domestic competition. Definitely produced the very best.
- Profit margins: gross margins of 30% when the economy was strong; 10-15% when it was weak. Very strong competition from the several mills in same markets.
- Describes major automation during time period there. He was directly involved in introduction of “blade” coating machines, and automatic sheeting machines.
- Was in charge of a major revision of the bonus system just before unionization. Describes just how unscientific and inefficient it was. He was able to revise the bonus rates and wages and get this revision written into the first contract.
- Favored seniority and believed it solved the problems of favoritism that were rampant prior to unionization.
- After I turned off the recorder, he told me a story about how marginal “human relations” (the Personnel Department) was. He discovered three workers were padding their production #s to increase their bonus. He called them in with the chief steward (finishing dept.?), and confronted them. They admitted to it. He told them on the spot that they were being sent home for 2 weeks without pay, and that they would be fired if they ever did it again. About three weeks later, the Personnel/HR department called and said he couldn’t do that, and he needed to give them a verbal warning first. Dornish says that: “But they already served their sentence.” Basically, that was the end of it, and no aspect of his actions was revoked.
- Very critical words about Bill Carver.

- Describes rampant alcoholism, and how he either fired or dried people out. Westbrook Hospital had a detox program where alcoholic workers were regularly sent.
- Workers were still working a seven-day week, 6 hours a day.
- “Smelt fries” – during smelt season workers would bring in the fish and fry them up while working at their machines. Would jump into the mill pond on hot nights to cool off. A high degree of informality.

Track 2, around 3:00

He and Reiche were “experiments” – the first liberal arts graduates brought into the mgmt. At SD Warren, all prior production mgmt recruits were “pulp and paper

school” graduates from the Syracuse or Orono programs in paper-making technology. The sales force had been liberal arts grads. George Olmstead was a Williams grad – “we always had at least one Williams grad coming in each year.”

Management apprenticeship program: one for sales and one for the mill. Six months. Gave them a chance to learn the technology. After six months, they went into the new technical department, and did work out of that, and from there were “fed into the system” depending on needs of the mill and manager’s aptitude.

Q: What did you see of the blue-collar workforce?

A: It was a friendly place, and they did call it Mother Warren, and they were really pretty matriarchal about the people that worked there. It has plusses and minuses.

Q: Why don’t you describe those plusses and minuses.

A: **Well, the plusses were that if you got a job there, you pretty much had to murder, rape, or pillage to lose your job.** On the other hand, the company tended to make all your decisions for you, or a lot of your decisions for you. At that time, the company had, still from the old days, rents – rents were like ten bucks a month or something like that, very, very cheap, but then a lot was expected. When I got there, people were working six-hour shifts, seven days a week. And they changed that, they went to eight-hour shifts, while I was – right after I got there. So people did have a few days off. But back in those days, you weren’t, there wasn’t any television, and you didn’t go a lot of places, your recreation was all right around town. A lot of sports, and that kind of stuff. And most everybody had camps, or an awful lot of people had camps, and they would come in from camps in the summer time, so there was a very different life, in terms of material stuff from today, but for the people, for that time, was very satisfying.

Q: Did you, in your training or your first couple of years there, learn about a company lore, about the Warrens or how the mill had been managed in the past?

A: They put out a history of Warren in, I think it was 52 or 54, and so I read that. Joe Warren was still there, the last of the Warrens, and lived in the big house, the mill managers’ house, when I was there. He was research director, and he had to be 80 years old. (Laughs)

Q: Did you ever meet him and talk to him?

A: Oh, sure.

Q: What are your recollections of those meetings?

A: I only met him a couple of times, and I saw him in some group things, but he was interested in you and would talk with you – “where’d you come from” and all of that – but mostly, most of my interactions with him at work were social. You’d drop by him to say hello.

MH: So he stayed active until just before he passed away.

A: Yeah, yeah. And he had a daughter whose husband was in the sales force, and he had a nephew that was working at the mill in the pulp mill at that point. His name was Tom Gauld, and his brother ... was the head of Hyde School for a long time.

Warren T. Gauld. And I can't remember the brother, but the brother was the one who really put the Hyde School on the map.

Q: When you were first there, did you have a sense of how the mill was run? Was it particularly dominated by any branch of management – engineers, research and development, sales? Do you have any sense of that?

A: When I was first there, I didn't get any real sense of that when I was first there. I was in manufacturing, and that, that seemed – where I paid attention to. That seemed to be where the decisions I was concerned with were being made. Now that changed later on, or my knowledge of it changed. I think it was the same the whole time.

It pretty much had been a sales-driven company, very much a sales driven company at that time. I didn't recognize it [until I got] farther up.

Note: here he begins a clear explanation of the company's success as a "craft" produce, its quality advantage, and its profitability.

Q: What did it mean for it to be a sales-driven company?

A: Your quality had to be better than anybody else's. Particularly the attributes of your product. Everybody struggled for consistency back then. But we always had attributes that were better than anybody else's.

Q: I'd heard that. So you really think that it was true that it's paper were the industry standards?

A: They were, yeah.

Q: And at the time that you were there, what were the primary markets for those papers?

A: Coated, and uncoated printing papers.

Q: Who were the customers?

A: We always sold through merchants, but the end customers were the, everybody from the almost mom-and-pop printing shops, to the largest in the country. At that time, when I started, Warren in Westbrook still had a very good location. Most of the big print shops were in New York City. And it was overnight. The reason that

they made the move to Muskegon, was again, demographics. It was moving out of New York, because of the costs, most of the printing shops were in lofts, and the new printing presses – the floors wouldn't hold them up. So, they were moving west, and the population was moving west, as well, so, that's why Warren bought Muskegon, so they could be overnight to the Midwest, particularly Chicago, which was growing very fast.

Q: Just going back to how the mill was managed, I understand that as late as the fifties it was still common practice for the mill manager to be out on the floor, and try and get to know everybody and be interested in how people were doing. Did you see that sort of thing when you were there?

A: No, I didn't. Everett Ingalls was the mill manager when I got there – I rarely saw him on the floor. And Rudy Greep followed him, and Rudy was from the pulp mill, and he was a pretty shy guy, and I don't think I ever saw him out on the floor. There was a guy named Hugh Morton who was production manager, he was out there all the time, or a lot of the time. The superintendents were all out on the floor.

Q: So you think that most of the direct involvement – and I'm thinking back to the Mother Warren thing – that there was a sense that mill showed some concern towards the individual employee?

A: Oh. Despite the fact that these guys didn't come out there, I think they had a pretty good idea of who worked for them, and were very supportive, and they all had, they did have open doors which people did take advantage of. And would go in to talk with them.

Note: on living in Westbrook and getting involved in running the town.

MH: I see, I see. When you were hired, were there any expectations of, as a manager, where you lived?

A: Yes.

Q: And what were those expectations?

A: They really wanted people to live in Westbrook, because they felt that a lot of the Westbrook Council people, were Warren people. City Council. We broke ranks (laughs) Howard [Reiche], and a guy named Jack Needham. Jack and Howard went to Portland, Portland was Howard's home town, and Jack – I would have lived in Westbrook if I could have found something; it didn't make any difference to me. I couldn't find a house that we liked, that we could afford in Westbrook. (Laughs) And it was the same with Jack's, so he moved to Portland, in a little house, and I bought a falling down old colonial, and spent the next twenty-five years restoring it. On South Street, in Gorham.

Q: So that was frowned upon, but tolerated?

A: Yes, about this time it was less frowned upon, but it was new at that point. [Management] people still lived in Westbrook. Shortly after they hired Abbott Moser for the research lab – I don't know if you know Moser's corner, well he's a Moser that's all their place. (Describes big farm in South Windham)

Q: So those previous expectations, that was there so that Warren managers would get involved in city and town affairs?

A: Yes.

Q: How would you describe the mill's involvement in the running of the town?

A: My opinion of it at the time was that the mill was very involved. The mayor, the long-time mayor, Lee Flint, worked at the mill, and there were always many council people, and then other things and other kinds of – not necessarily municipal offices, but the appointed kinds of offices which were part-time things, people did at night, a lot of them were mill people.

Q: And were these folks from the mill both Democrats and Republicans?

A: I don't think I was aware, I think they were mostly Republicans. Or, at least, I know the mayor was (laughs) a long time Republican.

Q: Another thing I'm interested in is, what is your sense of how foremen and supervisors were selected and trained?

A: Back then, they were the people who had the most skill, at doing whatever job it was. They were virtually all off the floor.

Q: And what kind of training did they receive?

A: Not much.

Q: And that would mean that someone would clue them in on whatever kind of paperwork they had to do?

A: Yeah, but as far as supervising skills, they weren't really given much of anything.

Q: And those were the ranks from whom the supervisors, and even some of the Department Heads, were selected?

A: A few of the Department heads, not so many of the Department heads; most of them came through the apprentice ranks. There was a finishing superintendent when I got there who had come up through the ranks, but he was the only one. All of the had come through the apprentice ranks.

I'm sorry; the pulp mill superintendent had come up through the ranks.

Note: on hiring – family hiring as a screening device along the lines of Kodak’s family hiring system; no real probationary period – “once you were in, you stayed.” Heavy drinking was widespread, which mainly expressed itself through absenteeism, which was thoroughly tolerated.

Q: How were people hired, and fired?

A: You mean, way back, when I first worked there?

MH: Yes, back in the fifties and early sixties.

A: A lot of relatives were hired. And having someone in there was a help in getting hired. That was part of the maternalistic part of it.

As far as, I don’t ever remember any advertising for help – there was a big network of people wanting to get into the mill; they were the best paying jobs around, so there was always a tremendous bunch of people wanting to get in. And I think they were very selective, in terms of bringing relatives in.

Q: Was there a conscious strategy there – was it trying to reinforce the strategy of the mill, or was there a feeling of you know who you were getting when you hired?

A: I think the latter. You kind of knew who you were going to get.

Q: Did you have a sense that once they hired people, was there a probationary period?

A: There was supposed to be a probationary period, I mean, but I don’t – I think once you were in, you stayed.

Q: What about firing people?

A: Very rare.

Q: Why was that?

A: I don’t know, why the policy was. And I think in a lot of respects, it didn’t do people any good. [There were] a lot of people who drank a lot and worked. And we had a guy named “Indian Joe Quinn.” Every full moon, he’d be off on a toot, and he’d be gone a week. And there was a lot of that. There was one department

Q: So they would be absentee for up to a week?

A: Oh, yeah. When I first got to run a major department, I had/ended up with this sub-department, they were nice guys, most were World War Two guys, and half of them were drunks. And I ended up; I still think I held the record for firing the most

people down there. And, I'm quite proud that every one of them went out with a handshake. And in every case, it was absenteeism and alcoholism.

Q: And you would give them written and verbal warnings?

A: Oh yeah, and you would dry them out and all of that.

Q: And when you say dry them out, you would help them?

A: Oh yeah. You would send them to, Westbrook Hospital, and I think it was probably because of all of the alcoholism in the area, Westbrook Hospital really got into it, and had a big drying out program up there. And it was unfortunate but you, or at least in my opinion, was that you couldn't keep people that you couldn't depend on to be there. Not so much that it, that that in itself was a problem, but the rules were, if you didn't show up for work, I had to cover for you. And so they were doing other people a great disservice. And that's why I was so hard on them.

MH: It must have been costly too, in terms of over time.

A: Oh yeah, its overtime. But that was a smaller part of it. You did it because you didn't want to – people's schedules are important. Probably one of the first things I learned as I interacted with the labor force is, people's schedules are very, very important to them. Back in the days of the six-hour shifts, it didn't make so much of a difference. Anybody can work another six hours; it wasn't such a big deal. And you were working every day anyway. But when it was eight hour shifts, and you had days off to look forward to, and plans, and you got stuck, it was a big deal. It really bothered people.

But, uh, some of the things that we did, and that were done, you would look askance at today.

MH: Give me some for instances.

A: Oh just some of the escapades guys did at work.

Q: Practical jokes?

A: Not so much practical jokes, on a hot night, you know, they'd leave work and they'd take a swim in the millpond.

MH: It probably wasn't the cleanest place.

A: Not the cleanest place, and a little bit dangerous with the hurdles, and the water going through there. We used to have during smelting seasons, there was smelt fries all over the mill, and of course I liked them, so...

MH: Describe what smelt fries are.

A: Guys would go smelting the night before, and come home with several gallons of smelts. And then they'd cook them up on the shift. And then I'd get a call: "Smelts on number 9." (Laughs) And then I'd come over and get a mess of smelts.

Q: Where did they cook them.

A: Right next to the machine, in an electric fry-pan, that kind of thing.

MH: Incredible informality.

A: Incredibly informal. I didn't so much when I was an apprentice, but as I got to know people, I fraternized an awful lot with hourly people, I played ball with them. I think. We had an S.D. Warren softball team; I pitched for it; I think all, everybody else was hourly, maybe one engineer, but mostly everyone else was hourly, including the union President. Marv Ewing, yeah, he was my catcher.

MH: A healthy relationship.

A: A healthy relationship, though another experience I had with Mark [sic], at a table like this, and he knew how to get me going. We were in industrial relations about some grievance or something, and I got so mad that I came over the table, and I was going to choke him. And I had three guys pulling on my legs. And afterwards we all laughed and so forth.

MH: Going back to firing, when it did come to the process of firing, you must have had to work with the Personnel Department?

A: Uh, I never did much. I would, we developed a system, when we were unionized, we developed a system of warnings and so forth with the union. And, it was a verbal warning, or several, depending, and then it was some time off, and then if that didn't work, you said good-bye. Yeah, personnel/human relations department got in for the firing, but I fired a guy over the phone one time. You know, he went off on a toot, and he called in from Calais, I said, "don't bother to come back. Go over to personnel and pick up your stuff, but you're all done here." And, uh, so, the guys I fired, it was all like that. They had been through the steps, and I'd holler in and say: you said you were going to do this, and you knew the consequences, and as I say, every one of them went out with a hand shake. I'm sorry. I will say, except for one. And that was a girl who had been hired, she was an ex-army sergeant, and she got dead-drunk, and came into the parking and played bumper cars, and stove up about six cars, and I fired her, and she said it was because she was a woman. No, you're not. But that's the only one who didn't know, when they were getting called in, that they were getting fired. And the union knew as well, and I always had my chief steward there, hell they weren't even grieved.

Q: So, was that process of firing different then, say, when you were first there?

A: People didn't get fired. Or people would do something that would get somebody really mad, and they would fire them.

Q: That was occasional?

A: That was occasional, and that was done in the line departments, as opposed to human relations, as well.

MH: So personnel, or human resources, really had a marginal role in firing?

A: They were pretty much taking care of benefits, and that kind of thing.

The guys that ran the departments were, for the most part, pretty powerful individuals, or at least they thought they were. And it worked that way from before my time; I didn't invent this thing. It was just the way things worked. But the human relations department didn't get very involved in that sort of thing; it did as things went on, and as the need for human relations was determined to be a much bigger need, that happened.

One of the things, speaking of guys doing their own thing, it was one of the reasons we were unionized. We had guys doing their own thing. And some of the guys were really bad.

MH: Talk a little bit more about that.

A: There were two superintendents, one in the material handling department, and another in the pulp mill – they had their favorites, and just treated some other people like dirt. And they were really the basic reason, I think – we would have unionized anyway, but when we went, that's why we went because of their, uh, not being very well trained, and running roughshod over people.

Q: How did that specifically manifest itself?

A: Favoritism in promotions, that kind of thing, was the biggest one.

MH: And that mattered to how much you made?

A: Oh, yes, absolutely.

MH Extras, for overtime and bonuses, and that sort of thing?

A: Oh yeah. There were no system; there were systems for calling for overtime, but if you wanted to call for the guy who you thought would get out the quickest, that's who you called, instead of the person whose turn it was next.

MH: And there was no way to reconcile this, the open door policy didn't work?

A: No, not for some of that. These guys just did a lot of it. Yeah, people would complain and so forth, but, you know, it is I think, I didn't run a department, I

was industrial engineering manager, so I didn't see a lot of this, but it is my understanding is that they would get some complaints, but "oh well, he's my supervisor, that's his responsibility," so it kept going on.

And the other thing that happened when we unionized is that we got bought by Scott. This is the production area; we'd been unionized in the maintenance department before that. And I'm not very cognizant of what happened, other than people weren't very happy, and I knew that they were going to vote for the union, but I really didn't know; I was too new there at that point, or I didn't know enough of the maintenance people, or what, to really get a full sense of the problems.

Q: Let's talk about your specific jobs; what it is that you did, and what it is you saw in your specific jobs. So, was your first major area of work in industrial engineering?

A: I was in the technical department probably almost ten years. And I was working with research and the paper machine department, the coating department, and product development. I was the mill product development guy.

MH: So you were the interface between the R&D department and production?

A: Yes.

Q: And what did you do on your job?

A: Well, mostly that job – I had a few other technical project, technical jobs – but probably 80 percent of it was product development. Making on, working on, product attributes.

Q: Who did you talk to, and how did your projects go?

A: Well I would interface mostly with the department superintendent or the assistants, in the line, in the paper mill and the project managers at research, and occasionally the research director.

Q: What kind of projects were you developing those days?

A: One of the things that was really fun was the standard for coating now is blade coating.

Q: I don't think I know what that is.

A: Ok, well, basically it is: coating paper is like putting paint on paper. Its almost, if you look at a white paint can, other than linseed oil, if you take a latex paint, almost the same ingredients are in there. We used to start out putting them on just like a paintbrush. And, it was slow, and it was hard to dry, and it had to be the same consistency of paint. So, to make the machines go faster, we kept trying to get the

water content of the coating down. And, at that point, somebody in Blanden developed a blade coater. It was on newsprint, and what it is, is a very thin steel blade, and its at an angle, and you put the blade, you put the coating on the back of it, and it kind of extrudes it on the paper.

And so trying to make these things was a lot of fun too. (Laughs)

MH: Trial and error.

A: Boy, we've come along way since. We were the developers, we and Oxford, what's now Mead up there, they were making National Geographic up there, and they always had that account, so they were making some beautiful paper, and had changed it over to blades. And so we were developing our products for the blade coaters, and developing the equipment, and the systems to run on the equipment.

Q: Did you have the equipment built there right in the mill.

A: Some of it, some of the modifications and the trial stuff. Because we had an amazing machine shop, you know, we could get built there. But, you get the roll, and the size of it. But you would eventually go to, back then Rice-Barton was still in business, we got a little bit from them, and then Beloit was our major supplier.

Q: What do you feel like were some of your biggest successes in your job?

A: Oh, I think getting the mill converted to blade coating with products that were second to nobody else's.

Q: Do you know, for instance, what magazines that would use your paper?

A: Westbrook rarely made magazine paper. I think a lot of the catalogs – Steuben (sp?) catalog and annual reports. Magazines is big, big volume. Later on, we did have Antiques magazine, they still do. But, the coated paper was for smaller jobs. When your talking magazines, your talking 100,000 tons, your talking more paper than the mill made.

Q: So these were annual reports.

A: Very high-end catalogs and sales brochures.

Q: So you had relatively small custom/batch orders?

A: No actually, it really was Warren Standard paper. Warren, long before my time, I think George Olmstead did it, back in the thirties, because all paper was made custom before that, and he said “we're going to standardize and we're going to make grades – we may have a lot of grades – but when you buy, you're going to by this, you're going to buy that, you're going to buy that [grade],” so

MH: Cameo, Lustru Dull...

A: Yes, so we would put runs together, somewhat shorter than would have liked them, but...

NOTE: the bonus system. Dornish discovered that there was explicit gender wage discrimination in the same jobs. His description of the prevailing system prior to the revision fits with the picture of a backwards, inefficient management system lacking in sophistication. He describes making a mistake in not fully eliminating an inequity in the paper machine department, and how Local 1069 went after that immediately after unionizing.

Q: And so you went from there to industrial engineering? Describe your work in the industrial engineering department.

A: Warren had an incentive system, as many New England mills do. And, that was part of, a big part of the job – I had a staff of about five people, five or six people just taking care of the incentive system. And the rest of the stuff was on some materials handling projects. Right after we got bought, but before we got, before we got unionized, the company hired a guy named Nelson Wayman. Nelson was a Diamond International union guy, not a union guy, but labor relations guy. And he figured out, that we were going to get unionized, and we hired [him] because we were pretty sure we were going to get unionized, which we did. And so, they asked me to take a look at the incentive system, and so I did a big study on our incentive system, and I said it really doesn't make sense in a lot of places where they don't have any control of [their productivity]. Like the shipping department gets so much a ton, depending on what they ship out; well what they ship out, it depends on what customers are buying, not how much work they do. And, while I looked at, the wage rates were really screwed up.

Q: How wide were the variations?

A: I can't remember, but they were pretty bad. We had almost a rate for every job. And the other thing, I can remember going into Rudy Greep, and saying: "Rudy, you've got base rate," let's say the base rate is \$1.30 per hour, "and then you've got woman's rate at \$1.14. That's illegal! You can't do that!" And this had been blissfully going on. I often wondered why the human relations department hadn't told him. But anyway, I said we've got to do something about that. He said: "Jeez, we've got all of these women. If you raise them up to the base rate, it will cost us too much money." I said: "Rudy, you want to go to jail?" (Laughs)

So anyhow, we took a good long look at the incentive system and we completely revamped it.

Q: And this was right before unionization?

A: Yes, probably it might have even been one of the triggers, and, uh, immediate triggers. But, we took people off of bonus that didn't, couldn't earn it. And we said, ok, we'll not do that this year, we'll take so many years to, if you were averaging fifty cents an hour bonus, your wage rate will be x number of cents less every year, it will be the same rate, but we'll take so much of your increase off that bonus.

And we found that, by and large, despite the myriads of rates, they weren't too bad. We put in 18 classifications. So some went up a little, some went down, but we did it at an increase time, so everybody went up.

But one of the problems we found was in the paper machines, where hustle made some difference how fast you got the machine up, a corresponding job, in terms of skill and so forth, in another department, would be paid – they were on average about fifteen percent lower, than these other [departments], you know, but “yeah, these guys get this big bonus,” - “yeah, but they don't get this big bonus when they're on vacation, they don't get this bonus for holiday pay and so on and so forth,” and I can't look, we can't look a job classification, and job evaluation program in the face, and pay these guys fifteen percent less than they ought to have.

So the paper mill superintendent and I were poker playing, and drinking and hunting buddies, and he said: “we're really going to get killed, how about for when they're working they get this rate, and then on they're, when they're on vacation, and any of their allowed pay and so forth or holidays, they get what they should have,” and I fell for it, which was a mistake, but I did.

And of course, after we got unionized, it was absolutely the first thing they went for. They said, go ahead and drop the bonus, but give us our rate.

Q: And they got it?

A: That was the other thing. It wasn't long after that, that we did get unionized. And because I had done the bonus and wage incentive study, and had a, I spent a lot of time in the paper mill, in the finishing end of the operation with the technical and industrial engineering departments, Nelson Wayman, said, “Ok, you're on the negotiation team.”

So I learned a lot from Nelson. The HR director was John Milliken at that time. And he really, he was at the end of his career, and it was a little bit beyond him. It was a new thing. John was a real gentleman, and under the old, the way things were run before, he did just fine. But under this kind of thing, he was really out of his element. And, so he had me on there, and I had taken this guy from the pulp mill, the guy that didn't get the pulp mill job, the guy who did the slash and burn, who brought all the union votes in, he had got the pulp mill job. So I said: “hey, if you're going to have me do this job evaluation (inaudible), I'm going to need some more help. Give me Bill Hillfrank.” [They replied]: “he's the assistant Pulp Mill superintendent. It's a very valuable place.” And I said, “oh Rudy, the pulp mill is like being in the womb. Let me have him.”

And he did.

MH: So let me get this straight. He is not the one who pissed off all of the employees?

A: No (laughs).

MH: He was the more effective person?

A: Oh, yeah. The people in the pulp mill liked him. So, you come help me. So, he had already done the incentive stuff, so he came and did the wage evaluation; that was a six-month project to get that done. So, he went on the negotiation team as well. And then he went on to follow John Hillfrank in the human relations department. So, Nelson pretty much guided us through the first negotiations, except for the incentive and the wage evaluation. And he said: "Ok, you go negotiate that." And I had never negotiated anything. He said: "I don't know anything about incentives, I'll just mess it up. The wage evaluation, it looks like the stuff you've put in place, it looks like the right stuff, go negotiate it."

So Bill and I went and met with the union committee by our selves.

Q: Do you know who was heading the union then, it was before Marv Ewing?

A: Oh, yeah. Ted LaBrecque, was the president, I don't remember who was the ... And I think Chic Ashley was the Pulp/Sulphite workers.

Anyway, we negotiated that, and I felt pretty good because that language lasted for years. We said, "yeah, union," we gave them the right of grievance and redress for all of this stuff, and we gave them the right to be part of the evaluation committee, for all future evaluations, and put in language that if a job changed substantially, it should be evaluated. That language was still there when I retired. So that worked.

MH: So, just to summarize, the study that you did, the job and wage evaluation study, just before unionization, that got written into the first contract, and had survived.

A: It survived, like at least twenty years. Or twenty or twenty-five years.

MH: Whatever, nobody had the impression that the bonus had changed very much, until it was eliminated.

A: Which was a good thing to do.

Q: Why was it a good thing to do? What was wrong with the bonus system even after you did all that work to fix it?

A: I would have got rid of it then, probably. Because, it's very, very, very hard, to make a fair bonus system, that really measures how much work, people put into stuff. On the manual stuff, like in the finishing department, you have to get estimate how

hard a guy is working, and that's normal. Ok, so anything he does over that, he ought to get paid money for. And, that is a very subjective evaluation. And it is hard to do. I put all these industrial engineers through school, and all of that, still, I never – we weren't bad, but we weren't, it wasn't good.

Q: Was part of the issue that employees would resist being timed, in any kind of a way?

A: Oh yeah, but you can get around that. That really wasn't a problem

But, we paid a lot of money in the paper mill. Guys don't sit on their butt when the paper machine is down, people are motivated, people are motivated enough to do what needs to be done. I looked hard at a profit sharing, too. Of course, there was a heck of a history of an incentive, and nobody wanted to make that big of a change. Who was I: I was a green little guy. And I spent a bunch of time looking at profit sharing plans, and I couldn't find one of those that really worked, either. You know, I thought you were swapping one evil for another one that's just as bad, so you might as well live with the evil you know. And it's obvious that profit-sharing has whole cans of worms.

Note: here he describes how new machinery – automatic sheeters and blade coaters – both improved quality and efficiency/productivity, while dramatically reducing labor requirements for production. Environmental equipment also resulted in profitable heating and materials efficiencies.

Q: From the time you started until the time you left, how efficient or inefficient do you think the mill was? And how much improvement was made?

A: I think most of the efficiency stuff, was really giving people the tools to work. And, that had to do with a lot of things. After the industrial engineering department, I took over the Finishing Department, which had 550 people. And, we single-sheet sorted all of the coated paper. And the reason that you did that was because the paper machines, if there was a hole in the paper, and you had a dirty paper, you can get what you call "slime," it was a chemical organic build-up, and it gets on the paper with the wet-end of the paper. Well, a hole in the paper isn't bad, except when it goes through the printing press, it smashes it up, so every time you've got a hole, you've got an hour down in the printing press. So you just had to get them out. Even though you had ...

Q: Your customer's printing press?

A: [yes] Your customer's printing press. And so, probably the biggest thing; we did two things. One, we cleaned up the paper machines; we did stuff to the wet end, and kept them clean, so that we had very, very few of these. The other thing was that, we converted all of our coated paper to blade coating machines. And the blade coater is as bad as the printing press, because you have all of that nip pressure. And if you had

a slime hole, down goes your paper machines. So, we weren't sending these things on to the finishing department [any more]. So then we were able to sample. So instead – I can't remember how many women we had – instead of all of these women single-sheet sorting, we did put a woman at each major sheeter, to sample, and then she would get at the stratified defects. Let's say you would have, something on one of your rolls, and it kept repeating, and it would make a mark. It wouldn't shut the printing press down, but if it ends up in the annual report on the CEO's face, you don't like it. (Laughs)

So, we would sample, we went into sampling.

Q: So it was like every fiftieth sheet?

A: Well, it was random. It was a statistical kind of a thing.

Also, when we went to the blade coaters, we were able to shut down a large part of the coating department, that was putting these low solids coating on. So the coating department would up being only a specialty operation they did no more of the printing grades, at all. And the reason I'm still doing coating, was many of the specialty operations had several coats for giving the papers the kinds of whatever quality it was, you needed. And you couldn't do it with one or two coats, you had to have several. So, that was a big efficiency boost.

MH: So what you're describing is, in finishing and the coating end, is major automation.

A: Major automation. And then we put in higher speed, faster sheeters. When I first got there. Do you know what a rotary sheeter is? When I first got there, the tolerance on a sheeter was plus or minus an eighth of an inch, or something like that. Or maybe a quarter of an inch. You needed plus or minus a thirty-second an inch – I can't remember my tolerances - ... in length, and width, and squareness. And a company in Germany called Jagenberg (sp?) developed a sheeter that could do that kind of precision. We also developed our own, with Stroecker-Bruderhuas (sp?) in Germany. And so those things would throw out a pile of paper, and with the old tolerances you had to take a guillotine press and trim it to get the quality, to get the size within the tolerances. And that was a major selling job, too.

Q: And these were the machines that would have been put into the air-conditioned rooms?

A: Oh, yeah. All of those finishing machines, you wanted, you made it at the paper machine for the moisture that would be the humidity in the print shop. And you wanted to run your finishing operations where you take this sheet that's sitting with air all around as it goes through the machine, you want at the same humidity as the print shops; the print shops were all air-conditioned because they needed the tolerances, they didn't want the sheet growing or shrinking because they're laying those itty-bitty dots on top of one another.

So, it's like a lot of stuff; you improve the quality, but you also improve your productivity at the same time. It's like a lot of the environmental stuff. You yelled and screamed about getting out of the river, but the stuff that – probably the money for the environmental improvement paid off in spades in terms of material and heat savings.

You know, we went kicking and screaming in doing it, but once you've committed and spent the money, most of that stuff has a real good payback.

Of course, the biggest thing, in terms of your name in the marketplace, was consistent quality. You can sell the attributes, and you sell the attributes to the designers. Our sales force mostly sold designers. And, the ultimate customer, the magazine guy, the designer, and so on so forth. But if it didn't run through the print shop, you had a bunch of people mad and you, and they'd go to the designers and say: "we don't want to run that stuff." So, to really do a job, we had to be consistent, not only have the attributes to sell, but we had to be consistent in the quality, so the print shop could deliver their quality consistently.

All that stuff, the blade coater and the precision finishing equipment, all helped that, and it all helped productivity, because when we put the coaters on, we shut a pile of off-machine coaters in the coating department. They were very old machines, very labor-intensive, and we went faster [with the new machines]. When you put in a new machine, you always make it go faster.

So, unfortunately, we couldn't make them any wider.

So I saw, in my tenure there, the efficiency increased quite a bit. I can't remember when I started, it was like 3800 people, and we were at less than half of that. I left twenty-five years later, we were less than half of that.

Note: Profitability!

Q: And did you have a sense, then, during that time of how profitable the mill itself was?

A: Oh, yeah. Oh sure.

Q: Well, how profitable was it?

A: It was cyclical. It really went up and down with the economy, and the printing business. Printing, and for Warren particularly, we did make trade books, but that was a small part of the business, and uncoated paper. But the economy determines how much people advertise, and if you advertise a lot, we got a lot of business, and prices were good. If the economy is bad, we got less business, and everybody cut price, and you wouldn't make so much money.

Q: Did you have any sense what the margins were like?

A: We used to shoot for 30% gross margin.

Q: And you would get that during the good times?

A: And you would get that during the good times.

Q: And how much would that shrink to, during a recession, say?

A: I don't think, recall, losing money but we'd get down – or losing over the gross – but it would go down to, like, ten percent, fifteen, ten or fifteen percent.

I ask him about how that compared to other companies and he said he didn't know at the time.

Q: Who were your direct competitors?

A: Oxford was a direct competitor; Gladfelter in the uncoated, B.H. Gladfelter [of] York; Consolidated; and Northwest, or Potlash – it was Potlash at that time. No, it was Northwest, and then it went to be Potlash, and now it is SAPPI.

Q: Where were they located?

A: They were in Croquet (?) and Brainard, Minnesota. Consolidated is in Wisconsin Rapids. And they were pretty much, a few smaller guys, but those were the big ones, particularly Consolidated.

Q: So the competition was domestic, then?

A: Oh yeah.

Q: And do you think, did you ever learn what their profitability was?

A: No, never did.

Q: Was there anything the people who were running the company [S.D. Warren Co.] said to you about the competition?

A: No, other than it's fierce. (Laughs) And that if one of them would develop a grade that had a better attribute than ours we'd have to go counter that. The only place that I recall back then [as] foreign competition was in our specialty business, in release papers, Warren developed the initial release paper.

Q: Printing labels, and that sort of thing?

A: No, for casting this type of stuff, vinyl, and

Q: Ultracast?

A: (Laughs) No, Ultracast is the ultimate of this, but the original stuff. You put a number of coatings on, so that you could cast a urethane first, a vinyl form, and then a urethane form on it, and then they could make it for handbags, or shoes, automobile headliners, any of your vinyl. Most of that was, a lot of that, was for the fashion industry. And of course we started out with just a plain sheet, and then we started engraving rolls, and then embossing papers, so that you could get an Italian leather, or whatever else was a high style thing.

So that was pretty much of a style business, and most of the customers were offshore. Mostly in the third world. And we made a ton of money on that, just a ton. And a lot of it was in the Far [East], Hong Kong and Malaysia, and Southeast Asia, and the Japanese figured that out in a hurry, as soon as it got over there, and as it was a style business, they could beat us to the punch over there. And then there was a European company that started doing it, and they were nearer to the markets than us, and they started trimming the business, [and so the business] gradually went down.

I was, one of the jobs that I had before going to Muskegon [in 1981] was in charge of manufacturing, in charge of the specialty operation, and we were just getting started with the Ultracast. I remember going down and looking at the first Ultracast and saying “yeah, we better get one of these things.” And that is the standard of quality, and right now it’s the standard and nobody can touch it, and so on and so forth, so that makes a lot of money – or makes a high margin, there’s not enough volume to make a huge amount [of money].

END OF DISK ONE

DISK TWO

Q: One other thing, talk about, after Scott took over; in the time you were there, were there tensions between the mill management and the S.D. Warren Division, and Scott over, say, investment in the mill?

A: That’s a, getting capital to do stuff - you’ve always got more projects... One of the big reasons why Scott got Warren was, well first, George [Olmstead Jr.] had had enough. The blood ran out. George the Third came, who was a nice person, but obviously wasn’t going to run the company. The reason is, that, George had bet on Muskegon, and it was a bad bet. They spent, they put all of the money for years into Muskegon, except the blade coating improvements in Westbrook; a new pulp mill, they would build paper machines, and so forth, out there. And so, he had, that had strapped the company pretty well for capital, and one of the reasons he went to Scott. The other reason he went to Scott is that, and he was right, Scott gave them a “X number of years hands off policy.” I don’t remember, it was 2, 3, or 4, but it was a significant time that they weren’t going to do anything.

And the other thing I'll fault Scott for, and I think one of the reasons, besides having a couple of guys that feathered their nest at the last of it, at the expense of the company, Scott never assimilated anybody that they bought. There was never any Scott culture, or any, but there was very, very little Scott culture.

Note: this is of interest because it speaks to why there would be such a distance between Scott corporate headquarters and its divisions. This distance is evident in how all of the local Warren executives viewed Scott's leadership with a certain disdain or bitterness. Howard Reiche felt strongly that Scott had refused to support important capital investments in Westbrook during the 1980s – kind of lost the battle, Reiche, Curtis Pease and others thought Nee was a lightweight, and Dornish dismissed the Jointness program with the comment that “Scott was always into fads.

I think what Scott said was, basically: “Warren, this how much available capital; Warren this is how much your going to get” and then Warren made its, we made our own allocations among the mills. And I think if there was ever anything you had to have, I don't remember Scott not coming through.

Note: so, in Dornish's experience, Scott was forthcoming in capital through the 1970s to 1981. This contrast with what Murray and Reiche say about the 1980s and early 1990s. It also seems, in context that he's talking about the Warren division as a whole and not just Westbrook.

So, at least my memory, is, in terms of capital, Scott did very well for Warren.

MH: They recognized it as a successful business, and that wanted to see that continue?

A: Yeah, yeah.

I only remember, I'm sure a lot of this was done when we were in Muskegon, we wanted to put in this state of the art sheeter, that would take a number of rolls of paper and spit out a finished carton at the other end, and this was sort of new technology. I remember having to go to Boston to sell that, the Scott President one time – I had to sell it just as hard to our President, too – but we got that, and there were obviously limits to the capital, but I don't think we were ever really discriminated against because we were Warren, at least I never got that feeling.

Q: I did want to talk a little bit more about the mill's unionization. First of all, I've heard from various people that before the mill unionized in the 1960s, there had been previous attempts to organize the Westbrook mill. Were you aware of all of this?

A: I heard about them, but I wasn't around, or if I was around, I had no idea. I don't think I was aware.

MH: So you didn't learn what had happened. You were saying before that you thought it was a couple of superintendents who through favoritism..

A: [They] turned the tide, they turned the tide.

Q: Is there more to the story than that, do you recall?

A: No, I think there was some thought, there were some people: “We don’t have Warren anymore. We’ve got Scott. We don’t know them. They’ve had some labor problems. Maybe we’d better protect ourselves.” I think that was part of it as well.

And then we made a bunch of people mad with the wage evaluations. I don’t think that turned that [unionization], but there were some people that were not particularly happy.

We got all of the women’s vote, I think, because they got a significant raise, because we took them up to the base rate of the men. (Laughs)

Q: Was Local 1069, would you characterize it as being aggressive, from the start? What was your experience with it – you said you were on the negotiating team, pretty much from the start?

A: I think it got aggressive, after particularly Marv came, and Billy Carver. It wasn’t nearly as aggressive in the very early days, but it got there. And there were probably more things to address in the early days. You know, legitimate stuff.

Q: One thing I wanted ask you about, what was your whole experience with seniority, both in negotiating, and in how it affected operations on the floor?

A: There was a real worry that you; let me back up. I didn’t know anything about how you did seniority. Ken Ramage was the union rep. And there were a couple of things that we put into that first contract that we had to change. Number one is, of course, if somebody didn’t want to promote, because they thought the job was too hard for them or too demanding, they didn’t. And the union contract that he used, the standard UPIU contract, was, you had to promote. And I remember saying: “well what if the guy doesn’t want to? What if the guy won’t?” He says: “you fire him.” Well, so, and the other part of the seniority language was – a job seniority concept. And that meant that you could have a person with forty years’ seniority in a big way, but they could only get a very menial job in another department if their department got laid off. So those were two of the things that we had to change.

And again, down the road, we changed most of that language, and I used to have to interpret a lot of the language, and one of the best ways I found to interpret it, is write it yourself. Then at least you know what it means. (laughs)

MH: So this was in the form of a memorandum of agreement?

A: Or the contract. When we, I think it was in two different years, I think it was the same kind of a deal as it was with the incentive – go write the seniority language. So I’d sit down with a junior labor relations supervisor, and I’d write the [language]. And we’d agree what we wanted to do, and then I’d write the language.

And basically it was – I happened to believe in seniority. Seniority, I think, is a fair way to promote. And on jobs that there are multiple people – so I didn't have a lot of problems with the concept of seniority. Let's say we got four people that are going to run #9 paper machine. And the people in the next lower job, there is one of them that is better than the others – but they all, on vacations and stuff, they all have to go up and run it. Then I don't see how you can say: “in my opinion, he runs it a little better than the other three guys, we're going to promote him instead.” That's the stuff that gets you into big trouble, because again, you're making a judgment on a belief. Now, if there is one person on a job, or like that, that's a little bit different. But where you've got a system of jobs, with a whole bunch of people in that ladder, unless somebody is obviously incompetent, or unless somebody is incompetent, if you are going to let him do it for vacations, if you're going to let him do it for holidays, then you're going to let him do it full time, when it is his turn.

So, we would layout what we wanted to do, and write the language.

Q: And you think it addressed the problems of unfairness and favoritism that went on before?

A: Oh, I think so, yeah.

Q: As things went, by the time you left – you say you left in 81 – by the time Bill Carver had become President, had the union changed in character? Had the relationship developed into a constructive, mature relationship?

A: Bill kind of pulled that apart. Marv wasn't bad; Marv was a firebrand and all of that, but, he... Bill is smart – still is smart. But, uh, Bill was looking out for Bill. Marv was an idealist. Which has got problems; he was an idealist around unions. Billy was always looking for Billy. And one of the, I had a hard time trusting him. And I think he tried – it is my firm belief that he tried to take the company out [on strike] to further his own career. I had that happen to me up here, when I first got here – I didn't even know the guy. I landed in August [and] the contract was [up] in September, so all I did was listen. And the mechanical union guy wanted to be an international rep, he wanted a strike under his belt, so he took them out. He only had 50 people, but with five unions, if one goes out the others have to follow. So he got his 50, 35 guys, to go along with him, and he put that mill out.

Q: How long did that strike last?

A: Oh, less than a month. It was short.

Q: How important do you think the union's leadership was to what happened farther down [i.e. among the rank and file]? Was it driven by who was the leader?

A: No, in a lot of cases the union leadership seemed as much out of touch as some of the management were. By and large, the people who worked there, and are most places, are really decent people. And they are reasonable people. You know, if they get screwed, they get angry and hold grudges. When I came to the finishing department, I had 250

people working for me. Somebody said to me: “how can you do that?” I said: “they are the best people in the world to have working for you, in that, they will believe what you tell them.” And, except, if you are ever dishonest with them, you’re dead meat forever, you’re gone. Forget about it. They’ll never forgive you.

But as long as you are honest and upfront with them, they’ll go along with you. I loved having all of those women in the department. Besides being nice people, it was nice to have some supporters, too.

MH: So, in your experience, when you got below the top level of the union, when it came to grievances and so forth, people were pretty straightforward?

A: Oh, yeah.

Q: How high of a level of grievances did you experience? You said you wound up being paper mill superintendent at the end? How a level of grievances?

A: Well, it goes to arbitration, eventually. It goes first, second, and third step. The supervisor says: “agh, you did,” [the union says]: “no you didn’t.” Boy, I don’t remember now, the second step was the department superintendent. So he sat down with the supervisor, the steward, and the employee, and if that didn’t work out, the production manager and the, no, industrial relations came in – it was still the department superintendent – at Somerset, it was the production manager that you got at the third step. Muskegon, the production manager got the third step, but in Westbrook, the department superintendent got the third step.

Q: What would people grieve, in your experience?

A: Overtime, mostly.

Q: Did they win many of the grievances?

A: Yeah.

Q: Why do you think they were winning grievances? Supervisors making mistakes?

A: [Yes], supervisors making mistakes.

Not deliberate ones, or anything like that. And there were little nuances on the interpretation. Overtime was pretty tough language.

Q: To have exactly right?

A: No, no, its very, very strong language, biased towards paying somebody if somehow, they were overlooked.

Q: Did that add up to a lot of money?

A: No. It was the old something for nothing – it made all the supervisors mad, because somebody was getting something for nothing. But in terms of dollars, it was a drop in the bucket.

Q: Oh, there was one other thing back a ways that I forgot to ask you about. One of the things I've been struck as I've gone through the mill, that it was built the way that Boston was built, one piece at a time...

A: That's one of the reasons it is not the most efficient places in the world. We talked about efficiency, we made it more efficient than it was, but it was still not an efficient place.

Q: You saw some other mills, including Somerset, how inefficient did the old layout make it? It meant that added layer of people moving product...

A: Big layer. I had that materials handling department, for a while. I think there was 140, just moving paper around. I'm sorry, just moving paper from department to department. Inside the department, there is people moving paper around, too.

Q: And how many people like that would there be up here [in Somerset] doing that? Any? Some, I imagine?

A: Really, only putting it in the warehouse, and taking it out. It comes off a conveyor, and you put it in a clamp truck and stack it, then when it goes out, you go get it with your clamp truck, or in a boxcar.

Q: So, very, very few.

A: Yeah. Even Muskegon had almost nobody in materials handling.

Q: So that was a significant burden?

A: A big burden.

Q: But the mill still managed to carry that burden.

A: Mmm, hmm. [Yes.]

Q: One of the other things I've heard described is that the mill was so big and had so many bowels that people at work could hide during their shifts?

A: Oh yeah.

Track 5 "You'd find beds... You even had a little lovemaking going on here and there.."

Q: How much did that go on, do you think?

A: You'd find beds, every once in a while, where people would take paper, lay down, go to sleep, take a nap, and so forth. They weren't watching the machines, or maybe

something happened, and their job was down, so they just went off. You even had a little lovemaking going here and there, in some of those paper beds. (Laughs)

It really was a colorful place.

I ask him about the woodlot, and he only can confirm that “big brawny guys” staffed it. Drinking also comes up.

Q: Did people get caught drinking on the job?

A: Rarely. Occasionally. I had one guy that I saved. I think my rate of rehabilitation was probably less than one in five. I can remember one guy, and I knew he was carrying. I couldn't find out. But I did get him dried out, and he came up one day and said: “you know, I know that I'm never going to feel any better than I feel now.” And there was another guy who I could never catch, Hilton Dow, and he had worked the second shift in the shipping department, and I had dried him out once, and he corrected his absentee problem, but I knew he was drinking, I knew he was drinking on the job, and I'll be darned if I could find it. It didn't impair him, but you're always afraid he's driving a truck that he's going to run into somebody. And I went up to the Westbrook Hospital for a blood test sometime, and he had retired, and he was drying out himself again, he said: “I really got to do it.” And I said: “Hilton: where did you hide it?” And he told me.

Q: Where had he hid it?

A: Oh, it was up under – the tracks came in, and there were some crevasses up underneath that I didn't know about. I thought we had looked through there pretty carefully. (Laughs) But he had found a little crevasse where he kept it.

Q: That's quite a story. There is one other question while we're on the topic – safety. While you were there, how much of an issue was safety in the mill? Especially when you started?

A: It got better, but there was no hearing protection – in fact, my hearing is impaired, may have gotten impaired anyway. I know that, I spent a lot of time on the floor anyway near the machines. Lifting stuff, guards – most of the OSHA stuff is pretty good stuff, there's some little chicken stuff, but most of it is pretty good. Yeah, some of it, some of the stuff, people are protected from stuff that any common sense would tell you not to do, but then on the other hand, in the heat of the battle, you know, you forget. You do stuff that you wouldn't do, if you were thinking about it. It was, it had to come a long way. I don't remember what the statistics were, but they had to be awful.

Q: Two things I've heard people describe: one is that because the mill was so old that it required a constant level of repair and people had to go into funny, difficult unsafe places to repair equipment. Was that your sense of it?

A: I don't think so much of that – that's maintenance people, they usually know how to take care of themselves. When you go into a place, you take, you know... I think it was more of stuff around moving equipment, and vehicles. While I was there, in all of my commands, I never had anybody seriously maimed or killed. I feel pretty good about that. But there were two people killed, three people killed, while I was at Westbrook.

Q: Do you remember what the circumstances were?

A: One was a steam valve, and I don't know just what happened, but the guy scalded himself to death. Another one was on 70 coater – the winder guy got himself in the nip, and went through it. And the other one was in the solvent coater, and they had an explosion. The explosion shouldn't have happened. There should have been procedures in place and it wouldn't have happened. I don't know about the steam valve – I don't know if it was something the guy did. Obviously the guy who went in the nip, he did something he shouldn't have done. But now we have better nip guards.

MH: Right, right. So safety improvements followed?

A: Oh, sure.

Q: How did the safety of that mill compare with the two others you worked in?

A: This one up here is by far the safest. Easier to do in a new mill, easier to do with green field people. You get the training in right at the start, you got a brand new mill and you can engineer in all the stuff that you know you need to give people room so that there aren't the kinds of places people get hurt in. If you've got no trucks running around through the mill, except in one spot, you're not going to run over people. If you've got everything guarded, it's a lot harder to get yourself hurt, if you've got your all of your moving stuff guarded. And if you're trained right from the start, as opposed to making people who are used to doing it this way, do it in a different way, in my opinion, it's easier.

MH: In an older mill, people had all kinds of bad habits?

A: They had bad habits. And Muskegon, I don't see that Muskegon was any different than Westbrook.

Q: Muskegon had been around before Westbrook bought it?

A: It wasn't quite as old, but it was old.

Q: Are there other things about the contrasts with the other two mills do you think I might find interesting?

A: The labor history of Muskegon was, because Muskegon was a paper mill right in the middle of the automotive business. And so everything out there was based on automotive stuff. And the guy that went out there as the mill manager had had no experience with unions, and they didn't get anybody to help him.

Q: Do you mean in the fifties, when they bought it?

A: Yeah. Some of the worst stuff out there that you can imagine. We cleaned up some of it, but and hopefully they've cleaned up some more, but uh.

Q: What was the worst of the worst?

A: Oh, let's see. One of the stuff had to do with promotion. You didn't have to promote at all. And so when you've got a bunch of shift works, and somebody goes off on vacation, then everybody has to cover. And they got away with that, for along time, that was when everybody wanted to work all the time, but as people got more affluent, when people didn't want to work seven days a week, all of my life, uh, and so you'd end up running short handed, you would ended up running, we ended up having supervisors do hourly jobs out there 'cause you couldn't get an hourly person to fill them. I haven't got a problem with a person not promoting, but he ought to be one step, he's got to stay one step below, where he goes to. He's got be able to go up to the next job. And we got that language in both places. We did anyway.

The bidding system was, anybody could bid on any job. And you'd get a guy out in the wood yard, and he would bid on the machine tender's job, you know without any...

MH: Without knowing what he's doing.

A: yeah, that kind of thing. It was really pretty [inefficient], but that's standard in the auto industry where they're not the same kind of skills, not the same kind of training, as some of the higher skilled jobs in the paper mill do.

MH: So they had just borrowed the model?

A: Borrowed the model. This is fairly standard contractual stuff up here.

Q: Did you like working in the mill in Somerset?

A: Yes, I like working in all the mills – I loved working in paper mills. And, uh, found the same thing everywhere, neat people working there. Muskegon was *very* different in terms of the relationship between management and the floor. I always spend a lot of time – all the spare time I had, on the floor. I always come in early enough to see the shift going off, stay late enough to see the shift coming in. Not so much up here, because of the 12-hour shifts – I didn't want to come in at 4:30 every morning. But I would stay and see, stay when they came onto the job at 5:30, when they got off the job, so I've seen every shift everyday, and usually everybody on it.

When I got to Muskegon, I started doing the same thing, I would make my rounds and so forth, and I had one guy came up, and he said: "Are you supposed to be doing that? Or what?" or something like that." And he says: "what are you doing out here. You're the only guy I've ever seen out here; why don't you stay in the office where you belong?" Well, I'm not going to do that. This guy wound up being a pretty good friend in the end.

It just wasn't done. It was perceived as hostile for a manager to be out there.

I never got comfortable going over to maintenance – maintenance is not my thing. And they didn't report to me, but I got very comfortable going anywhere in the mill, I know what they do, and I can talk about jobs with them. But it just wasn't one of the things done by the senior level of staff.

...

Note: in the following, he describes building a new \$400 million, state-of-the art paper machine in Hinckley. According to him, it was the number one machine in the world when it came on line, and it's still in the top five. The significance is that this is a machine that went there, rather than to Westbrook. Another nail in Westbrook's coffin.

Q: What did you love most about all your jobs? It sounds like just the part of the day where you would walk around and talk to people and see how things were...

A: That was the best part. It's just interfacing with the floor and seeing what's – that was probably the most fun part. There were some other things – designing some of these, designing, getting some of these projects going. The last thing I did before working out of Boston was build, conceive, and lead the team that – I was still doing my regular job – but lead the group that designed and build number 3. And we took, we did about three or four things on that machine that were career-enders if they did not work.

Q: This would have been up in Hinckley?

A: Yes. They would have been career enders if they didn't work. That 400 million dollars, we spent 400 million bucks, which is – had to come through. And so, getting that thing designed, and then getting it built, and then starting it up and of course we started it up in 1990, and things started up like a dream. Normally you bring a machine up, you start it slow and bring it up. We are going to start this thing up at the design speed, and we did. It came right up, and about that time the market went [makes a diving sound]. (Laughs) We had product coming out of our ears.

Q: The price went down?

A: No, the market went down. So we had paper coming out of our ears.

Q: Inventory that you couldn't sell?

A: Yeah. So we start this thing up, and then we've got to shut machines down.

Q: But I imagine eventually it made a lot of money?

A: Oh yeah, eventually. I don't know that it is still number one in the world, but it is in the top five.

Q: And what were the most advance parts of it?

A: Well for us it was the, we went to a different kind of a former for the wet end. We went to one where, we went to a twin wire, with, it's been done on ground wire and stuff like that – you can go a lot faster, and I'm convinced that we would get formation, therefore better quality, and so what we're doing is, we have two wires, two forming fabrics, and we squirt the stuff going down in between and it gets carried on the two wires and de-watered pretty fast, in the space of a few feet.

Q: On a really old machine, it's like thirty feet?

A: Oh, no, a hundred. (Laughs) So that was one of them, and that worked. Every machine in Warren always had a smoothing press, and that is where you take one roll, and another roll and put the paper through it. And you can't, there's a speed limit on those. In terms of, they're hard to run anyway. And, so we said: "we're going to get enough pressure in our press section, that we don't have to use a smooth press, to get the surface quality that we need to put the coating on." And that worked. And then the other thing – you've seen the paper machine with the ropes? We're going to do a rope less system, and that of course, you get rid of all of the ropes, you get rid of all of the people fooling around inside, which is dangerous, with dryer spears and stuff like that, and so we're going to do the main bank, rope less. And so we were #1 in the world with that. We were # 1 in the world with the twin wire on a free sheet for coated paper.

Q: How wide is the machine?

A: Oh, it's 330 [feet], I think.

Q: Wow, that's huge.

A: And we started at 32 or 3300 hundred, feet per minute.

Q: How many tons per day on that?

A: Of course it depends, depending on the basis weight, but 300, on the lighter weight. Oh no, what am I saying! When I left, we were at about 1800 tons per day. With three machines, so it was like 7 or 800 [tons per day]. *[Note: in*

Q: There was one other labor relation's thing [I wanted to ask you about], you might have been around – you may have been around. And that was, at the time of the Jay strike, I know that **Scott had developed this jointness program to improve cooperation. I'm just curious of what you knew about the program and if you were involved in any way.**

A: **That was pretty much Phil Lippencott and some of the higher guys. That was at the presidential level. And, I think it was another – Scott, I always thought, was great at fads.** That's a great concept, if you can do it, but those aren't the guys to do it, (Laughs) because they can't stay at it. Anyways, Scott had developed a reputation, and I

think rightly so, of having more labor problems, and not getting much out of their negotiations. I think that was a little different for Warren; we'd had some tough negotiations, but by and large labor problems and strikes weren't one of the things that caused Warren a lot of problems.

So, yeah, I'd been to, I went to the meetings where Phil, Dick Lehman (sp?) and all of the Scott brass would come to, and *ply the platitudes*.

Q: Did it have much of an impact, you think?

A: I don't think so.

Q: Would you have been up here at Hinckley?

A: I was at Hinckley at that point.

Q: So you don't think it had a major [change in] the tenor of labor relations at Hinckley?

A: No. I will say that when I got to Hinckley, I did not think that relations were very good. What I had heard, and there were some sense to it, is, we're up here from Winslow, and we've got the worst contract in the world out of Winslow, the unions really killed us, and we're not going to give them anything. And I think that was really a philosophy.

Q: These are the management people who had left the Scott Winslow mill and moved over?

A: Well, when they built the mill – there was a lot of the management people. And so they really would go overboard to knock the union back, and as a result the union was very obstreperous. So I don't think their thinking got a little bit better while I was there, and sometimes it was even good. But I didn't see, I never saw an awful lot of jointness up there.

He didn't recall any jointness or enabling committee.

Q: Did you have a sense that the International Paper strike spilled over into other mills, in the state?

A: I think everybody watched that, and was worried about it. And if anything it probably made the unions a little more militant, because they didn't want it to happen there. On the other hand, I don't think it made them say "hey, we're going to work together so this doesn't happen." I think it tended to make them a little more militant because management is all bad.

Q: And you heard some of that in the mill?

A: [Yes], I heard some of that in the mill.

Q: Is there anything you want to tell me, that I didn't think to ask you about?

A: At times, I would have pretty good relations with some of the unions. By and large, we respected each other. When I had the paper mill, that was back in the days of affirmative action and so forth, and I couldn't get any women to come into the paper mill. *[note: he's talking about the paper mill department, including coating and calendar machines]* I'd go over to the finishing department, recruiting, (laughs) from some of the women over there that I knew, some of the younger ones. And they wouldn't last. And they said – it was obvious that they were being harassed, but there wasn't any way I could get it documented it, and they would not tell ya'. So, Westbrook had, what I think was a wonderful thing, I think it didn't actually hurt the efficiency, it probably did help, because of vacation schedule is so short, everybody's got a million weeks of vacation down there, and we hired all of the person's kid, that was going to college. And I wouldn't have let my daughters work in the department I was working in. When I went to the paper machines, my daughter went to the finishing department. The next year she worked in Sweden, but the last year she was here, I said "Ok Cathy, you're going to work for me, if you want a job, you're going to work for me this summer, you're going to work in the paper mill. And I don't think they'll dare harass you." So, I put her on the shift, with the union president, the union president's wife was working in the quality lab and the union treasurer, and on the machine the union president and treasurer was on. So she worked on there, and she got to be fast friends with the union president's wife, and that broke it. So we started to get some women on there, and they would stay.

So that was kind of neat. It taught her a lot, too.

Track 3 Note: a comment from a supervisor about racist attitudes towards French-Canadian workers.

Q: That reminds me, did you have much of a sense of the different ethnic groups in Westbrook, of who worked in the mill, and their communities, when you came there?

A: See, when I came, I didn't know anything about any ethnic minorities, or majorities – it was all Greek to me – my parents happened to come from a place like that, it just happened to be in western Pennsylvania, and it was German. People still, when I would go back there, as a young kid to visit grandparents, people still, a lot of people still, German was the first language of a lot of people, so I never thought anything about it.

And so when I came here, I started hearing some comments about, you know, dumb French people and like that. I just didn't know what. And I overheard a superintendent saying, one guy was commiserating from downstairs, was commiserating about having black people work for him, I think it was somebody from the Mobile mill, they weren't very smart, and he said "well at least you can see yours coming we don't know ours until they open their mouths." And I said: "my God!"

I didn't see – I think most of that went away. I think that was some of the really older prejudice. I can't say I ever saw it, other than that. I have a good friend who is a Catholic, and he's convinced that one of the reasons, he's a Syracuse guy, and he started about a year before I did, and he's convinced one of the reasons he didn't go as far as he might have is because he is a Catholic. I know that that's not the reason. He was not as qualified. I know, because he worked for me, and he's a great guy and he's a friend, but he's not going to run a paper mill.

But there was a hint of that. Absolutely. And I think – I didn't see much of it, but I think some of the older people were that way.

Q: Did you hear any French-speaking in the mill?

A: No. There were French accents. But I never heard any. But now, I had a guy, I think some of them spoke French amongst themselves. But I never, but I can't remember.... I had a guy named – he came from industrial engineering – Alfre Lefevre, whose first language was French. And he was out studying and doing an industrial engineering job, and he picked up some stuff because the girls were speaking French. But around me they never did.

Didn't know anything about Scandinavians being hired as supervisor.

Dornish: Most of my supervisors in the paper mill were French. Not all of them. ... There were some Scandinavians in the pulp mill. The woodyard boss was Scandinavian. And maybe some of the supervisor there were. No, in the finishing department it was a mix. But when I think of the paper mill guys, there were probably more French-descent people in terms of the population than there were in the ranks. It had a higher percentage than the ranks.

There was the direct reference I overheard, and a couple of oblique references, and other than that...

Q: Did you remember anything about the Harvard Business School case?

A: I studied it in the Tuck school. I remember it was the case of a family-type business that was outgrowing itself, and how do you handle that kind of a thing. And because it was a case, there were all kinds of ways of answering it. And I can't remember a lot more about it – of course, after being there a while you knew who these people were, and you could see that they were really kind of struggling to go from where they were – pretty informal, loose kind of a thing, to something, in a in time, where things were getting more demanding. So, how were *you* going to solve this.

Q: I see, I see. And the mill had obviously changed quite a bit by the time that they came around to do the updated version.

A: Oh, yes, a great deal. The first one was done probably about 1954, and the textbook was new. I got the textbook in the fall of 54, so it had to be a couple of years before that

– late forties, early fifties. And I was a department head and superintendent by the time the next one came out, so that had to be at least fifteen years later.

Q: Yeah, early seventies. Some day I'm going to find that case.

A: Maybe the Tuck school keeps them in their library. I can't remember the name of it; it was for Robert Katz's administrative practice [course]. Of course, he's long gone.

MH: Well, thank you very much.

KD: Your welcome. I enjoyed it very much.