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**Skill was never enough : American Bosch, Local 206 and the decline of metalworking in Springfield, Massachusetts, 1900-1970.**

Robert F. Forrant  
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**SKILL WAS NEVER ENOUGH: AMERICAN BOSCH, LOCAL 206  
AND THE DECLINE OF METALWORKING IN  
SPRINGFIELD, MASSACHUSETTS  
1900 - 1970**

A Dissertation Presented

by

ROBERT F. FORRANT

Submitted to the Graduate School of the  
University of Massachusetts Amherst in partial fulfillment  
of the requirements for the degree of

DOCTOR OF PHILOSOPHY

September 1994

Department of History

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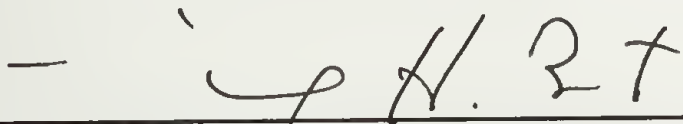
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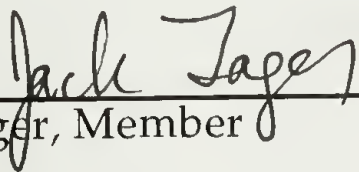
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## DEDICATION

To my Mother and Father for the love of learning they instilled in me. I wish I could have done this while my Father was alive. The older I got the more I realized how hard he worked, how much he cared about his children and how he epitomized the quiet dignity and sense of fair play I believe many of the workers I write about possessed.

To my children, Leah and Nathan, for bearing with me whenever I said "Not now, I've just got a few more sentences to write" and for encouraging me each step of the way. To Nancy whose support, friendship, and encouragement made me take the chance and give this academic stuff a try.

To Bruce Laurie, for giving me the opportunity to finish what I started - it seems like two lifetimes ago. Bruce made me believe there was a story to be told. I hope I did it justice.

Finally, to the thousands of Springfield metalworkers who carved out a livelihood for themselves and their families. You were always smarter than others ever wanted to acknowledge.



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Archivist David Rosenberg at the University of Pittsburgh went beyond the call of duty as he found papers and documents for me in the United Electrical Workers archives that made this dissertation much richer. To my friends and colleagues at the University of Massachusetts Lowell, especially William Mass, who gave me the space to work and the encouragement to persevere when it would have been easier to stop, thanks. I guess that's what friends are for.

## ABSTRACT

### SKILL WAS NEVER ENOUGH: AMERICAN BOSCH, LOCAL 206 AND THE DECLINE OF METALWORKING IN SPRINGFIELD, MASSACHUSETTS 1900 - 1970

SEPTEMBER 1994

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From the early nineteenth century through World War II Springfield, Massachusetts was one of the world's preeminent metalworking centers. On the eve of the Second World War hundreds of firms and thousands of skilled machinists produced machine tools, fixtures, castings, forgings, and precision components for the nation's automobile, electrical appliance, steel, and aircraft industries. However, by the mid-1950s Springfield industry commenced an inexorable decline, interrupted briefly by Vietnam War defense spending. Firms were purchased by outside investors and work moved, while foreign firms gained market share from local companies.

Springfield's fall from manufacturing prominence mirrors events elsewhere in the industrial Northeast and is important to understand. The decline is examined mainly through a history of the American Bosch



Company, its workers, and their union. Established in 1911, unionized in 1936, Bosch specialized in the design and manufacture of precision diesel fuel injections components. During World War II it employed thousands of skilled machinists. After the war it was purchased by Wall Street investors and in the early 1950s became part of a small corporation headquartered in New York City. By the early 1960s it had become the most profitable firm in the diesel products division of a Fortune 500 corporation. By the time it closed in 1986 Bosch was an aging plant with a few hundred workers owned by a Fortune 100 corporation.

From 1950 forward management attempted to implement numerous strategies to reduce costs and maintain market share, including the construction of a low-wage plant in Mississippi, the acquisition of overseas factories, and in-plant schemes to streamline production. The union resisted in-plant restructuring efforts, but offered token opposition to the company's world-wide maneuvers. Throughout, unionists believed their machining skills coupled with their knowledge of the products being produced were assets the company needed to succeed. The company never shared this perspective, and unresolved, this disjuncture contributed to the closing of the plant. It is argued here that management's efforts failed because workers were treated as appendages of their machines.

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## CHAPTER 1

### INTRODUCTION

#### "You Don't Believe She is Going to Die"

The shout "Make Them Stay or Make Them Pay" reverberated off the walls of the Local 206 meeting hall on February 4, 1986. Just a few hours earlier union members learned that United Technologies Corporation, owner of the 76-year-old Springfield American Bosch plant would shut it down by the end of July. The announcement was the culmination of a series of permanent layoffs made by United Technologies Corporation (UTC) since it acquired the facility in 1978. The production workforce was already slashed to 800 from the 1,130 in 1979 as product lines and machine tools were shifted to a new UTC facility in the South and factories abroad.

Management had presented union negotiators with a closing scenario in 1981: ratify the new incentive payment system we want and \$10 million to \$20 million will be invested in the plant or no further investment will be made in the facility. Outright closing was not threatened, but the implications were obvious. The company's proposals for the retiming of all jobs under a new measured time system was accepted by the narrowest of margins in a membership vote. At the time many workers believed that the system provided the company with a way to study jobs before moving them elsewhere.

Union officials had warned repeatedly since the 1981 vote that the plant was going to be added to the region's lengthy list of shuttered manufacturers, but few paid attention. Elected officials, state and national labor leaders and most workers in the shop had chosen to believe UTC

assurances that the plant would never close. Now, everyone was upset and angry as they crowded into the tiny hall several hundred yards from the factory's main gate, eager to decide on a course of action.<sup>1</sup>

Bosch had been the only place many of the unionists had worked. The union sponsored several athletic teams and hosted family outings to area amusements parks. Since the 1930s the union-company Athletic Association ran clambakes, supported youth and adult sports teams, mainly in baseball and basketball, and sponsored outings to professional baseball, basketball and hockey games. It was not unusual for workers to arrive at the plant an hour before their shift to drink coffee, discuss the news of the day, and just be with friends. The closing would create a gapping hole in the center of their lives.

Donald Staples worked in the sprawling facility for 36 years. He was always active in the union, and able to send his two sons to college on the steady wages he received as a chucking machine operator. He had intended to work in the plant over the summer of 1948, then return to the University of New Hampshire on the G.I. Bill. But the money was good and the big city of Springfield beckoned to a country boy from New Hampshire. Reflecting back he said: "It's sad. I didn't realize how much it meant to me till I think about not having it. I can close my eyes and walk through the building. It's like they tell you your mother's sick, but you don't believe she's really going to die." Staples said he would have been proud if his two sons had followed him into the trade. Now he was happy they did not.<sup>2</sup>

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<sup>1</sup> In June, 1985 a union press release stated in part: "The whole industrial base from Greenfield to Springfield is being eroded. There may be jobs available, but they're not good paying jobs." *Holyoke Transcript-Telegram*, June 26, 1985; Local 206 news release, July, 1985; *Springfield Daily News (SDN)* July 16, 1985.

<sup>2</sup> Interview, July, 1993; *Springfield Union*, February 7, 1986.



## Overview of Bosch Plant History

The Bosch had thrived in Springfield from the day its doors opened in 1911 under German ownership and management. Even the national economic contraction during the 1930s did not affect the Bosch, as sales and employment increased through the 1930s and grew rapidly during World War II. This 15 year period of growth could not withstand the sharp decline in defense orders at the end of World War II. From this point on wild swings in employment, largely a consequence of erratic demand generated by the company's automotive, agricultural equipment, aerospace, and defense customers, coupled with management's inability to figure out how to maintain consistent production levels to avoid boom and bust cycles, characterized the plant's history until it closed in the late 1980s. For example, blue collar jobs dropped to 1,200 in late 1948 from 2,600 in the Fall of 1946, jumped to over 2,600 at the height of the Korean War, and down below 1,200 again in 1958. This made training difficult and expensive and provided little continuity in the workforce when plant managers attempted to introduce new manufacturing and quality control procedures in the late 1950 and early 1960s. Workers and union leaders realized that job security was tenuous at best.

Adding to job insecurity, a series of mergers and acquisitions beginning in the late 1940s resulted in the Springfield facility becoming part of the ARMA Corporation, headquartered in New York City. ARMA would soon operate factories across the U.S. and in Europe. In 1953 an assembly plant was built in Columbus, Mississippi and several high volume automotive product lines were transferred there. Beginning in the late 1950s and throughout the 1960s manufacturing facilities were

purchased in the United States, England, Italy, and the Netherlands, and production licensing agreements were negotiated with plants in South America to build fuel injection components and assemblies originally manufactured in Springfield. The corporation's name became AMBAC Industries, Springfield was one of six company divisions.

For a time the corporation developed new products for markets in the burgeoning defense electronics sector. Several million dollars was spent on machine tools, a state-of-the-art computer systems to keep track of in-plant inventory, and the construction of engineering and assembly plants. This is not, then, simply the story of corporate disinvestment in an aging factory, and for this reason the Bosch story is important.

Management articulated and employed a range of strategies to increase profitability, including southern low-wage expansion, joint production ventures in Europe and South America, plant acquisitions in the U.S., and an in-plant modernization and cost control program in Springfield. Almost immediately after World War II management determined that ways had to be found to work more cheaply. As early as 1953 management warned workers of the impact of cheaper foreign labor on the firm. Union leaders could not help but notice the corporation's aggressive efforts to build a plant in Mississippi and establish several joint production ventures in Europe and South America. At the same time a \$12 million investment was made in Springfield to improve production. Despite the investment, employment levels dropped, falling under 750 by late 1959, from over 4,000 at the end of World War II. For brief periods the Korean and Vietnam wars stimulated both sales and job



growth, but peak employment levels never exceeded the post World War II high point established in the Fall of 1953.

The story of the workers, the plant, and the city provides an important chapter in understanding the post-World War II economy. The workers were highly skilled; the plant produced components for the agricultural, automotive and defense sectors; and the city had been part of a prosperous manufacturing region, stretching up and down the Connecticut River Valley between Hartford, Connecticut and White River Junction, Vermont that had designed and built machine tools and components for every other manufacturing sector in the country and around the globe. Yet this rich legacy was not enough to stem the tide of regional closings, nor could it arrest the decline of the American Bosch.

Could managers and workers have prevented the collapse of the valley's industrial base? Were interests so mutually exclusive that rational dialogue was impossible? Were workers and their unions sufficiently interested in production-related issues to offer solutions to the problems faced by industry? Were managers amenable to utilizing worker input in constructive ways to improve the plant? Were lines so rigidly drawn, was management so adamant regarding their right to control the shop floor, that workers and their union turned from trying to make the factory run smoothly, in favor of preserving a semblance of job security as long as possible? Managers manage and workers work was the paradigm. And like Donald Staples, one could not find a Bosch worker desirous of having a son or daughter follow them into that paradigm well before the factory gates were locked for good.



## Chapter Structure

Chapter 2 describes the evolution of the metalworking industry in greater-Springfield. Early growth, sparked in large measure by the citing of a federal armory in the city, propelled the city into a preeminent position as home to large numbers of highly skilled machinists and many innovative companies by the end of World War I. While many cities in Massachusetts suffered through skyrocketing unemployment and business failures during the Depression, Springfield metalworking firms confronted a shortage of skilled machinists and responded by starting innovative training programs. Employment levels soared during World War II as industry received millions of dollars of war contracts and local machine tool builders worked around the clock to supply U.S. companies with new equipment. However, the end of the war marked the end of industry growth. Employment levels fluctuated dramatically. Korean and Viet Nam war production stimulated local industry while masking fundamental problems companies faced, including aging factories and equipment, outside ownership of once locally-controlled firms, and increased competition from abroad.

Chapters 3 and 4 review the history of American Bosch. Starting in 1911 Bosch employed thousands of skilled machinists and assemblers who produced precision products for the country's automobile, farm equipment, aircraft, and electrical industries before it closed its doors in 1986. At the end of World War II the Springfield plant was purchased by a Long Island, New York holding company and eventually became part of a world-wide corporation headquartered in New York City. Springfield production shifted in the mid-1950s to a new factory in Mississippi.

By the early 1960s more work was relocated to plants in England, Holland, and Italy. During these years the corporation spent several million dollars improving the Springfield plant, but as chapters 3 and 4 show, the investments did not result in stable employment or new work to replace product lines shipped elsewhere.

Chapters 5, 6, and 7 describe the history of workers in the plant from start-up through 1960. Chapter 5 is concerned mainly with union organization, with particular attention to the important role of skilled workers. Chapter 6 discusses the acrimonious internal struggle for union control waged after World War II between the United Electrical and the up-start International Union of Electrical Workers. Here, as in chapter 5, close attention is paid to the positions skilled workers took during this decisive episode in the local's history. The chapter also reviews the union's reaction to the company decision to build a new factory in Mississippi and shift Springfield production to it. Chapter 7 reviews the union's use of the grievance procedure and contract language on job classifications to determine how workers responded to the company's in-plant modernization program. The chapter continues the discussion started in chapter 4 regarding union attempts to play an active and constructive role in shop-floor improvement efforts. Through the 1950s and early 1960s the local presented a thoughtful critique of management efforts to improve productivity. However, management steadfastly refused to discuss any union-initiated suggestions. The chapter concludes with an analysis of the union's 1958 illegal eight day walk-out in support of the plant's engineering union.

Chapter 8 unites the protagonists and continues their history through the 1960s and early 1970s, paying particular attention to the issues

surrounding lengthy strikes in 1968 and 1971. The concluding chapter analyzes why the Bosch closed and discusses the decline of metalworking in the region. How could Springfield, once a world-wide metal working center with thousands of well-paying skilled jobs, lose that nucleus of plants and jobs so rapidly.

Conclusion: Take as a Starting Point  
Work and the Job

It is the contention here that the rich tradition of worker skills and pride in workmanship present in Springfield was instrumental in the city's rise to metalworking preeminence. From the Springfield Armory, through the early construction of automobiles, to the significant developments in machine tool design and construction that occurred, skill was at the root. In addition, the rapid diffusion of what was being learned meant that the entire region made quantitative and qualitative leaps in its production capabilities. As the reputation of the region grew it became a magnet for skilled workers, and those entrepreneurs looking for the proper blend of hands-on expertise and engineering ability required to make their enterprises successful.

On the eve of the Second World War there was still room for highly skilled tool and die makers, gage makers, and mold designers to contribute their expertise to making a firm run well. Through the war workers participated on production committees and were largely responsible for the dramatically increased output from local factories. But



at war's end, after seeing their shops unionized and being forced through vigorous worker organization to bargain collectively with their employees, managers sought to reassert control in the plants.

Eventually skilled workers and their unions began to withdraw their intimate production knowledge from management, and simply did the basic job required of them. No amount of technology could substitute for the skill and product knowledge lost, to the long-term detriment of U.S. industry. The Bosch record is clear: Through the 1950s and into the 1960s the union fought as vigorously to be included in plant improvement efforts as they did to defend their members from illegal terminations and the denial of seniority rights.

In the face of the tremendous changes under way in the global economy, it is quite unlikely that a single plant, union-initiated production strategy could have succeeded in keeping the firm open. But the history is, nevertheless, a healthy antidote to two simplistic characterizations that persist in the literature: the first, that American industry lost its way because of unions; and the second that unions lost their way after about 1948 and were interested in wage and benefit gains to the exclusions of all else.

Finally, I concur with ideas expressed by historian David Brody in a 1978 speech to the Organization of American Historians, and hope this study does his thoughts some justice. Brody reviewed American labor historiography searching for a synthesis that could bring together the best in economic, cultural, ethnic, and institutional scholarship. He argued that the model E. P. Thompson's *The Making of the English Working Class* provided for England was inappropriate for the United States. If not

through a common culture, Brody questioned, where is the alternative approach that provides some common ground applying to all American workers, establishes historical continuity, and captures the dynamic forces shaping the experience of workers. For Brody "These requirements can probably best be met by an economic approach, taking as its starting point not culture but work, and the job, and broadening out from there."<sup>3</sup>

Skills played an important part in the history of the plant, union, and region. Workers attitudes toward their jobs, especially fair treatment at work, their continual attempts to make the shop floor more efficient and quality conscious, and their deep-seated desire to be heard and respected on the shop floor are themes that run through what follows.

In June, 1940 the Congress of Industrial Organizations issued a labor policy for national defense. Its cornerstone was the statement that "Our industrial unions constitute a great reservoir of productive, technical and administrative skill and resourcefulness. The brains of labor should be utilized to serve the nation... ." Also in 1940, the United Auto Workers' Walter Reuther, a skilled tool and die maker himself, assembled a team of design engineers and tool- and die-makers who had spent years working in automobile plants to craft a detailed plan for converting underutilized auto plants to aircraft production. In 1941 Julius Emspak, Secretary-Treasurer of the United Electrical, Radio, and Machine Workers, put forward a program for the establishment of production councils in every UE-organized factory. Councils were to focus on improving methods of work, improving shop- floor planning, better utilization of machinery,

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<sup>3</sup> David Brody, "Labor History in the 1970s: Toward a History of the American Worker," in Michael Kammen, ed., *The Past Before Us: Contemporary Historical Writing in the United States* (Ithaca, 1980) p. 268. The essay was first delivered as a paper before the Organization of American Historians meeting in 1978. E. P. Thompson, *The Making of the English Working Class* (New York, 1968).

and training and re-training. "The whole idea of such councils," Emspak wrote, "is that workers do have a considerable knowledge of ways to increase production in their own plant, and that if a machinery is established whereby the workers can combine their knowledge with that of management, increased production will result." Reuther's plans were never implemented, while the councils Emspak described were set up in hundreds of war-time factories, were instrumental in maintaining high output through World War II, and most quickly dismantled by management by the early 1950s.

In 1968 Local 206 challenged management to do a better job running the plant and provided an analysis of the five major issues causing problems on the factory floor. The five were: the consistent failure to repair defective equipment resulting in excessive lost production time and failures to meet shipping schedules to customers; a lack of proper tooling available when needed to complete set-ups; incomplete information on job process sheets and work orders leading to inventory and scheduling difficulties; the generally dirty conditions in the plant; and poor work flow and production bottlenecks, resulting in a lack of work for some departments and excessive overtime for others. In making this statement to management they were following a rich tradition exemplified by Reuther and Emspak's statements. In management's failure to even consider the union's thoughts lies at least part of an explanation for the failure of U.S. industry over the last 25 years.<sup>4</sup>

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<sup>4</sup> American Council on Public Affairs, *The CIO and National Defense* (Washington, D.C., 1940) p. 5; George Clark, "The Strange Story of the Reuther Plan," *Harpers Magazine*, 184 (1941) p. 645 - 654; Julius Emspak, "Labor -Management War Production Councils," *Science and Society*, 7 (1943) p. 91; *Local 206 Labor Bulletin*, February, 1968, p. 3.



## CHAPTER 2

### THE SPRINGFIELD ECONOMY

#### Introduction

Springfield's nineteenth and early twentieth century prosperity was predicated upon a well established, diversified manufacturing base rooted in a set of industries that required a core of highly skilled workers. This chapter will examine the city's economic development and pay particular attention to its metalworking industry. A review of the 19th century will be followed by sections on the development of several firms, including the Springfield Armory. The Armory is included because machine tool innovations and worker skill and union issues influenced events in other firms in the region. Springfield's industrial development and workforce structures will be compared to those of Holyoke, Lowell and Worcester, Massachusetts. Finally, the federal government conducted two detailed studies of the New England economy, one in 1929, the other in 1951, that will be discussed. Each posited that a critical aspect of economic development was the region's vibrant metalworking industry.

#### Early History

Springfield secured its manufacturing history during the Civil War primarily because it was the sight of the Springfield Armory. Congress' decision in 1776 to locate a weapons production armory in Springfield meant slow, steady growth. At the conclusion of the Revolutionary War the government intended to move the armory across the Connecticut

River to West Springfield, where a facility was to be built to harness the power of the Agawam River. But West Springfield farmers protested, Springfield got the Armory and its economic stimulus.<sup>1</sup>

The investment helped the Connecticut River Valley gain a reputation for precision metalworking and machine tool building, and fueled industrial expansion in the city. By the 1830s Springfield had 73 machine shops, six cotton factories, three paper mills, four printing concerns, two tool factories, one saw factory, and several saw and grist mills. Development was coupled with population growth, especially a large pool of skilled labor. The city grew to 18,000 in 1850 from 1,500 in 1790. In the early 1840s rail line connections to Boston, Worcester, Hartford, and Albany sparked further growth.<sup>2</sup>

The Armory's engineers and skilled craftsmen worked diligently to design machine tools and develop the production techniques necessary to manufacture rifles that defied existing standards. This innovative, problem - solving approach sunk deep roots in the fertile Connecticut River Valley. Challenged to produce weapons faster and cheaper during the Civil War, the Armory improved plant efficiencies. In addition, rigorous standards were developed for small, area subcontractors including the use of precision gauges and fixtures. Output jumped an incredible 400 percent in the war's first year, while the cost of producing a rifle fell to \$12 from \$20. Throughout the 19th century local firm owners

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<sup>1</sup> Michael Frisch, *Town into City: Springfield, Massachusetts and the Meaning of Community, 1840 - 1880* (Cambridge, 1972) p. 16.

<sup>2</sup> Frisch, p. 15. The city grew 400 percent between 1820 and 1850, third highest in the state.

studied these designs, manufacturing techniques and methods of organization, helping improve their plant efficiencies immensely.<sup>3</sup>

Civil War-induced demand fostered relationships between the Armory and other regional firms. Historian Michael Frisch quotes an 1861 letter from Springfield mayor Daniel Harris to Armory Director Ripley, which amplifies this point. The James T. Ames Company, one of the biggest suppliers of large cannon to the government during the war, made production machinery for the Armory as well. Mayor Harris learned that the firm was scheduled to make several large cannon for the Armory, and asked Ripley if he "might like to have carriages manufactured here to go with them." He then asked "whether Wason's car shop here is not just the place to get that work well and expeditiously done." Ripley concurred, and the carriages were built locally. Inter-firm collaboration strengthened the regional economy, boosted the city job base, and established the river valley as a national manufacturing center. This would not be the last time that war-related boosts to the regional economy launched rapid industrial growth.<sup>4</sup>

From the 1830s forward Springfield enjoyed a comparative technological advantage based on Armory manufacturing practices and their diffusion to area firms. Historian David Hounshell cites the work of Nathan Rosenberg who closely analyzed how production techniques perfected at federal armories and small arms manufacturing plants diffused to several other industries. Rosenberg established that the

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<sup>3</sup> Frisch, p. 74; Derwent Whittlesey, *The Springfield Armory* (1920) p. 265. For an in-depth look at the Armory and how its production methods and shop floor organization influenced manufacturing see Michael Best, *The New Competition* (Cambridge, 1990).

<sup>4</sup> Quoted in Frisch, p. 79. As succeeding chapters will show, production and jobs increased dramatically during both world wars and the Korean and Viet Nam wars.



transmitters of ideas and innovation were the makers of machine tools, who worked with manufacturers in various industries as they encountered and overcame production problems. He called this technological convergence. States Hounshell, "As each problem was solved, new knowledge went back into the machine tool firms, which then could be used to solve production problems in other industries." Between 1830 and 1860 the Armory engaged in widespread diffusion of all that it was learning about mechanized production, especially the utilization of gauges, fixtures, jigs and dies to insure uniformity of machined parts. "The Armory acted both as a clearing house for technical information and a training ground for mechanics who later worked for private arms makers or for manufacturers of other goods," Hounshell found.<sup>5</sup>

### The 'Industrial Beehive' Grows: 1880 - 1930

Aided tremendously by the region's technological convergence, Springfield became an important industrial center. Its prime location on the Connecticut River provided easy transportation down river to New York markets and beyond. By 1880, it led the region in the manufacture of heavy equipment and machinery, with 437 mills and shops employing

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<sup>5</sup> Nathan Rosenberg, "Technological Change in the Machine Tool Industry, 1840 - 1910," *Journal of Economic History* (1963) quoted in David Hounshell, *From the American System to Mass Production, 1800 - 1932* (Maryland, 1984) p. 4. Hounshell points out that two keys to Armory success were an early reliance on private arms contractors as a source for innovation and the perfecting of various ways to inspect parts in the process of manufacture. This concept spread to other metalworking establishments in Springfield and over time added to the region's reputation for high quality work (Hounshell, p. 33 - 34, 44). Hounshell also cites Felica Deyrup's *Arms Makers of the Connecticut Valley* (Smith College Studies in History, 1948) for its documentation of instances when the Armory's patternmakers and skilled foundrymen made "castings of valuable machines developed by contractors"(p.45).

7,000 workers. Between 1885 and 1890 alone, machine production rose 158 percent. In 1910 the city had 251 manufacturing plants employing 12,361 workers, and by 1930, even though industrial employment in Massachusetts declined, it increased in Springfield. Foundries, machine shops, machine tool builders and electrical machinery firms led the growth.

In the early 1900s trolley lines extended outward from the downtown center to new neighborhoods. Hundreds of homes were built and streets laid out between 1900 and 1925, many carrying the names of well-known automobiles - Chalmers, Packard, Ford, Duryea. Residential neighborhood growth resulted in population increases of 5,000 to 10,000 people every five years.<sup>6</sup> New manufacturing centers started in East Springfield and the city's North End. East Springfield would become home to the Stevens-Dureya Car Company, the first automobile factory in the country, and the Westinghouse Company, while over a dozen of the city's most important manufacturers soon gravitated to the North End.<sup>7</sup>

Nicknamed the "Industrial Beehive of Massachusetts," by 1930 Springfield was a diversified manufacturing city with over 300 firms and 18,000 workers producing a variety of machine tools, assemblies, and components for the country's machine tool, automobile, steel, and electrical equipment industries. The North End, bordered by the Connecticut River to the west and Chicopee to the north, was dotted with large metalworking companies employing mainly skilled and semi-skilled machinists, machine operators, and precision assemblers along with small

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<sup>6</sup> For photographs of early factories see D'Amato, *Springfield - 350 Years: A Pictorial History* (Virginia, 1985) p. 138.

<sup>7</sup> D'Amato, p. 139.

tool and die shops and foundries specializing in the production of fixtures, tools, and spare parts needed to keep production lines running.

Occupational Structure

A comparison of Springfield's occupational structure with near-by Holyoke, Massachusetts and other mill cities in the state demonstrates this skill base, as well as the distinction between Springfield's workforce and that of textile mill communities across Massachusetts (Table 2.1).<sup>8</sup>

Table 2.1: Occupations in Springfield and Holyoke, 1885.

	Springfield	Holyoke
Gun makers	250	-
Machinists	219	225
Iron workers	154	-
Steam car builders	174	-
Woolen mill operatives	-	1,125
Cotton mill operatives	-	2,205
Paper mill operatives		2,820

With the exception of machinists, the cities are mirror opposites. Holyoke never had significant numbers of metalworking firms, and those it did have produced machines and attachments for its local textile and paper industries. As mills began to exit Holyoke after World War I this skill base contracted as well. Springfield's richer, more diversified industrial base was a source of innovation and renewal, and its reputation served as a magnet for skilled workers in the late 19th and early 20th

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<sup>8</sup> Figures from the 1885 Massachusetts Census for occupations employing 100 or more workers show the following: *Massachusetts Census, 1885*.



centuries. Skilled, foreign-born workers would play a significant role in union and political affairs in Springfield along with making a vital contribution to industry.<sup>9</sup>

By 1939 17 percent of Springfield's manufacturers and 57 percent of its manufacturing workforce were in metalworking. By comparison, Worcester, Massachusetts, another large and well diversified manufacturing center located approximately 50 miles from Springfield, had 28 percent of its firms and 46 percent of its workforce in metalworking. The two cities accounted for over half of the state's precision metalworking industries. Employment grew slowly in both cities during the early 1930s, but by mid-1936 employers reported shortages of skilled metalworkers and were scrambling to establish training programs. Observers were impressed with the city's diversity, rich legacy of skilled work, and the innovative qualities of firm owners.

From 1939 to 1947 Springfield's manufacturing employment increased 62 percent, much of it in metalworking. However, in just 40 years, factories that employed thousands of workers and produced both the machines and components vital to the successful war effort, were shuttered or hollow shells. Firms that remained were smaller: The

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<sup>9</sup> Evidence of the impact immigrant skilled labor had in Springfield is evident through an analysis of the in-plant jobs many union leaders had. This will be discussed in detail in ch. 5. The Bosch company newsletter aptly titled *The Craftsman* contains evidence of the role highly skilled workers played in production. The December, 1948 issue carried the names of forty-nine workers who had reached twenty-five years seniority in the factory. Seventeen of the forty-nine were foreign born, including six from Germany and four from Italy. Among the group were four toolmakers, three die makers, two set up men, a production engineer, and the foreman of the experimental machine shop (*Craftsman*, Vol. 5, no. 8). Issues of the *Craftsman* from 1944 - 1958 are located in the Pioneer Valley Historical Society company archives, Springfield, Ma. For an important analysis of the role immigrant, skilled workers played in the formation of the United Auto Workers see Babson, *Building the Union: Skilled Workers and Anglo-Gaelic Immigrants in the Rise of the UAW* (New Brunswick, 1991) esp. ch. 1 and Appendix A.

average Springfield-area manufacturing firm fell from 79 to 35 workers from 1947 to 1977. This is partly explained by the fact that the total number of firms in the Springfield-area metalworking sector increased to 355 from 200 while the workforce fell to 15,570 from 22,071 in this period.

In greater-Springfield, metalworking firms employing over 500 workers had been plentiful through the immediate post-war period. By 1958 there were less than 20. Close to 90 percent of all metalworking establishments employed fewer than 20 workers.<sup>10</sup> The once strong and vibrant greater-Springfield labor movement, dominated throughout the post-war period by industrial unions representing skilled and semi-skilled machinists and metalworkers, was no longer recognizable.<sup>11</sup>

### Major Firms in Springfield on Eve of World War II

On the eve of World War II the city was well integrated into the nation's mass production economy, while it continued to derive a great deal of work from military production. Integral to this success were two historical continuities; the region's ability to design and build machine tools, and the large numbers of skilled machinists in the Connecticut River Valley.<sup>12</sup>

Arms production dominated the regional economy from the Civil War to World War I. In addition to the Armory, the Smith and Wesson Company and Savage Arms employed hundreds of assemblers and

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<sup>10</sup> United States Department of Commerce *Manufacturing Censuses*. In Worcester average firm size fell from 90 to 30 workers.

<sup>11</sup> Data on firm size and workforce is taken from United States Department of Commerce *Census of Manufacturers and Population Censuses* for the years under review.

<sup>12</sup> Planning Services Group, *The Regional Economy; Federal Population Census, 1920, 1930, 1940*.

machinists. By the 1870s a second industrial concentration had grown up around the Wason Car Manufacturing Company. Founded in 1846, Wason produced railroad cars for virtually every major rail line in the United States and exported to China, Brazil, Venezuela and Canada. At its height in the 1870s Wason employed close to 700 people. The Smith Carriage Company built carriages and wagons sold across the country and in Europe. In 1892 it built the body for the first gasoline powered automobile built in the United States. In 1895 the first major U.S. automobile corporation, the Duryea Motor Wagon Company, turned out its first cars. The Knox Automobile Company and the Indian Motorcycle Company were also incorporated. Both firms were owned in part by the J. Stevens Arms and Tool Company, which built several of the production machines and tools for both companies. Other firms engaged in the development of many new processes and products. A cylinder paper-making machine was built and operated by Ames and Company in 1822 that revolutionized the industry. Envelopes, dictionaries, lawn mowers, elevators and motorcycles were also made in city factories.<sup>13</sup>

New firms incorporated and began to design and build machine tools for these and other local industries. Products were also sold in national markets. The fact that these machines were built locally gave area firms a competitive edge as they were the first to gain the productivity advantages new technologies provided. The Stacy Machine Works invented an upright drill. Bauch Machine Tool Company specialized in threading machines and worm gears, universal joints and cutting tools. The Hampden Grinding Wheel Company developed and produced its

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<sup>13</sup> Orra Stone, *History of Massachusetts Industries, Vol. 1* (Boston, 1930) p. 7 - 10.



own brand of precision grinding wheels. By 1930, Moore Drop Forging Company, incorporated in 1900, was one of the largest firms in the city, with 1,400 workers producing machine beds for the mid-West's huge auto plants. Storms Drop Forge's 1,000 employees manufactured forgings for export world-wide out of steel, brass, and bronze.<sup>14</sup>

Other machine tool builders and precision metalworking firms found in Springfield on the eve of World War II included: the Perkins Gear and Machine Company with 350 skilled machinists producing gears and other precision parts; the Baldwin-Duckworth Company, a maker of high-grade transmission chains for several machine tool builders; Van Norman Machine Tool Company with 500 workers manufacturing grinding and milling machines and a machine capable of grinding ball bearings; Chapman Valve Company, operating three foundries to produce the castings for hydrants, pipe fittings, sluice gates and valves ranging from one-quarter inch to nine feet in diameter; and Package Machinery, builder of automatic package wrapping equipment.

Incorporated in Springfield in 1890, Van Norman initially employed 25 workers, producing bench lathes, molding dies, engravers' equipment and other small hand tools. In 1910 the firm's engineers designed and built the first milling machines with adjustable cutter heads and the first cutter grinders. There were ready buyers for these machines in Springfield. The First World War helped Van Norman gain a national reputation for designing and building a machine that produced ball bearings. Through 1915 ball bearings were largely imported from Germany. U.S. war production would have been crippled without this

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<sup>14</sup> Stone, p. 489 - 495.

engineering success. The company continued to grow after the war and through World War II with employment reaching 1,500. Production focused mainly on machine tools for the automotive industry and multi-purpose milling machines.<sup>15</sup>

Chapman Valve was founded by John Chapman in the 1870s and quickly developed an international reputation for custom valves. Its only competitor was the Chicago-based Crane Corporation, which mainly built general purpose valves. On the eve of World War II the U.S. Navy built a \$3.6 million foundry adjacent to the Springfield Chapman plant to insure a steady supply of valves, and soon employed 3,600. At war's end the foundry was sold to Chapman for \$916,000.<sup>16</sup>

Package Machinery formed in 1912 as the result of a merger of several smaller companies based in Springfield, Milwaukee, Wisconsin, Louisville, Kentucky, Chicago, Illinois and New York City and Brooklyn, New York. The merger was designed to eliminate costs associated with each firm's pursuing parallel technology and to establish greater production efficiencies. First year sales were \$140,000; by 1930 they approached \$2 million.<sup>17</sup>

The Westinghouse Electric and Manufacturing Company was the city's largest manufacturing firm in the early 1930s, with employment averaging 3,000. It received its first contract in 1915 to build one million rifles for the Russian government. When the government collapsed during the revolution, production quickly shifted to Browning Rifles for the U.S. government. Here, as with the Armory, a manufacturer that was

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<sup>15</sup> Farrant, *Plant Closings and Major Layoffs in Hampden County, 1967-1986* (Springfield, 1987).

<sup>16</sup> Farrant, *Plant Closings*.

<sup>17</sup> Stone, p. 539.

to play a dominant role in the city, had its impetus in war and military spending.

At the conclusion of World War I Westinghouse turned to the production of small motors and automotive equipment. Employment grew to 4,500 workers by 1930 up from 500 in 1920, an astonishing nine fold increase. In addition to motors, the plant now produced commercial radio apparatus, electric fans, and washing machine parts. Westinghouse purchased \$800,000 a year in local materials and spent \$335,000 transporting raw materials and shipping finished goods in and out of the city. The American Bosch Corporation, started in 1911 by Germans, manufactured fuel injection equipment for diesel engines, gas water heaters, and magnetos and other ignition devices for the automobile. It needed 10,000 miles of wire monthly to produce magnetos, which kept area wire-producing firms very busy. The firm employed approximately 1,000 workers in the early 1930s.<sup>18</sup>

By the early 1940s Van Norman, Chapman Valve, Westinghouse and Bosch workers were affiliated with the United Electrical, Radio and Machine Workers Union, giving it a powerful voice in the affairs of the most significant manufacturing plants in the city, and by implication a significant voice in the development of the Springfield economy.<sup>19</sup>

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<sup>18</sup> Stone, p. 547.

<sup>19</sup> D'Amato, p. 140. One of the best sources for information about early industry development in Massachusetts is Orra Stone's two volume study, *Massachusetts Industries*, published in 1930. The book devotes chapters to each of the state's largest industrial cities including Worcester, Lowell, Lynn, Haverhill and Springfield.



## The Artman Report: Metalworking's Importance to Springfield

Almost immediately after the October 1929 stock market crash the United States Department of Commerce commissioned a study of the New England economy as part of a national effort to "marshal and analyze pertinent facts bearing upon the economic life of the Nation." William Cooper, Director of the U.S. Bureau of Foreign and Domestic Commerce, stated in the report's forward that one of New England's greatest industrial assets was its supply of skilled workmen and seasoned factory operatives. In a theme repeated in other observations of the region Cooper remarked that "With long experience in business management and in labor organization, New England appears to be increasing harmonious relationships between labor and industry. According to Cooper, "the large number of successful firms, including Van Norman, Chapman Valve, Westinghouse, and Bosch relied on worker skills to design and build new equipment and products. This rich skill base, combined with a group of innovative and forward-looking employers provided the region with an advantage over the rest of the nation.<sup>20</sup>

Charles Artman, an economist employed by the U.S. Department of Commerce to prepare the New England study, determined that between 1910 and 1920 Hampden County had the highest percentage increase in population of any county in Massachusetts, Maine, New Hampshire and Vermont. Over the same period Hampden County's manufacturing

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<sup>20</sup> Cooper, forward to Charles Artman, *The Industrial Structure of New England* (Washington, D.C., 1930) p. xi. The report is based on information gathered from close to 5,000 manufacturers regarding methods of manufacturing, plant organization and marketing strategies supplemented by Federal manufacturing census data. It contains richly detailed analyses of the metalworking, machine tool building, textiles, leather, paper, printing and publishing and wood and furniture industries.

value added increased 150 percent. Artman attributed this to increased employment in manufacturing, mainly in the Holyoke's textile and paper mills and Springfield's metalworking and machine tool firms. However, by decade's end, and into the 1920s growth waned. Across all of New England the decline set in earlier, as from 1914 - 1925 manufacturing value added and average manufacturing wages fell below the national average.<sup>21</sup>

A massive, negative restructuring of the manufacturing economy took place that continued until war-related production picked up in the late 1930s and early 1940s. The once dominant textile and boot and shoe industries were in decline as production shifted to mills in other parts of the country and abroad. For textiles, the crisis was in the making before World War 1. However, increased demand during that war resulted in an expansion of production capacity. Old plants were reopened and new plants built to meet European export demands. At the conclusion of the war textile material consumption dropped sharply and "there were radical changes in the types of textiles which the market demanded. Staple lines gave way, in large measure, to fancy specialties and novelties, in which style was the primary consideration... ." New England mills, organized for quantity production, found it difficult to alter shop floor methods that new market demands required. Artman described the implications of this for New England mills:

The periodic ordering of large quantities for a whole season which had been the prevailing practice has given way in recent years to smaller orders for current requirements, repeated at frequent intervals, whereas orders were formerly placed twice a year for

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<sup>21</sup> Artman, p. 147 - 149.

four to six months ahead. Difficulties in adjusting production plans to these new conditions, account, in large measure, for the depression of the New England textile industries.<sup>22</sup>

The number of active spindles in place is normally used as an indicator of mill production capacity. In 1927 Hampden County had ten cotton textile mills with 663,000 spindles, fifth highest of all New England counties, behind Bristol and Middlesex counties in Massachusetts and Providence, Rhode Island and Hillsborough, New Hampshire. Bristol County, with the cities of Fall River, New Bedford and Taunton, had 7,157,574 spindles and 93 mills, by far the largest such concentration in New England. New England mills contained 43.6 percent of all the active cotton spindles in the nation in 1927, down from 50 percent in 1922. A more accurate measure, one that Artman used, is active spindle hours. Here, too, New England was declining, falling from 40 percent of the nation's total in 1922 to 31.5 percent in 1927. Intensified national competition resulted in decreased cotton mill activity and employment fluctuations of some 30,000 workers a year out of a workforce that averaged around 200,000.<sup>23</sup>

Like cotton, the woolen and worsted industry had contributed significantly to the New England economy: By the mid-1920s 443 mills employed 106,155 workers, with 42 percent of the mills and 52 percent of the workers in Massachusetts. From 1880 to 1925 the industry was stable:

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<sup>22</sup> Artman's observation that the failure to shift production strategies to respond to changes in the demand for good produced is an important one and it is picked up again in the 1950s when the federal government commissions another study of the New England economy (Artman, p. 280).

<sup>23</sup> Artman, Table - New England Compared with Rest of United States in Cotton Spindles in Place 1880 - 1927, p. 290; For workforce levels, p. 294.



There were just five fewer firms in Massachusetts in 1925 than in 1908, while the state's share of total U.S. output rose slightly. Firms and output diminished however, as a result of changes in the internal structure of the industry. Consumers wanted to purchase ready-to-wear goods. This meant a greater portion of mill sales were directly to garment makers, something New England mill owners were slow to recognize. Mills now resorted to sharp price-cutting to keep customers, ultimately weakening the entire industry in the state.<sup>24</sup>

Artman was pessimistic about the prospects of every New England industry with the exception of metalworking: "The industries which depend primarily upon metals for their raw materials comprise the most important group of all New England manufacturers when regarded as a source of revenue to the region." The industry's average wage of \$1,347 exceeded all other manufacturing sectors by 16 percent, and 33 percent of all manufacturing value added in New England in 1925 was generated by its 3,662 metalworking firms. The value added of the electrical machinery, and foundry and machine shop products sectors in Massachusetts now exceeded \$280 million, higher than any other New England state. While manufacturing value added in cotton goods and boots and shoes still exceeded metalworking, the gap was narrowing.<sup>25</sup>

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<sup>24</sup> Artman, p. 354. Artman was able to gather detailed information from 1,100 New England firms engaged in metalworking to shape his discussion of the strengths and weaknesses of the industry.

<sup>25</sup> Artman, p. 155, 158, 197. Firm size differed as well, with metalworking and textile companies averaging 86 and 160 workers respectively. The top five value added industries in 1925 were: cotton goods - \$252M; boots and shoes - \$163M; electrical machinery - \$153M; worsted goods - \$133M; foundry and machine shop products - \$133M. Artman, comparisons by state in Tables, p. 178 - 180.

Artman probed further, asking owners to indicate the origin of their sales and identify their competitors. Fifty-three percent sold in the Middle Atlantic states, and 27 percent indicated that they had competition from there. Almost 10 percent had customers abroad, and close to four percent indicated they had overseas competitors. Artman concluded that metal manufacturers had nation-wide markets and faced strong and growing national competition.<sup>26</sup>

Artman next inquired about the relative importance of various factors in starting a firm in New England. Labor skills ranked first and markets second among the responses. The more complicated and precise the product or part being produced, the greater was the importance of access to skilled labor. "With the heavier and less highly fabricated metal industries, location of markets was given as the principal reason for plant location. This includes such enterprises as foundries, structural iron work, sheet metal and wire work. In several machinery lines, particularly textile machinery, the near-by market afforded by other industries was the principal reason for the given location."<sup>27</sup>

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<sup>26</sup> For these figures see Artman, "Location of Markets and of Competitors as Indicated by New England Metal Manufacturers," p. 198. It is important to note the level of competition metalworking firms already perceived from the Middle Atlantic states and abroad in the mid-1920s. When plant relocations and sizable shifts of work took place after World War II economists, labor unions, and political officials expressed a great deal of surprise at this turn of events. They should not have been caught so off guard.

<sup>27</sup> Artman, p. 199.

## Artman and Metalworking

Artman's review of four metalworking sectors - electrical machinery and appliances, textile machinery and equipment, machine tools, and foundry and machine shop products - is very important since these made up the core of Springfield metalworking by the 1920s.

Electrical Machinery. The manufacture of electrical machinery and appliances accounted for 15 percent of the total value of all products produced by metalworking industries in New England and employed close to 41,000 workers in 1927. Such firms made equipment for the electrical power industry such as generators, transformers, control apparatus, batteries, electric motors, electric lamps, radio apparatus, insulated wire and electrical appliances. Product value increased slightly over eight times between 1904 and 1925, comparing favorably to the country as a whole where value increased nine times. The largest concentrations of companies were in Southwestern Connecticut, around Providence, Rhode Island and in the Northeast and Western portions of Massachusetts, with just eight such firms in all of Maine, New Hampshire and Vermont. The sector was expanding rapidly and was firmly rooted in Springfield.<sup>28</sup>

Textile Machinery. Textile machinery production was dependent on a healthy and expanding textile industry. Artman developed location maps to indicate where textile machinery plants existed and found that many were in Bristol County, Massachusetts - where textile mill cities Fall

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<sup>28</sup>Artman, p. 203; plant location map, p. 202.



River, New Bedford and Taunton are located - and directly across the state line in Providence, Rhode Island. Other machine builders were located near mills in Lowell, Massachusetts.

Artman asked owners why they believed they were successful. Their responses included:

"Better accounting methods have added materially in controlling purchases;" "Standardization of products, materials, equipment, and performance have been of greatest importance to us;" "Reduced costs have resulted from standardization of products;" "Expenses have been cut by reduction in number of executives;" "We have built new and better machines to meet changes in styles."

They were clearly grappling with several of the key issues central to maintaining a profitable enterprise.<sup>29</sup>

Machine Tools. In the machine tool sector output, wage rates, and employment increased steadily during the 1920s. By 1927 New England firms produced 25 percent of the country's machine tools, tools, and attachments. Average annual wages of \$1,501 were the highest of any New England industry. Several owners indicated they were doing research to develop better designs, standardize tools, and gain a greater understanding of customer needs. Firms also invested in new machine tools to increase productivity through "greater speed and accuracy, which remove bottle necks in the flow of production." One response captured

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<sup>29</sup> Artman, p. 206 - 210.

this well: "Much of our work is special; improvements in design to reduce cost or increase efficiency of machines claim most of our attention."<sup>30</sup>

Foundries and Machine Shops. Foundries and machine shops relied on subcontracts from larger manufacturers to supply them with pre-designed castings, highly specialized tools, fixtures, jigs, gauges, and machine tool attachments. Firms were referred to as 'job shops' because they solicited work a job at a time, and often one part at a time from their customers. Eight hundred and fourteen such shops were located in New England, with slightly over 60 percent in Massachusetts. The Northeast region of Massachusetts had the largest cluster of these firms, with additional large concentrations in Worcester and Springfield. One hundred and twelve firms supplied Artman with detailed information. Of those, over half employed less than 25 workers, while 75 percent had less than 100. Sixty-four firms had more than half of their sales in New England, the rest had a geographically diverse customer base. Foreign markets were insignificant. Firms placed emphasis on continuous plant maintenance. Since the ability to produce a customized part quickly for a customer is a good measure of shop performance, this makes sense. Shops could not afford to have equipment down for lengthy repairs.<sup>31</sup>

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<sup>30</sup> Artman, p. 213 - 215; plant location map, p. 212.

<sup>31</sup> Artman, p. 222 - 227. The geographically diverse customer base is surprising in an industry that relies heavily on contact with customers and is most likely indicative of the precision work done by Massachusetts shops.

## The Springfield Labor Force

On the eve of World War II greater-Springfield had close to 200 specialty machine shops and metalworking firms producing precision components and machine tools. There were close to 400 manufacturing enterprises overall in the city. Figures taken from the *Fifteenth United States Census* show that the three largest sectors were the iron and steel industry with 4,900 workers; the electrical machinery industry with 2,710 workers; and miscellaneous manufacturing with 4,400. According to a 1941 Work Projects Administration Study of Springfield:

Springfield's products have been for the most part the essentials of other industries, the machines, the tools, and units that turn the wheels of industry the world over. Because of this inter-relationship and the diversification of her industries, Springfield has suffered less from economic upheaval than single-industry cities of New England.<sup>32</sup>

### Skill Levels and Ethnicity

"Without the Armory, Springfield was destined to become a transportation center, and the coming of the railroads would have brought with them commercial and perhaps industrial development of the place," wrote Armory historian Derwent Whittlesey in 1920.

The character of the city's industrialism, and the nature of the commodities produced has, however, been largely determined by the activities of the

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<sup>32</sup> Works Progress Administration, *Springfield, Massachusetts*, p. 57.



Armory. Highly skilled labor, producing fine grade steel goods, has given Springfield an economic life which has fewer drawbacks than that of most manufacturing cities.... As a consequence, Springfield is neither a sleepy village resting on its past glories, nor is it a coarse factory town, conspicuous for its slums and tired workers.<sup>33</sup>

Springfield's skilled workforce and perceived labor peace led to the establishment of a major foreign automobile company. In 1919 Rolls Royce, Inc. undertook a thorough investigation of potential sights for a manufacturing facility in the United States, and settled on Springfield. Reasons given for the choice included access to a constant supply of skilled machinists and easy access to high quality drop forgings. According to Rolls Royce's press release announcing the selection:

In 1919, Springfield was chosen for the works of Rolls Royce of America, Inc., only after the most meticulous country-wide survey. In addition to being the city freest from labor troubles in the United States, the artisans of Springfield - from long experience in fine precision work - were found to possess the same pride in workmanship as the craftsmen of England.

Cars costing \$20,000 were soon being produced by Rolls Royce's 1,400 workers.<sup>34</sup>

Seventeen years later Henry Ford had much the same praise for the region's metalworkers.

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<sup>33</sup> Derwent Whittlesey, *The Springfield Armory*, 1920, p. 265; Stone, p. 482.

<sup>34</sup> Stone, p. 550.

The skill of Springfield's engineers and workers is traditional. Less well known is the fact that in its world-wide search for never ending improvements, the Ford Motor Company has found in Springfield dependable sources for a substantial portion of its equipment and parts used in building Ford cars.<sup>35</sup>

These observers were correct: There was a higher proportion of skilled workers in Springfield than in Holyoke, Worcester and Lowell. In addition, from 1930 through the 1950s there was a higher ratio of skilled machinists, toolmakers and millwrights to semiskilled metalworkers in Springfield than other cities (Table 2.2 - Distribution of Total Employment). How this affected union organization in Springfield, will be discussed in later chapters. It is important to point out here that Springfield's most prominent union organizers and officers during the late 1930s and early 1940s consistently came from the ranks of highly skilled workers in firms like Bosch and Westinghouse.

In addition to the skill distinction Springfield's ethnic make-up was distinct from that of Holyoke, Worcester and Lowell: From 1890 to 1940 the city had a lower percentage of foreign born residents and residents

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<sup>35</sup> SR, November 21, 1936, p. 13.

Table 2.2: Distribution of total employment in selected cities 1930 - 1950.

Year		Holyoke	Springfield	Worcester	Lowell
1930	Manuf./Mechanical	54 percent	38 percent	44 percent	54 percent
	Trade	12 percent	17 percent	13 percent	14 percent
	Clerical	9 percent	14 percent	8 percent	9 percent
	Professional	7 percent	8 percent	7 percent	9 percent
1940	Craftsmen	13 percent	17 percent	16 percent	12 percent
	Operatives	33 percent	21 percent	26 percent	38 percent
	Clerical/Sales	19 percent	26 percent	22 percent	17 percent
	Professional	7 percent	7 percent	8 percent	7 percent
	Craftsmen	2,444	9,631	11,091	4,182
	Operatives	6,351	12,089	17,964	12,870
	Craftsmen	14 percent	16 percent	16 percent	14 percent
	Operatives	35 percent	24 percent	26 percent	37 percent
1950	Clerical/Sales	22 percent	26 percent	23 percent	18 percent
	Professional	9 percent	9 percent	10 percent	8 percent
	Craftsmen	3,244	10,884	12,994	5,261
	Operatives	7,989	16,404	20,833	14,311

born of foreign or mixed parentage than these three cities. Forty-four percent of Springfield’s 1910 population was native born, as against 28 percent in Worcester, 20 percent in Lowell and 16 percent in near-by Holyoke. In 1910 24 percent of Holyoke and 20 percent of Lowell's residents were born in French Canada or had at least one parent who had



been (Table 2.3 - Ethnicity in Selected Cities). In Springfield, by contrast, only seven percent could make such a claim.

Springfield had higher percentages of English and German immigrants than other cities studied. These groups and native born workers comprised the largest number of skilled metalworkers in the city. German skilled machinists were found in large numbers at the Armory during the Civil War. After the war city records show that a number of small machine shops were started along with a brass foundry and the largest brewery in the region. High skill levels of German immigrants are revealed in the 1885 state census as well; of 312 German-born males listed almost 85 percent were skilled. German-born workers also started two of the city's earliest labor unions, the Cigar Makers and the Journeymen Tailors.<sup>36</sup>

Further distinctions are possible when contrasting the principal occupations in mill cities like Holyoke and Lowell with Springfield. In Holyoke in 1880 63 percent of the workforce was engaged as operatives in woolen, paper and cotton mills, with 57 percent born in Ireland and British Canada. In Springfield, by contrast, just 13 percent were in textile mills.<sup>37</sup>

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<sup>36</sup> Data for these tables is taken from the US Population Censuses for the years cited. In 1940 distinctions were made for the first time between craftsmen and operatives. On Springfield's German population see Goff, *Springfield's Ethnic Heritage: The German Community* (Springfield, 1976) p. 10-11.

<sup>37</sup> *Massachusetts Population Census, 1880.*

Table 2.3: Ethnicity in selected cities by percent of total population  
1890 - 1950.

Year	Holyoke	Springfield	Worcester	Lowell
1890:				
Native Born	17 percent	49 percent		
Foreign Born	83 percent	51 percent		
1900:				
Native Born	17 percent	44 percent	31 percent	22 percent
NB/Foreign Pts.	42 percent	33 percent	37 percent	35 percent
Foreign Born	41 percent	23 percent	32 percent	43 percent
1910:				
Native Born	16 percent	40 percent	28 percent	20 percent
NB/Foreign Pts.	44 percent	34 percent	38 percent	39 percent
Foreign Born	40 percent	26 percent	33 percent	41 percent
1930:				
Native Born	23 percent	41 percent	31 percent	27 percent
NB/Foreign Pts.	48 percent	37 percent	43 percent	47 percent
Foreign Born	29 percent	22 percent	26 percent	26 percent
1940:				
Native Born				
Foreign Born	22 percent	18 percent	21 percent	19 percent
1950:				
Native Born				
Foreign Born	17 percent	14 percent	17 percent	15 percent

A comparison of manufacturing employment in these cities shows two distinct patterns of development through the first three decades of the 20th century (Table 2.4 - Industry Employment in 1930). Springfield and Worcester represented one path, Holyoke and Lowell the other. By 1930 Worcester had 23 percent and Springfield 13 percent of its manufacturing employment in Iron and Steel, Metals and Electrical Machinery, while for Holyoke and Lowell the figure was eight percent and six percent,

respectively. Mill occupations comprised only six percent of Springfield and 11 percent of Worcester's workforce, but jumped to 45 percent in Holyoke, and 35 percent in Lowell.<sup>38</sup>

Table 2.4: Industry employment in 1930.

	Holyoke	Springfield	Worcester	Lowell
All industry	22,245	66,521	82,993	40,662
Iron and Steel	1,547	5,117	15,932	1,969
Metals	78	962	445	95
Electrical	154	2,710	2,366	252
Mach.				
Clothing	176	1,202	1,888	493
Shoes	7	27	2,130	2,880
Paper	4,966	1,179	1,385	227
Cotton Mills	751	424	183	5,274
Woolen Mills	1736	34	1,320	2,268
Other	2,465	1,285	2,360	3,324
Textiles				

### Statewide Workforce Structure

The state's concentration of metalworking helped it survive the sharp reduction in mill work between the two world wars and in the first few years after World War II. The actual location of firms provided benefits to some cities and not to others, even when communities were contiguous as in the case of Springfield and Holyoke. Precision metalworking allowed Springfield to grow and prosper during the 1930s - late 1950s, after textile mill cities like Holyoke and Lowell had ceased to

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<sup>38</sup> *Massachusetts Population Census, 1930.*



increase their numbers of production workers. From 1939 to 1947 employment gains in Springfield were twice the state average.

Table 2.5: Production workers in the state and selected cities 1900 - 1987.

Year	State	Holyoke	Springfield	Worcester	Lowell
1900	438,200	12,519	8,152	22,593	29,254
1905	488,399	14,685	10,523	22,796	29,303
1914	606,698	17,493	14,240	29,452	29,904
1919	713,836	18,904	18,429	44,831	31,154
1929	547,509	13,770	17,414	31,636	17,097
1933		10,646	12,490	23,160	13,308
1939	460,674	8,539	13,846	31,659	13,828
1947	601,603	12,532	22,426	37,834	16,053
1958	498,612	8,606	18,811	26,548	13,045
1967	507,900	8,100	17,200	24,800	13,000
1972	416,000	6,800	13,200	19,700	11,700
1977	407,000	5,800	12,900	17,600	10,700
1982	397,000	5,500	11,300	14,500	13,300
1987	348,300	5,000	7,700	11,100	11,300
1939-1947 increase wkrs.	30 percent	46 percent	62 percent	19 percent	16 percent
1947-1977 decline wkrs.	32 percent	53 percent	42 percent	53 percent	33 percent
1947-1987 decline wkrs.	42 percent	60 percent	66 percent	71 percent	30 percent

Table 2.5 - Production Workers in Selected Cities traces worker levels in four Massachusetts cities from 1900 to 1987 and demonstrates this change. These cities reflect the larger trends in the state as a whole. Holyoke, Worcester and Lowell reached their employment pinnacles in

1919. By contrast, Springfield surpassed 1919 levels as factory employment rose dramatically during World War II. However, from 1947-1987 the rate of job loss in Springfield was exceeded only by Worcester and it was 1.5 times the state decline.

Table 2.6: Manufacturing firms in selected cities 1880 - 1987.

Year	State	Holyoke	Springfield	Worcester	Lowell
1880		120	437	633	
1900	10,929	158	278	465	286
1905	10,723	179	296	470	256
1914	12,013	222	395	606	300
1919	11,906	176	401	618	291
1929	9,872	155	318	533	217
1933		137	277	474	197
1937	8,619	143	291	516	204
1939	9,007	153	310	542	204
1943		148	301	491	202
1947	10,524	164	364	574	214
1954	11,205	163	328	595	211
1958	11,409	162	329	575	204
1963	11,311	165	311	537	218
1967	10,963	144	284	501	211
1972	10,770	143	260	452	191
1977	11,133	138	233	437	181
1982	11,017	130	216	377	174
1987	11,016	115	200	342	161
Firm gain/loss 1947-87	492	-49	-164	-232	-53
Percent gain/loss	5 percent	-30 percent	-45 percent	-40 percent	-25 percent

Between 1939 and 1947 there was an upturn in the number of firms in all four cities, but none ever exceeded levels reached in 1919 (see Table 2.6 - Firms in Selected Cities). Locally owned firms started to change hands immediately after World War II. This was most noticeable first in textiles. Plant and equipment investments lagged as new owners built factories overseas and in the South, and shifted work from Springfield to these new facilities. Forty-five percent of Springfield's manufacturing facilities were shuttered between 1947 and 1987. Skill counted for very little in the face of such dislocation, and as chapter 4 will argue, corporate strategic decisions in the first few years after World War II to adopt production measures less reliant on production worker skills contributed to this swift decline.<sup>39</sup>

### The Armory's Impact on the Region

Throughout World War II the Armory trained and employed thousands of Springfield metal workers. Shortages of skilled machinists and toolmakers had developed in the vicinity of Springfield as early as 1938. In response, the Armory Apprentice School was established in 1939, with 29 students ages 16 - 21 enrolled in its pilot 4 year program. Evening education classes were held for apprentices at the Springfield Trade School in mechanical drawing, math, industrial science and business English. By 1940 the Armory was using the school for night courses for all workers; in the Fall 500 were enrolled, and by the Spring of 1941 extensive training

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<sup>39</sup> Forrant, Plant Closings; US Department of Commerce, *Manufacturing Censuses*. For the Holyoke story on mill ownership changes and disinvestment see William Hartford, *Working People of Holyoke* (New Brunswick, 1990) esp. ch. 8.



was being given in machine set up and operation to 1000 workers.

Armory wartime civilian employment ranged from 7,500 to 13,500.

Armory production processes made extensive use of gage controls and powered equipment, complete inspection of parts, and an elaborate division of skill, with mostly piece-rate-paid labor. In the early years of the 20th century, with industrial productivity receiving national attention through the efforts of Frederick Taylor and others, the Armory established new piece rate systems and instituted time and motion studies on most machine operations. Unlike other armories and large factories across the U.S. there were few organized protests. Armory practices borrowed from or influenced by Taylorism included centralized planning for better routing of tasks and components, improved accounting systems for tools and raw materials, introduction of high-speed tool steels, and reorganization of shop floor work flow. This peaceful process of Taylorization needs to be examined to determine how it may have influenced shop floor work organization, labor relations and union formation in Springfield.<sup>40</sup>

During WW I Armory workers totaled 7,000. The Armory contracted extensively for gauges from area machine shops. But even though many operations in the giant plant were standardized, skill levels remained high according to Armory historian Raber: "Increased mechanization and decreased handwork had never meant extensive 'de-skilling' at Springfield. On the contrary, not only was some hand fitting necessary until World War II, but many machine operations required

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<sup>40</sup> Raber, *Conservative Innovators and Military Small Arms: An Industrial History of the Springfield Armory, 1794 - 1968*, p. 11, 17. Study located in Springfield Armory research library.

more skill when components were taken closer to gage.”<sup>41</sup> Armory managers turned to women during World War I and by the Armistice, women composed about 16 percent of the 5,000 person workforce, employed principally in filing, inspecting, and packing, with a small number also in machine work.

Between the wars the workforce was slashed to 1880s levels, to just over 1,000 workers. The Armory had to bid on other manufacturing work simply to keep the plant running and retain a core of skilled workers. According to Armory historian Constance Green this production included the manufacture of the water meter registers for the new District of Columbia water works.<sup>42</sup>

By the late 1920s the improving economy made it difficult for the Armory to find and retain skilled workers. Records indicate that skilled workers took jobs in other firms offering higher wages. When the Armory began replacing machinery in 1930 to produce its new M1 rifle there was fear that the requisite skill workers could no longer be found in the city to manufacture it. For the first time in Armory history machine tools were purchased - some from Springfield firms - with jigs, fixtures, and tools already attached. The shift to more simplified, single-operation production machines eased the training of new workers who had little prior experience operating and setting up metalworking equipment.

The increasing presence of military officers on the shop floors after 1935, created sporadic disagreements. In 1937 an officer from the Federal Inspector General’s office was scheduled for a visit to Springfield to hear

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<sup>41</sup> Raber, p. 19.

<sup>42</sup> Constance Green, *History of the Springfield Armory, Vol. 2*, 1948 (unpublished manuscript located in Armory museum) p. 24.

complaints on pay issues. "When the stipulated hour of the day named arrived, a line of workers stretched from the door of the office in the Administration building in Armory Square out the door and down through the grounds into the street. Armory officials were clearly taken by surprise. The obvious impossibility of the Inspector's hearing all complaints that afternoon led many of the men to return unheard to their work benches" Within weeks workers turned to organization, and in June 1937, bypassing the small National Federation of Federal Employees Local 101 in the Armory, the American Federation of Government Employees Lodge 431 (AFL) was established.

This new local represented a significant challenge to Armory management because it raised a number of unanswered questions with regard to federal workers' rights to collective bargaining. Lodge 431 also challenged the American Federation of Labor; local union leaders insisted that, rather than organize just craft workers, every Armory employee was eligible for membership upon payment of a dollar initiation fee and 50 cents a month dues. The lodge withstood efforts throughout 1938 by Springfield Machinists, Electricians and Carpenters unions to split off the crafts.<sup>43</sup>

The union's first activity was a regional wage survey. By federal law Armory workers' pay could not exceed the average pay for similar skilled work in surrounding communities. The union's investigation determined that payments in 45 job categories were too low; each was upgraded as a result. By mid-1941, as pre-war production picked up, 4,900 workers were employed around the clock, five times more than in 1936,

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<sup>43</sup> Raber, p. 21; Green, Vol. 2, p. 69b.



and by December, 1941 7,500 workers packed the shop floor, producing thousands of rifles a month. Just as in the late 1930s, the presence of military officers on the shop floor caused conflicts with the civilian workforce and led to worker protests throughout the war. Wartime civilian employment ranged from 7,500 to 13,500 and by mid-1943 women composed 43 percent of the workforce. Worker turnover rose steadily from 26.7 percent in 1939 to 34.5 percent in 1941, 38 percent in 1942, and 42 percent in 1943. An interview with Lodge President Alexander Cardinal, determined that in 1943 4,600 workers, only 40 percent of the total workforce were paying dues. Rapid employment growth and high turnover rates may have contributed to this.

In 1944 union-management problems were reported in the local newspapers regularly. Central to a long simmering dispute was the union's determination to establish a labor-management committee with authority over labor policy in the plant. Union president Cardinal saw this an opportunity to set up a scheme of management-worker collaboration, which could serve as a model for all Government establishments and benefit labor in private plants as well. Armory chief Colonel Allan Wody offered to set up four advisory committees - one for each major production unit in the plant - but in March, 1944 the union rejected this idea, insisting that more than an advisory role was warranted. Negotiations dragged on through the summer on this issue.

While this tug-of-war was being played out Armory management transferred fifty workers from the Inspection Department to the Manufacturing Department as part of an overall effort to reorganize work in the sprawling facility. While the job duties were virtually the same, conditions changed because, as Cardinal indicated, the inspectors would

now perform their work on the factory floor. The union viewed the switch as an arbitrary demotion of a group of workers. Substantiating evidence has not been found, but it is likely such unresolved, highly publicized disputes in the city's largest metalworking company did little to heighten unionism in Springfield.<sup>44</sup>

A Second Look at Metalworking:  
The 1951 Commission on the New England Economy

Twenty-two years after Charles Artman's study of manufacturing President Truman's Council of Economic Advisers launched a similar effort. Truman and the Council were deeply concerned that job loss occurring in New England in the early 1950s would have a deleterious impact on future defense mobilizations requiring the rapid production of military hardware.

Westinghouse employment climbed to over 4,000 during World War II as production shifted from refrigeration and air-conditioning equipment to shell fuses and tank parts. "In 1929, 47,700 people worked in city factories. In 1941 the number reached more than 54,000 and Springfield was designated one of 32 war production centers."<sup>45</sup> However, between August and late December, 1945 Armory employment dropped sharply: on V-E Day there were 9,900 civilian employees, by V-J Day 4,440, and by end of 1945 only 1,700 workers remained. Bosch, Westinghouse and others laid off thousands of workers as well. A skilled

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<sup>44</sup> Raber, p. 21; Green, Vol. 2, p. 155; Green, interview with Local president Alexander Cardinal, Vol. 2, p. 335; Green, p. 445 - 448.

<sup>45</sup> D'Amato, p. 141.

labor shortage quickly became an excess, and skill, by itself, was not enough to sustain a vibrant manufacturing region.<sup>46</sup>

The Council appointed a committee of distinguished scholars, including Seymour Harris of Harvard University, labor historian Philip Taft of Brown University, and Charles I. Gregg, a professor in the Harvard Graduate School of Business Administration to conduct the study. By the time the project got underway the Korean War had broken out, heightening interest in the Committee's findings since factories in the region played such a significant role in World War II weapons production.<sup>47</sup>

Members wasted no time zeroing in on what they believed to be the major problem confronting New England industry. Late 19th and early 20th century industrial leaders often attained success only after considerable struggle with competitive forces, they reasoned. Successive generations became more conservative, "turned their attention away from industrial progress" and exhibited greater "interest in the preservation of the status quo." This led to deep-seated problems that threatened the existence of a strong manufacturing economy. In the report's introduction they wrote:

To some extent manufacturing success in the 19th century and the early part of the 20th century seems to have bred lethargy and complacency among New England industrialists which handicapped the region in its competition with newer regions. The gap between ownership policies motivated by

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<sup>46</sup> Green has a lengthy description of these training efforts. Green, p. 413 - 416; Springfield Armory Historical Summary of Activities 2 September 1945 - 30 June 1951, p. 103.

<sup>47</sup> Committee on the New England Economy, *The New England Economy* (July, 1951), p. iii - iv.



short-run financial considerations and the need for long-run modernization, research and product development has also intensified manufacturing problems in New England."<sup>48</sup>

Technological innovation, and the dispersion of new production methods and approaches that historians David Hounshell and Nathan Rosenberg viewed as a key to the region's 19th and early 20th century success, the President's Commission found sorely lacking by the early 1950s.

The 1919 Rolls Royce location study, the 1929 Artman report for the Department of Commerce, the early 1940s WPA analysis and Henry Ford's laudatory comments about Springfield workers had posited a bright economic future for Springfield. The downward spiral in boot, shoe, and textile employment across New England had challenged the resiliency of Holyoke and Lowell, not Springfield. Its dominant manufacturers - American Bosch, Westinghouse, Van Norman, Chapman Valve, Moore Drop Forge, Smith and Wesson and the Armory - produced for steadily growing national and global markets, and made gigantic output leaps during the war years. Though there were downward adjustments in late 1945 and early 1946 as war production stopped, city officials, business and labor leaders could not help but be optimistic. However, the 1948 - 1949 recession hit New England harder than any other region of the country, and Commission members called this optimism into question.

There were significant numbers of aging multi-story plants with all their inherent problems whenever a plant manager wanted to reorganize production lines to get better work flow and limit the amount of material handling. Newer one-story facilities, like those being built across the

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<sup>48</sup> Committee, p. xxii.

South, made this easier. New England competitors benefited, as well, from their acquisition of new plants built with federal money during World War II.

The lack of managerial foresight and strategic thinking, along with the overall failure to invest in new plant and equipment alarmed commission members. The report's authors frequently used phrases like "inflexibility in thinking," "resistance to change," "inflexibility of thought and action," to describe industry and labor leaders. The Armory's ingenuity during the Civil War, Van Norman's engineering ability, the Bosch's core of highly skilled precision machinists, had dissipated. Regional solutions lay in recapturing that production advantage by "adapting its existing manufacturing industries to changing technologies and new products and diverting its resources into newer and expanding industries which involve a higher ratio of value added to value shipped." Unfortunately, this required precisely the flexibility of thought and action that the commission found lacking.<sup>49</sup>

However, the Korean War rearmament boom acted like a pressure release valve and made it possible for New England firms to ignore problems identified by the Commission. Between June 1950 and February 1951, for example, defense contracts to New England reached close to \$487 million, 10 percent of the U.S. total. Over 50 percent of this was in textiles. Even though the textile industry was in a precarious position, millions of dollars in contracts provided the rationale for focusing on the immediate

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<sup>49</sup> Committee, p. 26. A specific reference to the boot and shoe industry was used to demonstrate failed leadership: While the boot and shoe industry shed thousands of jobs there was no shift into what was the most rapidly growing market niche in the country, baby shoes.

as opposed to the much needed renovation in business thinking Commission members advocated.<sup>50</sup>

Conclusion: Labor Declines as Defense Spending Wanes  
and Plant Relocations Begin

The Korean War defense spending boom was not enough to stimulate sustainable growth and fend off plant closings. The assumption that highly skilled metalworking plants were somehow insulated from more familiar textile and shoe mill closings proved incorrect. Indian Motorcycle failed in the late 1950s. Package Machinery moved its production facilities out of the city; and the East Springfield Westinghouse plant which employed 4,600 people in 1950 - one of every seven workers in the city - began a slow, painful 12 year phase out. Its gates were finally locked in 1970. Even the Armory, the city's third largest employer, and symbol of manufacturing innovation, finally closed down. The plant that had helped establish the city's identity as a high skill, precision metalworking region ceased operations in 1968 costing the local economy 2,000 jobs. Political leaders and workers and their unions had no answer for this massive job and revenue loss.<sup>51</sup>

John Cumbler uses Trenton, New Jersey's motto - "Trenton Makes The World Takes" as indicative of the manufacturing prowess of the city in the early 20th century. For Cumbler, Trenton's downward spiral is part of a much larger set of political and economic events, the clash between what he terms Civic Capitalism and National Capitalism. The loci of firm

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<sup>50</sup> Committee, p. 56. Here, as during World War II, such contracts helped mask weaknesses in the industry's ability to compete in commercial markets. These contracts only allowed the industry to 'buy time'.

<sup>51</sup> D'Amato, p. 145 - 146.



control - the board rooms where investment decisions were made and labor negotiation strategies set - slowly migrated from Trenton. "The social system put together by the entrepreneurs of the nineteenth century was a dynamic system. It was part of a process of social change; once in place, it continued to change both itself and society. The move from civic capitalism, or entrepreneurial individualism, to bureaucratic corporatism, or national capitalism, began in the late nineteenth century and engulfed not just Trenton, but all of the United States in the first half of the twentieth century." <sup>52</sup>

William Hartford found a similar dynamic in Holyoke. The Lyman Mills, a major employer in the city, were closed in 1927 after a vote by the stockholders - the majority of whom were Boston bankers. Southern competition made it unprofitable to invest further in Holyoke. Hartford quotes Old Colony Trust, the major shareholder: "The amount to be received per share through liquidation conservatively invested would seem to afford better possibilities of return than an investment in the Lyman Mills." During the 1930s several more mills closed in the city. In 1938 Farr Alpaca, the city's largest mill with 4000 workers, was liquidated in spite of union wage concessions and an offer of tax abatements if the mill remained in the city. As with Lyman Mills, critical decisions were not made in Holyoke, but by stockholders with no attachments to the city. By 1940 machines had been sold to southern manufacturers and the mills were shuttered. Hartford makes a very important point about these two closings: "... neither company ceased production because of an inability to

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<sup>52</sup> John Cumbler, *A Social History of Economic Decline: Business, Politics and Work in Trenton* (New Brunswick, 1989) p. 5.

make a profit. Rather, faced with the need to modernize existing operations, a majority of stockholders believed that the distribution of assets following liquidation would generate proceeds substantially in excess of the current value of company stock."<sup>53</sup>

In Springfield 'The Industrial Beehive' became 'The City of Homes'. But what happened was neither spontaneous nor inevitable. The city and the Bosch plant's history unfolded against the backdrop of significant national and international changes in the economy. Union leaders attempted to deal with issues of job loss and plant shutdowns in, what they believed to be, a very aggressive manner. They also worked hard to defend basic trade union principles like seniority, and were unwilling to give in to management attempts to alter payment systems and job classification structures. Workers were surely aware of closings and layoffs since Springfield was small enough for everyone to have a friend put out of work. How, then, could a small union local respond to the massive changes in the global economy commencing after World War II?

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<sup>53</sup> Hartford, *Working People of Holyoke*, p. 191 - 193.

## CHAPTER 3

### THE AMERICAN BOSCH TAKES SHAPE: 1930 - 1954

#### Introduction

Immediately after World War II Germany and Japan began to rebuild their devastated industries and soon challenged U.S. manufacturers in such sectors as steel, automobiles, electrical equipment, machine tools, and farm equipment. The ingenuity and ability of American firms was now put to the test as markets virtually guaranteed during the war slowly opened. Springfield corporate leaders now believed that cheap labor elsewhere in the country and around the world posed the biggest threat to the city's economic viability. As a consequence corporate strategies were now designed to drive down Springfield's labor costs as much as possible. This was done at the expense of good labor relations.

At the American Bosch, for example, management eliminated a union-management production committee that met monthly since 1942 to discuss and resolve shop problems, prompting a sharp rebuke from the union. During the 1950s Bosch management also made large expenditures on labor-saving technology and constructed a new factory in Mississippi. The decision to build a production facility in Mississippi and relocate work done in Springfield to it was predicated on available, lower-cost and non-union labor.

These and other decisions drove a wedge between the union and management at a moment when leading competitor nations were



beginning to establish mechanisms to forge closer relations between workers and managers to resolve production problems. The unilateral elimination of the Bosch committee epitomized shop floor relationships during the 1950s and 1960s.

Bosch management resolved that workers were not going to utilize their skill and knowledge of the production process to gain control over the flow of work. However, the fact remained that high seniority workers in the plant were the ones who could get products out the door on time, but only when and if they wanted to. Eliminating a problem-solving committee could do nothing to resolve this situation, nor would it gain the foremen in the various production departments any greater ability to control the pace of work and monitor the effort workers applied. In fact, as we shall see, the opposite took place as workers ridiculed their supervisors for their lack of production know-how.<sup>1</sup>

Business historian William Lazonick makes the point that because of the production boom during World War II and the competitive advantages U.S. producers like the Bosch had after the war, "firms could amply afford cooperative shop-floor relations." While he locates the collapse of cooperation in the late 1960s, it appears that in the Bosch it came earlier in the 1950s. It was worker skill, coupled with engineering success, that allowed Springfield firms to prosper and achieve spectacular output gains before and during World War II. By discounting skill and devaluing worker input management denied itself the utilization of a

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<sup>1</sup> For a discussion of this issue and its implications as Japan and Germany grappled with ways to integrate workers more fully on the shop floor see William Lazonick, *Competitive Advantage on the Shop Floor* (Cambridge, 1990) esp. chapters 7, 9, 10.

knowledge base essential to long-term firm success. What sense could it make, when increased, and high quality output was the objective, to not engage the shop-floor intelligence of men like the 50 who joined the Bosch 25 -year club in 1948? The ten tool and die makers and set-up men in this group had production experience in the plant totaling over 250 years.<sup>2</sup>

Once management adopted this strategy a self-fulfilling prophecy was set in motion. Believing workers would not produce unless they were rigidly supervised and pushed, U.S. managers, Lazonick notes, "had little reason to believe that, if the necessary skill and authority were vested in shop-floor workers, the rejects would not pile up."<sup>3</sup>

Union interests seemed to belie such fears, however. In February, 1951 for example, an editorial in the union newspaper read:

We note that European unions have been guaranteed the right of co-determination which implies union participation in corporate financing, pricing, supply, and all other functions of management. This theory has been covered in some of Walt Reuthers's writings and we hope in some future issue to bring you a report on this tremendous advance in union responsibility.<sup>4</sup>

Workers were also concerned about quality. In 1954 the union newspaper contained an extended discussion about the importance of quality work, and in an editorial asked "Scrap - What Is it?" The writer understood the importance of quality as it related to in-plant costs as well

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<sup>2</sup> *Craftsman*, December, 1948. Management thought highly enough of these workers to place each of their photographs and a small biography in the newsletter.

<sup>3</sup> Lazonick, *Competitive Advantage*, p. 291.

<sup>4</sup> *Labor Bulletin (LB)*, February, 1951, p. 2.

as long-term customer satisfaction. These are concepts that many U.S. corporations only began to realize and articulate in the last ten years.

It means time wasted, money wasted, material wasted and it's like water going down the drain. Each person from any level in the American Bosch should take time to analyze why a certain piece of work was scrapped and that it actually means money out of their pocket, plus maybe eventually loss of jobs, because we cannot meet the necessary standards and commitments of our customers.<sup>5</sup>

In the "Stray Bits" section of the *Bulletin* a milling machine operator in Department 191 commented, "Production here has always been a head ache. Be sure to make your new foreman understand that you know more about the work than he does." Workers in Department 180 complained that: "The machines are so old it is not possible to produce products to blueprint tolerances." They asked management, "Why put employees on a spot?"<sup>6</sup>

By 1960 union leaders were still concerned about the quality issue and counseled workers to "Exercise utmost care in the manufacture of parts or in assembly. Take pride in your craftsmanship." In the same front page article the union articulated its vision of how things should work in the plant. "The business is there, it won't come to us, we have to secure it by quality, fair pricing, and dependability. It can be done with the same people that led Bosch on top once - the members of Local 206."<sup>7</sup>

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<sup>5</sup> *LB*, November, 1954, p.4. This issue will be discussed again in ch. 6 as the union reacts to management reorganization plans that limit union involvement.

<sup>6</sup> *LB*, April, 1954, p. 3.

<sup>7</sup> "Our Jobs," *LB*, April, 1960, p.1.



By the mid-1960s the shop floor sense that union members had a vital role to play in improving quality, solving shop floor production problems, securing new work, and keeping customers satisfied had waned considerably. Piece work rate cuts and deep layoffs drove a wedge between the union and management. A *Bulletin* editorial, "Morale - And No Bread", contained this:

Let's go back five years before the Hot Shots took over the Bosch via New York City. Machines not so fast; parts good. Local 206 members were in the main contented to give a good week's work for a good week's pay and good parts to boot. Morale was high, the Bosch wasn't the worst place to work. Today, morale is what you can get a cup of coffee for if you also have a dime.... The human has a strange knack for adapting himself to any situation. If you have 2,000 people with problems and no attempt is made to correct these same problems you will have 2,000 people adapting themselves, if you follow.<sup>8</sup>

Union leaders and workers spent several years demanding that they be allowed to participate in improving the shop floor in a more meaningful way. Skilled workers did not want to simply take orders from foremen and supervisors they had little respect for or confidence in when it came to producing quality diesel pumps and fuel injection components. Management turned a deaf ear to these overtures, as after World War II the single Springfield plant grew into a world-wide corporation.

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<sup>8</sup> "Morale and No Bread," *LB*, June, 1966, p.1.

## American Bosch: 1911 - 1945

### Early History: 1911 - 1940

The Springfield plant was built in 1911 on what had been prosperous farm land along the banks of the Connecticut River by Robert Bosch, founder of the Bosch Magneto Company in 1886 in Stuttgart, Germany. From the early 19th century the Connecticut River Valley metalworking region boasted highly skilled workers, firms responsible for innovations in machine tool design, and many small foundries and tool and die shops complementing large producers by providing services to them. Robert Bosch chose wisely when he built in Springfield.<sup>9</sup>

Old photographs show lab-coated machinists utilizing their skills to produce parts for the emerging automobile and truck industry. By 1920 the four-story plant turned out 50 percent of the all of the electrical starter parts required by the U.S. vehicle industry and employed almost 3,000 workers, up from 800 in 1917. In the late 1920s the company began to make radio equipment in the Main Street factory as well. During World War I the plant was seized by the U.S. government for security reasons and sold at auction to local buyers. Robert Bosch bought back controlling interest in the firm in 1930 and changed the name to the American Bosch Company (AB). In 1938 AB began to manufacture fuel injection equipment for the aircraft and automotive industries. Even during the

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<sup>9</sup> For an overview of this development in the Connecticut River valley see Michael Best, *The New Competition* (Cambridge, 1990) esp. ch. 1 and David Hounshell, *From the American System to Mass Production, 1800 - 1932* (Maryland, 1984) ch.1.

Depression the firm made money; sales increased to \$7.5 million from \$6.1 million between 1935 and 1936.<sup>10</sup>

In the early 1930s workers approached management on issues of wage and vacation improvements and seniority protection. A company union was established and tried to negotiate pay raises and some protections for high seniority workers against arbitrary layoffs. Little headway was made, and workers eventually contacted and met with representatives of United Electrical Workers Local 202 from the near-by Springfield Westinghouse Electric plant. Signatures were slowly and secretly collected, and on October 16, 1936 Local 206 was chartered and recognized by the Congress of Industrial organizations as the bargaining agent for workers. The local became the second in the region to be recognized by the CIO and one of many significant metalworking plants in the Connecticut River valley to be organized by the U.E.<sup>11</sup>

### The War Years

The outbreak of World War II led to the rapid expansion of the plant. In 1941 the U.S. Office of Production Management (OPM) authorized Bosch officials to build a \$700,000 facility for aircraft magnetos. The Federal Defense Plant Corporation (FDPC) provided \$400,000 worth of new machine tools for the expansion. In addition, the company opened a production facility in Providence, Rhode Island that employed close to 600 workers. Growth might have been greater, but the OPM blocked a

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<sup>10</sup> Orra Stone, *History of Massachusetts Industries*, (Boston, 1930) p. 543.

<sup>11</sup> The development of Local 206 will be discussed in chapter 5. A great deal of information on the early history of the local is contained in the 25th anniversary special issue of the *Local 206 Bulletin*, Sept. 1963, Local 206 Collection, UMass Archives.



\$2,000,000 appropriation to more than double Bosch's production capability. OPM wanted magnetos built in plants shifting from automobile production to war-related activity. Even with the more modest expansion, profits for the first six months of 1942 were four times greater than in all of 1941.<sup>12</sup>

Just as during World War I, the government was concerned about the loyalties of Bosch management, and at the end of 1941 the US Treasury assumed operation of the plant, seizing control of 77 percent of the stock owned by Swedish interests. It was later learned that the Swedish stockholders were serving as a front for German industrialists closely associated with the Robert Bosch Corporation. Responsibility for the day-to-day management of the plant shifted to the federal Alien Property Custodian's Office (APC), with Donald Hess installed as president.

The APC's Leo Crowley became the owner of what had been foreign-owned stock, and had the authority to sell it at his discretion. Also in 1942, at the urging of the Treasury Department, 23 employees - all non-US citizens - were terminated as "security risks". Twelve of the 23 came from the Engineering Department, including the vice president in charge of product development. With ownership and citizenship issues satisfactorily resolved, the plant received \$4,000,000 more in leased machine tools from the FDPC in the Spring of 1942 to further expand production.<sup>13</sup>

Bosch was now immersed in the military - industrial complex, a connection that would contribute to wild employment swings during and after World War II, and the Korea and Viet Nam Wars. By 1942 every

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<sup>12</sup> *Springfield Morning Union (SMU)*, February 14, 1941; *Springfield Daily News (SDN)*, March 15, 1942.

<sup>13</sup> *SDN*, March 27, May 7, 1942; *SMU*, March 27, June 22, 1942.

purchaser of its magnetos and fuel injection equipment worked directly for the Defense Department. These firms also benefited from direct government investments in machine tools throughout the war years. Economist Ann Markusen indicates that close to 92 percent of the investment in aircraft and related manufacturing capacity came from the federal government at this time. Rapid war plant growth dramatically reduced the country's unemployment according to historian David Noble. In 1939 there were 63,000 workers in the aircraft and parts industries. "During the war employment reached an all-time peak of 1,345,000 and then dropped to 237,000 in 1946." Noble found that the machine tool industry boomed as well. "In 1940, only 28 percent of machine tools in use were less than ten years old; in 1945 the ratio had risen to 62 percent."<sup>14</sup>

Connecticut River Valley machine tool builders like Van Norman in Springfield, Massachusetts and Jones and Lamson, Fellows Gear Shaper, and Bryant Grinders in Springfield, Vermont owed their explosive growth to government efforts to retool military contractors. Federal expenditures stimulated employment gains in smaller metalworking companies as well, in Athol, Greenfield and Millers Falls, Massachusetts, located forty miles north of Springfield, Massachusetts, near the Vermont boarder. Greenfield Tap and Die, Millers Falls Tool, Union Twist Drill, and another dozen firms manufactured tools and excessories for machine tool builders and engaged in direct sales to greater-Springfield, Massachusetts war producers like the Bosch, Westinghouse, and the Armory.

The United Electrical, Radio, and Machine Workers Union, aware of the job growth in the Connecticut River valley, made a concerted effort

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<sup>14</sup> Ann Markusen, *Dismantling the Cold War Economy* (New York, 1992) p. 42 - 43; David Noble, *Forces of Production* (New York, 1986) p. 5, 8.

to place organizers in the region. For example, employment growth in and around Springfield, Vermont prompted U.E. organizer Hugh Harley to call for the union to establish itself in the city "on a permanent basis and go to work convincing the town of our program." But, at war's end, over 300,000 machine tools were declared surplus by the government and dumped on the U.S. market at bargain basement prices, forcing machine tool builders to curtail production and layoff thousands of workers.<sup>15</sup>

Since parts produced in the Bosch plant were critical to the war effort, tool room, machine tool set up, and other skilled workers routinely received deferments and remained on the job throughout the war. By 1942 Bosch magnetos powered virtually every plane, including those produced by Boeing, Gruman, Vultee and Sikorsky Aircraft. Battleships, aircraft carriers, destroyers and submarines sported engines with Bosch fuel injectors. Highly skilled machinists, operators and assemblers were turning out precision parts with tolerances as close as 39 millionths of an inch, far less than the width of a human hair. A 1945 issue of *Steel Horizon*, an industry trade publication, praised this quality work. "In the manufacture of diesel fuel injection equipment tolerances are measured not just in thousandths of an inch, which is generally accepted as precision manufacture, but in hundred-thousandths, a degree of accuracy not found in the finest of watches... ." <sup>16</sup>

To maintain magneto production during the war Bosch managers and engineers established a wide-ranging network of companies to

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<sup>15</sup> Markusen, p. 42 - 43; Noble, p. 5, 8; United Electrical Workers Archives, University of Pittsburgh Library, *Hugh Harley Files*, File Folder (FF.) 440. This folder contains a series of letter between field organizer Hugh Harley and James Matles, UE's national director of organization. Letter quoted is a hand written note dated July 17, 1943.

<sup>16</sup> The article, "Top Notchers in Production" was quoted in *SMU*, April 6, 1945; *SMU*, June 7, 1944.



contribute various components to the final product. Engineers worked with the Whittin Machine Works in Whittinsville, Massachusetts which normally built textile machinery and in the Fall of 1942 it began producing magnetos. Other firms involved included Rogers, Lunt and Bowlen, a Greenfield, Massachusetts silversmith and the Sacco-Lowell Shops in Biddeford, Maine. Bosch engineers set up quality control programs at each participating site to encourage mutual interchangeability of all parts produced.<sup>17</sup>

To further bolster and insure output Local 206 took a no-strike pledge for the duration of the conflict. A Labor-Management War Production Committee formed, with the aim of eliminating scrap to insure a steady shipment of high quality parts to final assemblers of planes, tanks and other equipment. At one point 27 workers stayed in the plant around the clock for four days to produce fuel injection equipment for several battleships damaged in the battle of Midway. In August, 1944 the local was awarded the Army and Navy "E" award for production excellence.<sup>18</sup>

Sales and employment rose spectacularly throughout the war on the strength of such capabilities: Sales were \$13 million in 1941, reached \$31 million in 1942 and climbed to \$50 million by the end of 1943. Over the same period employment jumped to 6,700 from slightly under 1,000 in 1941. Sales and employment peaked in 1944 at \$61.2 million and 7,300. The APC paid out small stock dividends during these years, but chose to set aside close to \$2 million in cash to assist in what it anticipated would be a costly adjustment to peacetime production. These cash reserves would

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<sup>17</sup> American Bosch Company, *A Story of Teamwork* (Springfield, 1977). It is located in the business files of the Pioneer Valley Historical Society.

<sup>18</sup> *LB*, Vol. 12, September, 1963.

figure prominently in the return of the plant to civilian ownership in 1948.<sup>19</sup>

At war's end the Main Street facility was swiftly demobilized and the Rhode Island plant closed. National predictions were for five million jobless workers by late Fall, 1945. The Navy alone canceled just over \$7 billion in orders by the end of August. In Western Massachusetts and Connecticut 823 contracts worth \$250 million were abruptly halted on August 16. Firms losing work included Bosch, Cogswell Machine, Gilbert and Barker, Package Machinery, Smith and Wesson, and Westinghouse. One hundred thousand greater-Springfield jobs were now at risk. Several firms began immediate layoffs while they attempted to plan for the future. Jet engine maker Pratt and Whitney in Hartford closed a plant it had opened in East Longmeadow, Massachusetts during the war, laying off 1,200 and curtailed all production for two weeks, a move that affected 25,000 workers. Perkins Machine in Springfield and Westinghouse each laid off 1,500 workers.<sup>20</sup>

Between June and September 1945 Bosch employment plummeted to just under 3,000 from 7,300 and dipped in 1946 to about 2,000 as the APC wrestled with what to do with the workforce and the plant's precision metalworking equipment. Bosch order cancellations totaled \$15 million by the end of August, 1946. Company hopes were now attached to two things, a speedy shift to what was perceived as pent up demand for automotive products, and new product development taking place in the

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<sup>19</sup> *LB*, March 23, June 2, 9, 1943. Profits in 1943 were almost \$4 million, however the APC held on to \$2.5 million of it. *LB*, April 5, 1944, March 21, 1945.

<sup>20</sup> *SR*, August 3, p. 19, August 15, p. 1; August 16, p.1; August 17, p.1; August 20, p.1. These layoffs were abrupt because as late as August 3rd local newspapers were running help wanted advertisements for area metalworking firms.

plant's research and engineering laboratory, called "the most complete of its kind for any company of its size in the country."<sup>21</sup>

### The Emerging Electrical Manufacturing Industry

Bosch emerged from the war as part of the electrical machinery and components sector of the manufacturing economy. Output in this sector declined by 12.2 percent between July, 1948 and June of 1949 before making a rapid recovery during the Korean War. Electrical machinery sales increased 106.2% between 1949 and 1950 to \$16.7 billion from \$8.1 billion, by comparison all manufacturing increased sales 50 percent over the same period. The entire industry contracted again during the 1953-1954 recession that followed the Korean War build-down, then recovered again as output increased 22.7 percent between 1954 and 1957. Output dropped again in 1957 and 1958. Economist Jules Backman characterized the industry in the 1950s as follows: "Production in the electrical machinery industry swings wildly during the business cycle. This is typical of the behavior of durable goods industries."<sup>22</sup>

Demand volatility, in turn, caused employment instability. This was exacerbated by significant productivity gains per worker throughout the industry. Between 1939 and 1954 output per man-hour increased 65.5 percent compared to 40 percent for all manufacturing. Backman attributes this gain to three things: capital investments, managerial know-how, and research and development expenditures. The percentage increase of

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<sup>21</sup> *Springfield Evening News*, September 19, 1945, p. 1.

<sup>22</sup> Jules Backman, *The Economics of the Electrical Manufacturing Industry* (New York, 1962) p. 36. Output figures are taken from tables in Backman, p 33 - 36. Firms in this industry numbered 7,066 in 1958 up from 1,979 in 1939, an almost 360 percent increase (Backman, p. 77).



capital expenditures in electrical machinery far outdistanced the increase for all manufacturing from 1939 to 1960. "Prior to World War II the amount of capital invested per production worker in the electrical machinery industry was \$4,627. By 1958 the amount invested per worker had more than tripled to \$14,248. This placed the sector third, behind automobiles, instruments, and machine tools in investments per production worker.<sup>23</sup> Electrical machinery research expenditures in 1957 amounted to 4.85 percent of total sales compared to aircraft, 2.62 percent, and textile machinery, 1.75 percent.<sup>24</sup>

The impact of research expenditures on hiring is apparent when changes in the numbers of production and salaried workers in the industry are analyzed and compared to other industries and manufacturing generally. Electrical machinery employment increases substantially in both categories, while production workers decline. In all industries reviewed the number of salaried workers grows, but electrical machinery percentage gains are double. (Table 3.1 - Percentage Changes in Number of Workers). Salaried worker growth reflects the substantial hiring of engineers and technicians.<sup>25</sup>

By 1960 the electrical machinery industry employed 1.3 million persons, third highest among manufacturing industries. The sector had in excess of a half a million more jobs than either aircraft or motor vehicles

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<sup>23</sup> Capital investments per worker were as follows: automobiles, \$19,591; instruments, \$15,540; machine tools, \$14,942; electrical machinery, \$14,248; textiles, \$8,950; apparel, \$3,400 (Backman, p. 191-194).

<sup>24</sup> Backman, p. 180-185. Backman calculated 1957 expenditures on research and development and found the following : aircraft, \$2.54 million; electrical equipment, \$1.17 million; machine tools, \$688 thousand. Automobile research and development expenditures were calculated with a broader group of industries including rubber products, tobacco, furniture, and printing. This entire group's outlay was just \$921,000 (Backman, p. 189).

<sup>25</sup> Backman, p. 202-203.

Table 3.1: Percentage changes in numbers of electrical industry workers 1947 - 1960.

	production	salaried
Electrical machinery	22.5	107.5
Machinery except. electrical	-6.2	57.7
All manufacturing	-4.1	63.2
Automobiles	-5.5	32.3
Blast furnaces/steel	-11.0	52.1

and provided more than twice as many jobs as the basic steel industry. This was the context in which the Springfield Bosch took shape during the 1950s.<sup>26</sup>

The AMRA Connection Is Made

It took until the middle of 1948 for the ownership issue to be settled. Until then the seven-person board running the plant was dominated by five lawyers. Only one local manufacturer, Roger Putnam, sat on the board and he spoke out for the sale of the firm to manufacturers. The *Morning Union* also pointed out that "in as much as Bosch is a manufacturer of metal products rather than legal briefs it might be well to get more persons familiar with the former production on the board."<sup>27</sup> In July the APC's 77 percent share was offered in a sealed bid procedure. Interested bidders included Detroit diesel pump manufacturer Excello Corporation, stockbrokers Lehman Brothers, Electric Auto Lite of Toledo, Ohio, and Belk Simpson, a small Greenville, South Carolina manufacturer. The plant was sold to top bidder Allen and Company, an

<sup>26</sup> Figures from Backman, p. 19.  
<sup>27</sup> *SDN*, September 19, 1945; *SMU*, April 7, 1948.

investor group representing the New York-based financial holding company AMRA Corporation for \$6 million, or \$11.28 a share. Since in April assets of the plant had been valued at \$13.5 million, or \$13.64 a share, the price was indeed right.

AMRA was a two-year old financial holding company whose board of directors consisted of partners in several Wall Street law firms and the presidents of the American Securities Corporation and the American Overseas Development Corporation. It was the principle owner of Brooklyn and Garden City, New York based ARMA Corporation, a manufacturer of gyroscopes and precision electrical measurement equipment, in business since 1918. ARMA had serious problems at the time of the Bosch acquisition because of the loss of sizable defense contracts. Its workforce of 1,800 was down from 9,000 at the conclusion of the war, a staggering 80 percent decline. The company remained highly dependent on military contracts to finance research and development of new products, including control systems, computer devices, and search lights and gun control technology for the Navy and Air Force. This caused problems after 1945, and now AMRA was determined to find commercial applications for products built in the two production facilities. An immediate effort was launched to manufacture a first-of-its-kind computer controlled lathe, the Arma-Matic. The corporate relationship with Bosch, and the establishment of a manufacturing presence in greater-Springfield, was part of a strategy to gain access to the machine tool



building market and high-skilled precision machinists capable of manufacturing the lathe.<sup>28</sup>

Readers of area newspapers were reminded that Charles Allen had done business in Western Massachusetts before. Allen acquired stock control of the Wickwire Spencer Steel Company in the late 1930s and subsequently merged it with Colorado Fuel and Iron, ceasing area operations. When asked, Allen said moving Bosch out of Springfield would be "unthinkable". AMRA would now run the two companies, American Bosch and ARMA, as divisions of a 2,000 worker corporation.<sup>29</sup>

Two weeks after the sale it was revealed that AMRA may have actually put up less than \$1.5 million in cash to acquire the company. The cash reserves the APC had salted away during the war totaled close to \$5 million, augmented by a retooling fund of \$500,000. The *Springfield Union* questioned the way the sale had gone, concerned that a local buyer had not been found. It wrote that:

The cash figure is of particular interest because it is contended in some quarters that ownership of the American Bosch could have been brought to Springfield if there had been 10 men willing to put up \$150,000 each. But it was conceded that the days are apparently gone when that amount of money could be raised locally because of what seems to be a present lack of interest in such ventures.<sup>30</sup>

In 1949 the holding company was reorganized into a new corporation, American Bosch-ARMA (ABA), with headquarters in New

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<sup>28</sup> SMU, July 10, 1948. Noble, p. 88-89. When job loss in both companies is analyzed, the merged firm went from a combined 16,300 to 3,800 employees. At the time of the merger employment was 23 percent of what it had been at the height of war-time production.

<sup>29</sup> SMU, July 10, 1948.

<sup>30</sup> SMU, July 22, 26, 1948.

York City. ARMA's Brooklyn plant employed 1,800 workers, 500 of them engineers. Ostensibly the plan was to ship production work from the Brooklyn plant to Springfield so it could focus exclusively on military and machine tool research and development. Under the reorganization Bosch became the owner of ARMA, which made Bosch's substantial cash reserves of \$7 million available to the merged corporation. These reserves had grown in 1946 and 1947, when in spite of Bosch's showing a profit, the directors paid out no dividends to stockholders. In a bold stroke, the merger statement detailed how \$6.5 million in cash would be used to pay off all bank loans including the \$3.5 million AMRA had borrowed to buy Bosch just the year before. A plant with assets valued at over \$13 million had changed hands. The purchaser made a tidy profit on the deal and corporate control, though never firmly rooted in Springfield, shifted permanently to New York City.<sup>31</sup>

Donald Hess, head of Bosch since 1938, became director of the merged ABA while keeping his title as president of the Bosch plant. ARMA was to be led by Herbert Guterman, an electrical engineer with considerable manufacturing experience at General Electric and Raytheon. Men who understood production were in charge, and the merged corporation's manufacturing future appeared bright.

Indicative of the factory floor strategy ABA would pursue throughout the 1950s, the Arma-Matic lathe received special attention and became a symbol of management's emphasis on research and development and labor cost controls. The lathe had been developed by

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<sup>31</sup> Workforce levels are found in Local 206 membership and seniority lists, UMass Archives. Manufacturing valued added in the industry rose from \$941 million on the eve of World War II to almost \$4 billion in 1949 and \$10.6 billion in 1958 (Schatz, *The Electrical Workers*, p. 8).



Massachusetts Institute of Technology-trained physicist Frederick Cunningham. According to historian David Noble, Cunningham closely examined job orders for existing lathes in the ARMA plant, and determined that an automatic lathe could boost production considerably. Cunningham wrote that the objective was "to make a machine which would be converted quickly from one job to another. It was intended to take only seconds to change a piece of stock and the tape, and only a few minutes to prepare the tape." *Business Week* reported that the real value of the new machine tool is that "A man doesn't have to be skilled to run stock through a machine. And, he could also run up to four machines simultaneously."

Throughout the 1950s Bosch and other area manufacturers looked to similar solutions to cut labor costs. Machine tool builders made direct appeals to their customers that in order to stay competitive in the global economy, automatically controlled machine tools designed to perform several manufacturing processes simultaneously, needed to be utilized. Bosch corporate management hoped that the firm would play a significant role in the transformation of not just their own shop floor, but others across the country.<sup>32</sup>

Old-style drill presses, turret lathes, and grinding machines required the focused concentration of a worker who had to utilize both hands and eyes to insure the successful completion of a machining task. Now, for example, the Kingsbury Corporation offered a line of machine tools that could take the place of several operators. "You need several general-purpose machines and several operators to keep up with one Kingsbury and one operator... . You pay for more operators, more supervision, more

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<sup>32</sup> *Business Week* quoted in Noble, p. 90.



handling and more space." The Bosch plant would purchase several machines like this from Kingsbury during the late 1950s and early 1960s.<sup>33</sup>

### Work Leaves Springfield: A Southern Strategy Emerges

Corporate decisions affected employment levels in a more dramatic and visible way with the 1953 announcement that a manufacturing facility was to be constructed in Mississippi. In a letter to workers, company President Donald Hess stated that such a move to a low-cost area was essential if the corporation was to maintain its competitive edge in such large volume goods as voltage regulators, windshield wipers, and small motors. The Springfield plant recently lost high volume production work for Ford to southern competitors, and had no intention of losing once again.<sup>34</sup>

Mississippi was irresistible to Hess. Referring to economic development officials in Mississippi he commented: "They will help find a plant site; they will build a building and rent it to you at a very reasonable rate. They will arrange to put in railroad sidings; provide good roads to the plant; run in water and sewers and do everything else you need to make the proposition attractive." He went on "When one or more companies start producing in an area where operating costs are much lower, other competitive companies in the same field also have to move in order to survive. Its either move or quit." The 1953 decision to

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<sup>33</sup> The *American Machinist* and other trade publications are replete with advertisements promoting machine tools that will lower worker skill requirements, allow several machining operations to be combined, and create the possibilities for an operator to run several machines simultaneously. The Kingsbury advertisement is in the *American Machinist*, June 12, 1950, p. 26-27.

<sup>34</sup> Hess letter quoted in *SMU*, April 15, 1953.

establish a facility in Columbus was big news because it marked the first time skilled metalworking jobs were lured away from Springfield - it would not be the last.<sup>35</sup>

To be sure, northern companies had built plants in the South before. United States Steel decided in the early 1930s to build two new coke ovens, two cold rolling mills, a continuous strip mill, and a turning mill in the South.<sup>36</sup> A 1951 *Business Week* (BW) article, "Plant Transfers Irk Unions," discussed United Auto Workers' attempts to block Ford Motor Company from shifting production out of Detroit. Rouge Local 600 had already lost 20,000 jobs by work transfers since the end of World War II. General Motors announced plans to build a new plant in Arlington, Texas. The BW writer well understood the dilemma these corporate investment decisions placed unions in. "In expanding times such plants are additions, not replacements. What bothers the unions is that ultimately they may result in diminished operations at earlier sites. This is a greater concern to local unions than internationals."<sup>37</sup>

### Southern Manufacturing Grows

Southern efforts to encourage industries to relocate dated back at least twenty years. In 1937 the governors of nine Southern states agreed to establish a \$500,000 fund to hire a former secretary of the Democratic National Committee to coordinate a national advertising campaign in leading newspapers and magazines extolling the region's cheap power and efficient and reasonably paid native-born labor. Several Mississippi cities,

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<sup>35</sup> SMU, April 15, 1953, p. 1.

<sup>36</sup> SR, October 17, 1936, p. 18.

<sup>37</sup> *Business Week*, "Plant Transfers Irk Unions," December 1, 1951, p. 36.

overzealous in their recruitment efforts, were charged with misusing Works Progress Administration (WPA) funds during the mid-1930s. In a highly publicized case Ellisville, Mississippi spent \$26,000 of WPA funds ostensibly to build a vocational center. Instead it turned the money over to a hosiery company that had fled Pennsylvania during a strike. The money was used to purchase knitting machines, and trainees produced finished goods for the company for \$4.00 a week. Mississippi communities, with state financial assistance, took the lead in perfecting strategies in the 1930s that other southern states would soon use to entice textile and apparel mills to the South during the 1940s and 1950s.<sup>38</sup>

Several states established Balance Agriculture With Industry programs (BAWI) in a concerted effort to break their dependence on agriculture. Mississippi issued \$5,360,000 in industrial bonds through BAWI initiatives by 1950. The cumulative direct benefit to Mississippi can be seen in the fact that by 1958 plants constructed there provided almost 23,000 jobs and paid out \$60.5 million in wages. This jumped to 36,000 employees and \$100 million in wages by 1959. The Mississippi BAWI program was responsible for 76 percent of the state's increased employment and 34 percent of its earnings between 1940 and 1958. The Bosch move was part of a concerted Mississippi effort to develop a vibrant manufacturing base.<sup>39</sup>

Across the south, publicity appeals for BAWI were predicated on the availability of low cost, non-union labor. States, and even cities in the same state, competed against each other to attract manufacturers. A

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<sup>38</sup> The states in the consortium were North Carolina, South Carolina, Florida, Tennessee, Kentucky, Alabama, Mississippi, and Louisiana, *SDN*, October 1, 1937, p. 16; James Cobb, *The Selling of the South: The Southern Crusade for Industrial Development* (Urbana, 1993) p. 7 - 8.

<sup>39</sup> Cobb, p. 29 - 30.



Clanton, Alabama advertisement boasted of "no hostile unions here and none desired." South Carolina claimed there were no unions or union activity and that "workers give a day's work for a day's pay." One Mississippi city extolled the virtues of its "wonderful labor, 98 percent native born, mostly high school graduates," who will "lower average hourly industrial wage rates 5 cents to 49 cents below other Southern states and from 50 cents to 95 cents below Northern states." During a 1951 campaign to attract the Whirlpool Corporation, Mississippi Governor Fielding Wright wrote to Whirlpool corporate officers that "The particular area you have in mind has an abundance of intelligent native labor and is entirely free of those conditions that tend to impair employer - employee relations."<sup>40</sup>

Managers of unionized firms often alluded to this "Southern hospitality" when wage issues were discussed during negotiations. Wages were viewed by companies as their largest fixed cost. Movement to the South could reduce wages. Companies also used the threat of relocation to hold down raises during collective bargaining.

General Electric adopted a southern strategy immediately after World War II to take advantage of lower wages and break up its corporate concentration in the Northeast. At the end of 1948 factories were closed in Kokomo, Indiana and Scranton, Pennsylvania. Others adopted global location strategies. The Syracuse, New York-based Easy Washer Corporation closed a plant with 1,800 jobs, and opened a new one in South Africa, while Remington Rand also shut a plant in Syracuse and moved the work to Scotland. Textron Corporation shifted production out of

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<sup>40</sup> Cobb, p. 97 - 98, 100.

Massachusetts to Puerto Rico and closed textile plants in New Hampshire, relocating in the South.<sup>41</sup>

In a 1946 report to its members, the United Electrical, Radio, and Machine Workers (U.E.) union raised three critical issues related to fighting job and plant relocations. First, every effort needed to be made to organize the South in order to break the low-wage possibilities the unorganized region offered to companies, and help eliminate racial discrimination. Second, as companies shifted plants out of the Northeast and decentralized production in smaller shops, unions had to develop organizing strategies that took such changes into account. Finally, unions needed to develop a community base of support to sustain their strength in the face of relocation strategies. The U.E. was right to be concerned about plant relocations out of their stronghold in the Northeast.<sup>42</sup>

#### Plant Relocations 1929 - 1954

In an influential 1962 study, *Changes in the Location of Manufacturing in the United States Since 1929*, economist Victor Fuchs analyzed plant and employment location shifts from 1929 to 1954 in several industries. Felt goods and textile products were two of the top three in plant movement during these years. What was surprising was the large-scale movement of aircraft and related components plants. This shift had implications for the Northeast, particularly Massachusetts and Connecticut, home to several industries, including United Aircraft and General Electric, involved in aircraft-related production. When

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<sup>41</sup> UE News, December 25, 1948, p. 6 - 7.

<sup>42</sup> UE News, September 14, 1946, p. 7. Ch. 6 will examine what strategies unions used in Springfield when faced with plant closing and relocations in the 1950s and 1960s.

metalworking sectors - forgings, electrical machinery, foundries, and special dies, tools, and attachments - are included plant and job loss is considerable.<sup>43</sup>

Table 3.2: Location shifts by percent of value-added and percent of total employment 1929 - 1954.

Industry	Value added	Total employment
Felt goods	45.8	44.4
Aircraft and parts	45	43.2
Textile goods	44	42.1
Engines, turbines	30.6	30.8
Woolen goods	27.2	23.2
Forgings	22.3	17.9
Textile machinery	19.5	19.6
Electrical machinery, equip.	15.4	14.3
Foundries	14.3	12.6
Special dies, tools, machine attachments	14.2	14.3
Machinery	11	9.9

Fuchs determined which regions of the country were winners and losers as a consequence of plant and job movement. New England was the biggest loser in textile shifts, with the South Atlantic gaining the most plants and jobs. In dies, tools and attachments, machinery, and electrical machinery New England and the Middle Atlantic States lost out to the West South Central, Pacific Coast, and South Atlantic states.<sup>44</sup>

In a special April, 1953 issue of its newsletter, Local 206 business agent Jim Manning urged union members to oppose the Mississippi move, labeling it the 'Mississippi Muddle': "Now we are facing a bitter fight to maintain a Bosch plant in Springfield and we mean just that." Hess came in for sharp criticism for betraying workers "in a manner as the

<sup>43</sup> Victor Fuchs, *Changes in the Location of Manufacturing in the United States Since 1929* (New Haven, 1962). Data taken from tables on p. 128 - 137.

<sup>44</sup> Fuchs, p. 240.



Japanese Ambassadors did just before Pearl Harbor." Ironically, Hess served as a member of the Board of Directors of Future Springfield, Inc., an organization working to bring manufacturing to the city.<sup>45</sup>

In a scene repeated countless times across Springfield over the next twenty-five years as its principal industries were dismantled, machines were crated up and loaded on trucks and rail cars for the trip to Columbus during the Winter of 1954. Gapping holes dotted the factory floor where machine tools had been. Production lines were curtailed, and 500 workers received lay-off notices. First to go was the windshield wiper line, followed by automatic seat motors and voltage regulators. The company notified union officials that the move would be completed by January, 1955. To minimize any hardship the company and union resolved that all other openings in the Springfield facility would be filled by workers slated to lose their jobs, provided they could be trained to do the work. While the union appeared optimistic that few, if any, workers would end up permanently out of work, it is difficult to understand the source of such optimism.

#### A City's Manufacturing Base At Risk: Westinghouse Rumors

The city's problems were compounded as rumors circulated that Westinghouse was also considering a move out of Springfield. Open since 1915, the plant was a cornerstone of the city's industry, like the Bosch plant. Although the Westinghouse Board of Directors issued periodic statements that it had no intention of closing the factory, a letter written by

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<sup>45</sup> LB, April 1953; Hess letter to workers, April 15, 1953.

plant manager James Weaver in 1955 to the mayor of Springfield worried city officials and workers. Weaver wrote:

If we (Westinghouse) are to get our share of the going business the products we build here must be competitive in price with similar products built by other companies in other cities and states. If we are burdened with higher taxes than our competitors, only because we are located in what others interpret as a listless community, we're in trouble - real trouble, and in order to even stay in business must create off-setting economies in other ways.

Weaver was quite concerned that the city was going to pass its tax burden on to industries that remained in Springfield, and wondered why Westinghouse should have confidence in the city when a recently released Springfield Taxpayers Bulletin said the city was 'financially sick'.<sup>46</sup>

In 1957 and 1958 rumors persisted that the East Springfield plant would move production to Ohio. By the Summer of 1958 local newspapers were reporting that a study commissioned by the Westinghouse Board of Directors recommended the factory be closed as quickly as possible. Westinghouse now admitted it was contemplating a reorganization and consolidation of its six consumer products plants into just two. A corporate press release stated: "There is a continuing survey at our various Westinghouse plants across the country to determine what facilities are best fitted or equipped for the various products we manufacture." Soon after the press release the *Daily News* reported that a decision had already been made to ship work to factories in Mansfield and Columbus, Ohio. The article pointed out that during the recent national

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<sup>46</sup> DN, July 30, 1958, p.1.

Westinghouse strike workers at the Ohio facilities crossed picket lines and kept the plants open. Since the majority of Springfield's work was refrigerators and small appliances, workers and local officials now had cause for concern. More troubling news for the city came when Chapman Valve announced it was putting pattern makers on a three day a week schedule because no new work was scheduled.

Finally, on October, 17, 1958 Westinghouse workers learned from the Local 202 newspaper that a decision to shift work out of the city had in fact been made. By March, 1959 the workforce dropped to 1,000 from 2,500 in mid-1958. This sharp drop was followed by smaller layoffs through the 1960s as employment fell below 200 before the plant closed entirely in December, 1970.<sup>47</sup>

#### Bosch Workforce Shrinks Further - No New Work Arrives

Despite repeated assurances by management that work appropriate to the skill levels in the plant would take the place of that shipped South, new work did not arrive. Business agent Manning's request to allow laid off workers to transfer to Mississippi was flatly rejected. By April, 1955 optimism dissipated and union officials began to wonder whether the plant would lose more than just automotive jobs. A leader asked "where are their so-called new jobs which will tide over the loss of jobs to Mississippi." The union urged management to think about their obligation to the community, and in a *Bulletin* editorial called on the

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<sup>47</sup>DN, July 29, 1958, p. 1; July 30, 1958, p. 1; July 31, 1958, p. 1; August 12, 1958, p. 1. The union article was quoted extensively in DN, October 17, 1958, p.1. The Lima, Ohio Local 724 president wished Local 202 well and said "I know that it was leaders like you that made it possible for the scab-infested Ohio plants to receive a contract as good as the one we did in 1956."



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corporation, as "an employer who has prospered and grown in this community to think of some of the debt it owes to its 44 years in this locality." Appeals to management's to community spirit fell on deaf ears; new management, after all, had shallow roots in Springfield.<sup>48</sup>

As the layoffs continued, floor space in Columbus more than doubled in late 1957. Early in 1958 management notified the union that generator and magneto products would be taken from Springfield to "complete the consolidation of electrical manufacturing at the Columbus plant, with the Springfield division concentrating on mechanical and hydraulic products." Claims were no longer made that additional skilled work would substitute for moved product lines. Alarmed, the Springfield Industrial Commission appealed to corporate president, Charles Perelle to reconsider.

As you are undoubtedly aware, the skilled labor and craftsmen available in this area far surpass any other area in the country. Any financial benefit that might accrue in another section of the country would be offset by inferior workmanship.<sup>49</sup>

It took eleven days for corporate officers to respond. C.A. Sharpe, vice president of the corporation, met with Springfield Mayor Thomas O'Connor on February 25th and assured him that work was expected to pick up in the plant in the production of diesel pumps for farm equipment. The increase, Sharpe claimed, would provide jobs for 70 of

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<sup>48</sup> *LB*, February, 1954; *SMU*, March 7, 1954; *LB*, April, 1954.

<sup>49</sup> *SDN*, February 12, 1958, p. 1; Industrial Commission letter to Charles Perelle quoted in *SDN*, February 15, 1958, p.6

the some 250 laid off workers. O'Connor also learned during the meeting that plans to move the generator and magneto lines to Mississippi had been drawn up by a management consulting team in early 1954. In other words, the 70 jobs available in agricultural equipment production were entirely fortuitous, not part of a company plan to ease job loss.<sup>50</sup>

### Conclusion: Springfield Industry Suffers

The Bosch announcement that a plant was to be built in Mississippi added to a lengthy list of closings in Massachusetts and prompted recently elected Massachusetts Senator John F. Kennedy to prepare a detailed analysis of New England's economic problems. His findings, borrowed from the report of President Truman's Council of Economic Advisors, were released in a series of late Spring ,1953 speeches on the Senate floor.

Kennedy warned that the "defense contracts in the aircraft and electrical machinery industries and the inflated Government payrolls and other activities resulting from mobilization cover up the static position of the private civilian economy of the region." He pointed out that "Even after the Korean War boom nearly 40 percent of Massachusetts' textile workers were jobless... . Instead of declining during the heavy mobilization year of 1951, unemployment increased 150 percent in Fall River, 103 percent in Lawrence, and far more in Nashua, New Hampshire, and in the Rhode Island textile mills."<sup>51</sup>

Senator Kennedy expressed concern that Southern states were now successful in encouraging companies with skilled workers to relocate their

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<sup>50</sup> SDN, February 26, 1958, p. 1.

<sup>51</sup> Senator John F. Kennedy, "The Economic Problems of New England," *Proceedings of the 83rd Congress, First Session*, Vol. 99, (May 18, 1953) p. 5054- 5056.



plants, referring to the Bosch plant as an example of this. He was prescient in realizing that New England job loss during the 1950s was not going to be confined to textiles and apparel as it had been in the 1930s and 1940s. The Bosch case was cited in a Senate floor speech he delivered.

According to the Springfield Free Press, the American Bosch Co., a permanent fixture in the industrial life in the city of Springfield, is leaving its location in that city for a free plant, free taxes for ten years, and low-wage labor in Columbus, Mississippi.<sup>52</sup>

Kennedy spoke against federal tax legislation that allowed the issuance of rapid tax amortization certificates to corporations that needed to build new plants to meet defense orders. He argued that the program simply provided a subsidy to move jobs out of the Northeast. He cited examples of companies that received certificates, only to build new plants in the South while closing northern factories. J.P. Stevens obtained such a certificate in March, 1951 to construct a plant in Stanley, North Carolina and a few days later shuttered a Haverhill, Massachusetts mill, putting four hundred people out of work. General Electric secured a certificate for \$20 million to build a jet engine plant in Louisville, Kentucky and then discovered that it needed a small area in the massive facility to build engines. It then shut down factories in Trenton, N.J., White Plains, N.Y., South Scranton, Pa., and Bridgeport, Conn., moving 19,000 refrigerator, washing machine and other appliance jobs to the new Louisville plant. Westinghouse received close to \$30 million in certificates, built plants in

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<sup>52</sup> Kennedy, "The Economic Problems of New England," (May 20, 1953) p. 5233.

Columbus, Ohio and Raleigh, North Carolina and shifted work to them from Springfield, Mass., and Newark, N.J.<sup>53</sup>

Kennedy gained a wider audience in a January, 1954 *Atlantic Monthly* essay, "New England and the South: The Struggle for Industry." Readers learned that close to 70 textile mills were liquidated in Massachusetts since 1946, and that plant relocations were now taking place in machinery, electrical equipment, paper, and chemicals. Kennedy understood that plant shifts were subtle at first and echoed the views contained in the 1951 *BW* article on closings. He wrote:

In only a small number of cases does direct migration take place through closing New England plants and transferring their operations to southern plants. More often, firms start by operating mills in both New England and the South, then tend to abandon their northern plants in periods of decline and later expand their southern operations when prosperity returns.<sup>54</sup>

To stem the job drain Kennedy called for a boost in the federal minimum wage from its present 75 cents an hour. By comparison, the average Massachusetts manufacturing wage was \$1.64. Kennedy suggested that a development strategy based on low wages could not be sustained indefinitely as other regions of the world, including Latin America and Asia, are developed. Such a strategy could result in the South suffering "the same pangs of aging now suffered by New England," Kennedy warned.<sup>55</sup>

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<sup>53</sup> Kennedy, "The Economic Problems of New England," (May 20, 1953) p. 5235.

<sup>54</sup> Kennedy, "New England and the South," *The Atlantic Monthly* (January, 1954) p. 33.

<sup>55</sup> Kennedy, "New England and the South," p. 35.

## CHAPTER 4

### CORPORATE CONTROL SOLIDIFIED: 1954 - 1960

#### Introduction

Between 1954 and 1960 management invested heavily in product research and development, purchased machine tools, and instituted inventory and quality control programs in an effort to upgrade the 40-year old Springfield factory and increase its efficiency. At the same time high volume, labor intensive production for the automotive industry was relocated to a new plant in Mississippi. Simultaneously, a wedge was driven between the union and management as every overture the union made to play a positive role on the shop floor was rebuffed.

Management quite often recognized the importance of skilled workers. In 1952, for example, the company newsletter carried photographs of workers in its apprenticeship program at the local trade high school. The company indicated that these high skilled workers were essential to firm success, and paid the 44 blue collar workers to attend. But by decade's end, the only courses being offered were to management, and most had to do with how to gain increased output from front line workers. A corporate strategy based on increased control over the shop floor was put in place, and the plant's historic reliance on the input of skilled workers virtually came to an end.<sup>1</sup>

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<sup>1</sup> "New Training Program Looks Good," *Craftsman* (December, 1952) p. 6-7. In 1957 *Progress* reported on a one-day a week training program for supervisors studying calibration, timing, maintenance, and repair of diesel pumps, *Progress*, "Back to School for AB Staffers," August, 1957, p. 4.



## Charles Perelle Arrives in Springfield

In May, 1954 Charles Perelle was named president of American Bosch Arma. He had an extensive manufacturing background, having worked at Hughes Tool and Vultee Aircraft. He also had interacted with labor unions before, having been at Vultee Aircraft during its bitter confrontation with the United Auto Workers in the Fall of 1940.<sup>2</sup> Perelle terminated a number of Springfield executives soon after he took over, including both the production and works managers. In October 1954 Herbert Riddle, vice-president in charge of employee relations, suddenly resigned. Riddle had worked at Bosch since 1940, and was considered by everyone in the plant to be fair-minded. He had been given credit for the establishment of what had been excellent labor-management relations during and after the war. To replace Riddle, Perelle brought in Kenneth Leaman, who had worked with him at Vultee Aircraft. James Mote was named the manager of employee relations. Mote was widely disliked by machine operators. He had worked in the Bosch for eight years, most of them as manager of the standards department, where he oversaw the establishment of production rates and standards rates throughout the plant. Perelle had to realize that placing Mote in charge of labor relations would anger the union.<sup>3</sup>

Next, Charles Tuttle was put in charge of labor relations for the entire corporation. Perelle and Tuttle had been at Gar Wood together in the late 1940s. Bosch union leaders wrote letters to several other

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<sup>2</sup> Workers struck at Vultee and presented a major challenge to the government's desire to avoid work stoppages at plants engaged in war-related production. Nelson Lichtenstein, *Labor's War at Home* (New York, 1982) p. 54, 57; Wyndham Mortimer, *Organize: My Life as A Union Man* (Boston, 1971) p. 170-171.

<sup>3</sup> SMU, October 25, 26, 1954.

industrial unions inquiring about Tuttle. Frank Fagan, International Representative for Region 1 of the United Automobile Workers (UAW) responded that Tuttle had been in charge of labor relations for the Gar Wood Company from 1945 - 1951 and the UAW had definite impressions of his work. According to Fagan the UAW and Gar Wood had enjoyed "the very best of relations and our differences were kept to a minimum." But with Tuttle in charge the union felt a "severe change in attitude on the part of the Company." Foremen and production superintendents were no longer willing to settle grievances on the shop floor; foremen who did, often had decisions reversed by Tuttle. Tuttle also instituted foremen's classes on how to limit the scope of the contract agreement and turn it into "a technical document and not a co-operative working agreement."<sup>4</sup>

As an example of Tuttle's anti-union approach, Fagan noted that he helped precipitate a costly six month strike at Gar Wood by upholding the discharge of a worker with 28 years seniority for sitting on a stool while performing an operation on his job, a practice he had engaged in for over 20 years with the knowledge of his supervisor. Tuttle also discharged the chief union steward who came to the worker's defense.

The grievance procedure and labor agreement were no longer viewed as problem-solving tools with Tuttle in charge of labor relations, Fagan pointed out. Tuttle's objective was to keep the union on-edge and on the defensive. Fagan warned the I.U.E. that Tuttle tried to bypass collective bargaining to elicit one-on-one deals with union representatives and that he "is a dangerous fellow to talk business with on the telephone." The letter concluded with this character analysis:

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<sup>4</sup> *Frank Fagan Letter to International Union of Electrical Workers*, March 1, 1955 (in Local 206 collection, Series 2, Box 5, University of Massachusetts, Amherst Labor Archives).

He is an outspoken opponent of the Union shop, check-off, seniority agreements, and other basic Union demands. He believes that companies must have freedom to operate without restrictions. He is a cold, arrogant, and highly technical man. He admits having had no experience with working people other than in his present capacity as a Labor Relations man... . Since Tuttle left us in 1951, real collective bargaining has been restored and maintained.<sup>5</sup>

Other changes followed at Bosch. Floor space in the Mississippi plant doubled, while company officials assured Springfield workers and political leaders that "American Bosch intends to utilize its main plant in Springfield to the fullest possible extent for the manufacture of its other products such as diesel fuel injection equipment, jet engine components and other defense items which are more highly specialized, not-so-competitive products and more suitable for the type of operation here."<sup>6</sup>

In 1953 when the Mississippi plans were first announced local newspapers quoted a Bosch's vice-president of operations on the construction of the Mississippi factory. "How can we get panicky if it is now decided that expansion should be made by manufacturing certain electrical products somewhere else and replacing them at Springfield with additional specialized precision products." A year had passed - machinery was being moved to Mississippi and 450 workers were losing their jobs - prompting the following from the newspaper: "What additional specialized precision products the company plans to introduce here after the move to Columbus, Mississippi have not yet been indicated."<sup>7</sup>

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<sup>5</sup> *Fagan letter*, March 1, 1955.

<sup>6</sup> *SDN*, September 9, 1955.

<sup>7</sup> *SMU*, April 25, 1953, Feb. 25, 1954.



With Leaman, Mote, and Tuttle in charge of labor relations, union leaders were forced to discuss grievances and settle shop floor problems with a labor relations team devoid of any plant history. The company now avoided past practices in the plant whenever possible, and set out to establish their own way of doing things.

### Disquiet on the Shop Floor

Throughout 1954 the union publicly and pointedly questioned whether foremen and supervisors knew what they were doing on the shop floor. There had been little criticism of management prior to this, but now through the *Bulletin* writers kept up constant criticism and ridiculed line supervisors, tagging them with such derisive nicknames as Dan 'No Answer Today' Sullivan, Art 'Hurry Up' Domilla, Ernest 'I'll Take Care of it Tomorrow' McLean, Patrick 'Puddin Head' Judd and Charles 'Cut Rate' McCobb. This derision stemmed from workers' frustrations that shop floor problems were not being solved in a timely manner. The union protested that the company was seeking increased profitability by pushing workers harder. Very much on the defensive, members ratified a labor agreement containing a modest wage increase during 1954 negotiations, after agreeing to extend the contract three times. Workers were unhappy but wanted to avoid a confrontation with Perelle and his new management team, at least for the moment.<sup>8</sup>

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<sup>8</sup> LB, April, May, 1954; SMU, September 18, 1954.

## Labor-Management Committee Eliminated

In his first letter to plant workers Perelle pointed out, "I am relying on all of you to help in every way you can to increase our business and overall efficiency so that we can maintain our competitive position without drastic changes." Workers had to wonder what Perelle had in mind when he used the phrase without drastic changes. One of his major decisions was the elimination of the plant's labor-management committee. It was unclear to the union just how this would help increase overall efficiency.<sup>9</sup>

The committee had been in place for 19 years. It met monthly to solve problems before reaching the grievance and arbitration stage. The union's president and business agent were members along with top managers. While few records of the Bosch committee exist, the union newspaper frequently reported on its meetings, and the United States War Production Board prepared a detailed case study on the Springfield Westinghouse Labor-Management Committee. As the Bosch committee was modeled after this one, a review of the case study is helpful in gaining a perspective on worker involvement in production-related decision-making during World War II.<sup>10</sup>

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<sup>9</sup> *Craftsman*, Vol. 11, no. 2, August-September, 1954, p.1

<sup>10</sup> War Production Board (WPB), *The Labor Management Production Committee of the Westinghouse Electric and Manufacturing Company, Springfield, Massachusetts and the United Electrical, Radio and Machine Workers of America, CIO, Local 202* (Washington, July, 1944). The Westinghouse study was one in a series that the Board prepared. In the introduction it was noted that "the Committee here described is so well set up and permeates the entire factory organization in such a way that a full description of its activities was deemed advisable."

Westinghouse Joint Production Committee. The committee was established in March, 1942 with a top advisory group, eight activity committees, six division committees, and 46 department committees. Impetus for the committee came from the union in late 1940 and was part of a U.E. national effort to establish such committees in all its organized plants. Initially management rejected a proposal to establish a Victory Council with many of the same features the joint production committee eventually had. In 1942 close to 300 management and union employees were members of various committees directed by an eight person executive group co-chaired by the union president and company superintendent of production. A Labor-Management office was set up in the Industrial Relations Department to handle the work of the various sub-committees.<sup>11</sup>

The committee was governed by ten general operating principles including:

- Place emphasis on the solution of production problems by insisting that department subcommittees solve their own problems.
- Keep collective bargaining and grievance issues out of committee meetings.
- Work in an atmosphere of mutual confidence.
- Give credit to workers in the departments and keep the Advisory Committee in the background as much as possible.<sup>12</sup>

The Committee undertook plant-wide projects in 1942 and 1943 on material conservation and quality improvement. During the first few months significant gains were made. In one department alone, material

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<sup>11</sup> WPB, p. 7.

<sup>12</sup> WPB, p. 2.



conservation resulted in the salvaging of 25,000 pounds of aluminum, 57 pounds of copper, and 112 pounds of brass in the first year. A chrome plating method put into practice saved \$9,000 worth of dies in just three months. Department committees met weekly to reduce rework and rejected parts which had reached almost 13 percent of total output in early 1942. A plant-wide "Make it Good" campaign was launched that resulted in the percentage of scrap being reduced to 6 percent in the first two and one-half months of the effort.<sup>13</sup>

Department committees got directly involved whenever a new war project was started. Designers and engineers met frequently with members of production department teams to determine the best sequence of steps in machining the parts, the amounts of material needed, and production time required. With the parts were in production follow-up meetings were held to insure the quality of the work.

When the WPB analyzed the subject matter of 12 department committee meetings over a six month period in 1944 it became apparent how focused shop floor group were on mastering the manufacturing process in their respective work areas: Out of 239 agenda items, 229 were explicitly production-oriented, including such issues as product and tool design, quality, process changes, work flow between departments, and machine maintenance. A typical department meeting went like this:

The committee members gather around a table or group themselves in a room in such a way that it is difficult to tell who represents management and who represents labor. One suggests, 'Could we try this method?' Another says 'How about trying that?' Finally some recommendations are agreed upon. When the minutes of the meeting are written up, the

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<sup>13</sup> WPB, p. 25 - 28.

name of the member responsible, or of the person to whom the matter is to be referred, is placed in the left-hand margin beside each topic.<sup>14</sup>

Results were impressive at times. In a department producing large radio cabinets for the Navy more than four tons of material was saved each week by properly sequencing all sheet metal work starting with the largest pieces to be produced and utilizing trimmed sheet metal for smaller parts. Past practice had been to discard all trim to salvage. In another department where radio transmitters were assembled it was customary to wheel needed parts to the work area some loose, in boxes, and cloth bags. The assembler would have to sort through piles of parts to find what he or she was looking for, often handling each part several times. The production committee designed and built a new cart with shelves and drawers for smaller parts that could be wheeled to a work bench, loaded with enough parts to build 20 - 30 transmitters at a time. Sorting and handling were eliminated and while one cart was in use in the department, a worker could be off filling another one. The union publicized these results in its weekly newspaper, *The United Front*.<sup>15</sup>

WPB members asked workers and managers to discuss problems they saw with continuing the committee at war's end. Both groups wanted to see the effort continue, although each had reservations. Workers expressed concern over the issue of job elimination when war-stimulated demand ceased. Management worried about the percentage of cost savings that should be paid out to workers. Workers believed that

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<sup>14</sup> WPB, p. 12 - 14.

<sup>15</sup> WPB, p. 16. The full title on the mast head of the union newspaper read "*A United Front of Labor with no Division Because of Race, Color, Creed or Craft.*"

management would discount their improvement suggestions, only to implement them later without compensating workers for their ideas. Implicit, here, was a lack of trust between the two groups.<sup>16</sup>

### Reactions to the Bosch Committee's Elimination

In early 1955 the union viewed the committee's elimination by Perelle as proof that good labor relations were a thing of the past. The union newspaper challenged, "If the company wants trouble all they have to do is start. We wonder who will be hurt the most." A *Bulletin* editorial stated:

For nineteen years the American Bosch and the Union have enjoyed good Labor Relations but now they seem to be on the downgrade. Now it seems we can no longer have an honest and effective means of settling common problems through the Labor-Management Committee. Labor-Management meetings have been held monthly where subjects have been discussed and issues settled before they became a major problem. These meetings were beneficial and should be continued.<sup>17</sup>

In order to achieve the shop floor productivity and cost reduction gains he sought, Perelle actually needed union support and a workforce willing to share their skills to solve problems. Unilaterally discarding an historically proven communications and problem-solving mechanism

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<sup>16</sup> WPB, p. 21. These are real concerns and ones that current union-management cooperation proponents wrestle with regularly. The issue of job security is perhaps the most difficult to resolve. The Westinghouse Committee functioned well because demand on output was so great, and jobs in the area were so plentiful, that union members, particularly those with high skill levels, did not fear job loss.

<sup>17</sup> LB, January, 1955, p. 1.



would, in the long run, frustrate other decisions Perelle made. What Perelle was attempting here - the drive for management control - was short-sighted, but typical of what was occurring in manufacturing facilities across the country.<sup>18</sup>

Labor historian David Montgomery describes the consequences of worker gains in the late 1930s and 1940s in this way: "The power which unionizing workers won on the job at this time was far more significant to them and to their employers than whatever wage gains they won. Shop stewards and committee men and women, backed up (often physically) by the employees in the departments they represented, translated the inextinguishable small-group resistance of workers into open defiance and conscious alternatives to the directives of the management."

Montgomery views the late 1940s and early 1950s as a time when management sought to extinguish the 'shop floor dance' and establish relations that would guarantee absolute control on the shop floor. Getting this control came at a price, however, beyond the wages and benefits paid to workers. The 'conscious alternatives to management directives' Montgomery referred to were often the clever ideas to improve a product

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<sup>18</sup> The issue of corporate management's determination to gain greater control on the shop floor after World War II has been the subject of several recent books and articles. An early, pioneering work is Joel Seidman, *American Labor From Defense to Reconversion* (Chicago, 1953). Recent works include: Sanford Jacoby, *Employing Bureaucracy: Managers, Unions, and the Transformation of Work in American Industry 1900-1945* (New York, 1985); Steve Jefferys, *Management and Managed: Fifty Years of Crisis at Chrysler* (New York, 1986); Nelson Lichtenstein, "UAW Bargaining Strategy and Shop-floor Conflict," *Industrial Relations*, Vol. 24 (Fall 1985) and "Auto Worker Militancy and the Structure of Factory Life, 1937-1955," *Journal of American History*, Vol. 67 (1980). The 'struggle for control' will be discussed in ch. 6-8. It is important to note here that while unions believed they were being made scapegoats when the companies they worked for charged that labor agreements were weakening U.S. industry, companies were losing out as well by turning workers, especially skilled workers, away from levels of participation on the shop floor that made plants productive during World War II.

or machining processes, or the first hand knowledge and experiences in setting up machine tools that made the plant run smoothly. Perelle's abrupt elimination of a long standing labor-management committee was a clear signal that management had no further interest in the union assuming a problem-solving role on the shop floor. Many skilled workers' withdrew their cumulative production wisdom and 'clever ideas' and in so doing guaranteed Perelle a hollow victory.<sup>19</sup>

### Lines Harden in the Plant

In four years Perelle had alienated union leaders and workers. A shop floor poet caught the plant mood well with a poem that appeared in the *Bulletin*.<sup>20</sup>

### Perelle Psalm

Perelle is our shepherd. We are in want  
He maketh many to lie on park benches  
He leadth many beside his still factory  
He restoreth our doubt in his administration  
(Yea, though we walk through the valley of  
unemployment)  
We will always remain hungry.  
He clobbers our rates with new methods  
Our expenses over-runneeth our income.  
Surely poverty and hard living shall follow us, all the  
days  
Of the Perelle administration.  
And we shall dwell in a rented house forever.

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<sup>19</sup> Montgomery, *Workers Control in America*, p.164 -165.

<sup>20</sup> "Perelle Psalm," *LB*, February, 1958, p. 2.

The poem's tone represents a sharp break from attitudes toward cooperation expressed earlier. For example, in a report on the results of the May, 1951 Labor-Management Committee meeting it was announced that high seniority workers volunteered for transfers to the second shift to help solve a production problem with a new fuel injection part. During the same meeting there was a discussion of production problems in a department. Rather than deal with various assistant foremen to solve the problem the general manager "consulted one of the set up men who found the trouble and explained how it happened and how to eliminate this in the future." The *Bulletin* reporter wryly closed the article: "This will illustrate that our people have the know-how and will gladly serve in a Supervisor's position if they are asked."<sup>21</sup>

In June, 1951 in an essay "Rip Van Winkle Wake Up!" union members were challenged to participate regularly in the affairs of the local, not just when they feel hurt, "fancied or real". Union members were urged to view the union as more than an instrument to fight management. "Our stake admittedly is as great or greater in American Bosch than the stockholder... . Make suggestions, better the product, give them a dollar's work for a dollar's pay! Don't kid yourself. There are union's more militant than ours that recognize that increased assumption of responsibility leads to increased benefits."<sup>22</sup>

Even in November, 1954 in the midst of the redirection of work to Mississippi, the *Bulletin* urged workers to make quality products. However, six months into Perelle's taking control of the company, strains began to show. In the business agent's and president's November reports

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<sup>21</sup> LB, May, 1951, p.4.

<sup>22</sup> LB, June, 1951, p. 2.



to the membership management was criticized for arbitrary rate cutting and unilateral changes in the way workers were paid for machine tool set ups.<sup>23</sup> By 1956 in an open letter to Perelle, "How Blind Can You Get," management was castigated for the new inspection system it was installing and in a related article the company was taken to task for its new suggestion system. According to the union the new quality control system, by taking inspectors off the shop floor, weakened the ability of machine operators to detect defects at their machine. Rate cuts, layoffs, and a stress on greater output per worker pushed operators to cover up bad work and led department foreman to pass bad work out of their department to meet production goals. When management persisted, with no consideration for worker input, the union stepped up its criticism of the plan. A front page *Bulletin* cartoon 'Foremen Solve Scrap Problem' depicted a sweaty and nervous foreman filling a hole he had chopped in the floor with scrap. An accompanying article sharply attacked Perelle and his management team for the quality control program, and offered a union plan for a more effective one. Management quality control analysts, under the company plan, would submit a report and meet after they determined why a part was rejected.

This is all of a very limited nature, because it does not correct the reason for the Scrap or Rework at the source when it is being made or before, but is a statement as to the reasons (AFTER THE BULL) [emphasis in original] has been made. Past experience here at Am. Bosch has taught that Scrap can be repeated after all precautions

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<sup>23</sup> LB, November, 1954, p. 1.

have been taken unless the source, at the time of machining, is protected.<sup>24</sup>

The union was also angry that workers were no longer equal members of the plant's suggestion committee. In Perelle's new committee structure the union's two representatives could attend only four monthly meetings a year, where previously they participated in every one. The union now urged that "suggestions authored by members of Local 206, which incidentally amount to about 95 percent of all submitted, be delayed until representatives are allowed to return to the meetings." In the same article, however, since the desire to constructively solve problems was a powerful one, the union offered ideas for improving the suggestion program.

The average factory worker has good ideas but usually has trouble expressing them in 25 words or less, which is the average on the blanks provided. Also sketches are not always clear, so it is our belief that a short talk with someone trained in methods or drawing would definitely increase the value of a good suggestion tremendously.<sup>25</sup>

In September, 1955, in the midst of these changes a contract was negotiated with Local 206. Talks began just as Springfield expansion plans were announced and a building was acquired to produce coils, magnetos and generators for truck and farm equipment. The Springfield workforce

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<sup>24</sup> LB, April, 1956, p.2; May, 1957, p.1 It is important to note here that the concept that quality control is not effective at the machine itself, and not in a quality control lab after the parts are off the shop floor, was embraced fully in Japan and was eventually recognized in the U.S. as a revolutionary management principle.

<sup>25</sup> LB, April 1954, p. 3; April, 1956, p. 2.

had jumped to 3,500 from 2,600 since the start of the year, and sales and profits for the first half of 1955 matched 1954 levels. The union knew Mississippi was in full production. They also knew that with work plentiful in Springfield, at least for the moment, there was an opportunity to make contract gains.<sup>26</sup>

This time, unlike 1954, there was no contract extension and the negotiating committee received a strike authorization vote from the membership well before the contract's expiration date. The committee informed management that if the current agreement expired on September 1 there would in fact be a strike, the first one in the 19-year history of the local. A two-day walkout ensued and resulted in a two-year agreement with a wage and benefit package hailed as the best in Western Massachusetts. Each side could claim victory. The walk-out took place over a week-end so only overtime work was disrupted. Important for the company, the new two-year agreement broke a nineteen-year history of one-year contracts. Establishing control over labor costs was essential to long-term corporate planning; negotiations once a year made this difficult. Just one week after the contract was signed Perelle surprised union leaders by announcing a Mississippi expansion designed to double manufacturing floor space to meet soaring demand for automotive products. The announcement was Perelle's way of letting union leaders know he was still in charge.<sup>27</sup>

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<sup>26</sup>SMU, August 3, 1955. The wild swings in employment run through the history of the plant up to its closing. The agricultural, automotive and defense industries had sharp ups and downs and the Springfield plant was a seat-mate on the roller coaster.

<sup>27</sup> SMU, September 2, 6, 9, 1955.



## Plant Modernization Program: Meeting the Competition Head-On

Between 1955 and 1960 with a loyal management team in place, and longer contract that made wage planning possible, Perelle set out to reorganize the factory floor, and invest in new productivity-enhancing machine tools. Employment levels remained erratic, giving workers mixed signals about their future. Added to this, by attempting to introduce new manufacturing methods, while asserting control in a way that alienated workers and the union, Perelle made a difficult task an impossible one.

By January, 1956 500 recent hires were laid off because of a reduction in orders for tractor fuel injection pumps. Annual sales were down but 1955 profits rose slightly. The ARMA Division was gaining military orders and had a \$195 million defense sales backlog at the start of 1956, but none of this work found its way to Springfield. Then in May workers finally received some good news: Perelle announced that \$1.5 million would be spent to modernize the main plant.<sup>28</sup>

### Research and Development

The plant continued to spend money on product research and development. In the late 1940s and early 1950s Springfield increased research and development expenditures as a portion of total sales to approximately 7 percent. Efforts began right after World War II to produce new fuel pump that required fewer parts, and had a simpler assembly

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<sup>28</sup> SMU, April 3, 1956; LB, May, 1956. The corporation began publication of its own monthly newsletter, *Progress*, in 1956. *Progress*, May, 1956, p. 2.

process. The new PSA pump weighed 13 pounds compared to the model it was replacing, the APE which weighed 26 pounds.

In 1951 the *Craftsman* ran a series of articles discussing various departments in the plant. "Designing our Products" described how a new product was developed in sequential processes, from draftsmen and engineers, to the laboratory for tests, to manufacturing engineers, and finally to sales. At the sales stage a 'Manufacturing for Price and Delivery Analysis' was done to determine the total costs connected with production, including any investments needed to purchase new machines, fixtures, and tools. "If the cost of manufacturing and tooling will be so high as to necessitate a selling price that is out of the question, an attempt must be made to redesign the new product toward attaining a lower cost." Once costs were acceptable, the new product was to be released to the Production Section of the Engineering Division where for the first time discussions were to be held on how to produce the product in the needed quantities in the factory. Several new products and improved designs on existing ones originated in Springfield using what could be fairly be called a trial and error approach to product design. The approach was time-consuming, and it added significantly to the cost of products, especially when new designs were not accepted by customers.<sup>29</sup>

### Cost Improvement Program

In addition to research and development efforts, a manufacturing cost improvement program was started. All plant employees were encouraged to submit ideas that "lower costs, improve working conditions

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<sup>29</sup> *Craftsman*, April, 1948, p.4-5; *Craftsman*, February-March, 1951, p. 8-11.

or in some way improve the quality of American Bosch products." In the first month of the plan 50 suggestions were proposed. Stan Bubien, a planner in the office, was paid \$140 for his suggestion to switch the manufacture of a particular part from an expensive casting to commercially produced bar stock. *Progress* reported Bubien was going to use the money for a vacation, breakfast at the Yankee Peddler (a local and expensive restaurant) and a bicycle for his son. The suggestions program continued to enlist the energies of workers in spite of the union urging workers to withhold ideas until full representation was regained on the committee. Close to \$1.5 million in cost savings were generated by the plan between May 1955 and the end of 1956 as monthly awards for quality and manufacturing improvements were made.<sup>30</sup>

### Shop Reorganization Plans

Perelle believed that for the plant to be more efficient all departments in the factory needed to work together. Industrial Engineering manager Willard Kelly was placed in charge of a program to insure that Manufacturing, Engineering, and Sales personnel were in constant communication with each other.

When Manufacturing sees fit to ask Engineering to alter drawings and specifications in order to realize economies it often means that Sales is required to contact our customers. It is necessary to discover how the change will affect the way in

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<sup>30</sup> *Progress*, reported that \$712,900 in savings were generated in just 17 weeks. Payments to workers remained small overall, averaging less than \$50.00 (June, 1956, p.1). The November, 1957 *Progress* reported on eight proposals, two that eliminated machine operators, one that reduced set up times, and the others that had a direct effect on machining times. The total payout for the eight was \$350.



which our customers use our product. He (the customer) frequently requests changes which demand a new approach to tooling and manufacturing methods and lead to a switch in plant layout.<sup>31</sup>

Kelly established procedures to design new layouts for every production department. Department 210, which became one of the first to be redesigned, started producing new pumps in early November, 1956. An article in *Progress* described the "smooth flow of parts and assemblies, greater efficiency because of conveyors and power tools, and better working conditions" resulting from the changes. The new layout guaranteed "skilled craftsmanship without drudgery."<sup>32</sup>

### Quality Improvement Programs

Management now stressed the importance of building quality products. The firm's Quality Manager was profiled in the November, 1956 issue of *Progress* discussing the concept that "quality cannot be inspected into a product.... Quality must start with the design and then be maintained through tooling, purchasing, fabrication, assembly, testing and shipping." This approach was consistent with the union's critique of earlier quality programs, but once again union ideas received no recognition. Insuring good work became a constant theme throughout 1957 as management stressed the links between quality and shop floor

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<sup>31</sup> *Progress*, September, 1956, p. 1

<sup>32</sup> *Progress*, November, 1956, p. 4. A photograph of the department shows all the machine tools in Dept. 210 linked through a series of conveyors to facilitate the movement of work from one work station to another. Machine tools are also arranged in a sequence that follows the actual operations to be performed to insure that parts are not handled numerous times in the department.

organization, and preached good housekeeping. A housekeeping plan was launched in March, and the shipping department was completely reorganized to insure that orders got out to customers on time. These coordination and planning efforts appeared to be having a positive impact in the plant. It was reported, for example, that in October, 1956 of 3,129 automotive generators built and shipped all were on time.<sup>33</sup>

### Machine Tool Program

From 1957-1960 \$10 million was spent on machine tools.

Automated turret lathes replaced lines of pre-World War II vintage screw machines and small lathes, while automated, multi-spindle drill presses replaced production lines of single spindle drilling machines. A worker could now run several machine tools at a time by simply loading stock into a fixture and starting the machine's drilling cycle. Multi-tool chucking machines were introduced, and with their automated machining cycles, permitted an operator to run two or more machines simultaneously. The new machine tools had mechanical, electrical and/or hydraulic controls, making it fairly easy for management engineers to measure the time to produce a finished part. This helped greatly with scheduling. Production bottlenecks often resulted in parts not being available in the assembly area to produce finished products. Management believed the more they could control work flow from machine tools the

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<sup>33</sup> *Progress*, November, 1956; January, March, 1957. Clean up programs were instituted in several departments and unused machine tools were removed to reduce cluttered work areas.

better they would be able to attack this problem and complete products on time.<sup>34</sup>

Automatic milling machines were purchased for Department 200 with dual cutting heads and air clamp fixtures to speed up the loading and unloading of parts. Several automatic lathes were acquired and equipped with powerful drive motors and tungsten carbide tools. These lathes could cut stock to finish dimensions, eliminating several secondary machining operations, and jobs. Burgmaster multi-spindle automatic drill presses were also purchased and located throughout the plant. These machines were capable of performing a number of drilling operations on a part once it was placed in a fixture. An electrically controlled indexing head centered each new tool in sequence, the tool was brought down into the work, automatically raised, the turret holding the tools indexed and a new tool performed its required operation. Burgmasters could hold from four to eight tools. "No attention is needed," *Progress* reported, "except to load, press the start button, and unload. This permits the operator to operate a second machine... . It's obvious that outdated machine tools are a handicap which AB cannot afford." In May, 1959 several Kingsbury horizontal drilling and tapping machines were installed. "Working back-to-back," according to *Progress*, "the two units are capable of drilling, counter-sinking, and tapping up to 26 holes simultaneously. Internal to the drilling time on the first machine, the holes are being threaded by tapping in the second machine. Versatile quick-changing fixtures and tools provide a means of rapid changeover for various parts." Kingsbury's own marketing information stated: "You need several general-purpose machines and several operators to keep up with one Kingsbury and one

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<sup>34</sup> *Progress*, March 3, April 8, May 22, 1959.



operator." To conclude this round of machine tool purchases automatic chucking machines appeared in Department 300 to take the place of several lathes. With air-operated chucks to enhance loading and unloading, and automatic cycling "the machine tools are operated back-to-back by one operator."<sup>35</sup>

U.S. machine tool builders intensified their marketing efforts during the mid-1950s in the face of increased international competition. Tool builders promoted the ability of their machine tools to diminish the need for skilled workers. The November, 1954 *American Machinist*, for example, contained advertisements for machines whose names alone indicated the builder's marketing strategy, e.g. Bullard Mult-Au-Matic, Acme Gridley Chuck-Matic. Machines 'eliminated two grinding operations,' had 'automatic control of cycle time,' were 'easy to set up and retool,'. The Chuck-Matic "does not require skilled labor - one man operates as many machines as the cycle times of jobs permit."

The December, 1954 *American Machinist* promoted machines designed to cut the number of operators and set-up personnel a company needed. The Monarch Mona-Matic advertisement had the following line: "Many grinding operations eliminated, set-up times reduced, tool costs cut;" the Lo-Swing Automatic Lathe: "Drills and reams simultaneously with turning and facing operations;" Gisholt Automatic Lathes: "Lower costs, less dependence on operator skill"; Cincinnati Grinders: "Operator Responsibility Reduced."<sup>36</sup>

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<sup>35</sup> *Progress*, March, 1959, p.1. Management said that the new machine tools now allowed workers to move up from 'the Model T to a Lincoln'. *Progress*, May, 1959, p. 1; June, 1959, p.1; September, 1959, p.1. For a typical Kingsbury ad see *American Machinist*, June, 1950, p. 26. For an excellent history of U.S. machine tool builder Burgmaster see Max Holland's *When the Machine Stopped: A Cautionary Tale from Industrial America* (Boston, 1989).

<sup>36</sup> *American Machinist*, November, 1954, p. 8, 9, 32, 39; December, 1954, p. 33, 52-53.

The November *American Machinist* contained an editorial "Getting the Most Out of Your Machining" that argued for the use of these new machine tools. It read in part: "Many managements have resorted to the intelligent action of putting before their workers the economic facts of life as they affect the company's business." Automating machining operations and forcing operators to run more than one machine tool were two of these facts.<sup>37</sup>

Unionists reacted angrily to the machine acquisitions. Employment ups and downs already presented an unstable job picture. These machines made matters worse. "Battery of new Operator-Eliminator machines being set up rear of Department 160," read a 'Hits and Bits' comment in the *Bulletin*. Another read:

There will be so much new machinery by July of next year that there will undoubtedly be fewer people working here. Automation means - Meet the market competition by fewer Union Members. Without a doubt this definition should be in Webster's dictionary.<sup>38</sup>

### Springfield Output Projected to Grow

At the end of 1956 Perelle hosted a plant tour for Springfield and Chicopee elected officials to discuss modernization plans. He explained that the plant used 1,112 New England suppliers for purchases of everything from tool steel to cutting oils, to rags, to tooling and fixtures,

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<sup>37</sup> *American Machinist*, November, 1954, p. 15.

<sup>38</sup> *LB*, October, 1959, p. 2.

and that 34 are from Springfield. Close to \$1 million was paid out to local suppliers in 1956. While on the tour, management took the opportunity to announce that employment would increase to 2,700 from 2,400 during 1957. Backing up this optimism was the fact that 1956 sales and net income were the highest in the history of the merged corporation. Sales climbed to \$122.23 from \$73.8 million in 1955 while earnings went to \$4.63 million from \$3.38 million. Perelle attributed these gains to improvements in operating efficiency.<sup>39</sup>

In April, 1957 Perelle announced that he intended to double output in Springfield and Columbus, Mississippi by 1961. He said in part: "Incidentally we now have a larger volume in Springfield than we did when we started to build the Columbus plant in 1954. That seems to be an effective answer to those who were worried then that Springfield might lose employment because of the Mississippi plant." His optimism was predicated on two things: research and development gains made in designing a fuel injection system for passenger cars; and ongoing efforts to turn the experimental machine shop and tool design departments into a machine design and building unit for the entire corporation.<sup>40</sup>

In July, Detroit car makers Ford, Lincoln and Packard indicated that systems developed in Springfield would be available options in their higher priced Fall, 1956 models. Mercedes Benz was now equipping some of its cars with systems built in Springfield. Bosch managers believed that fuel injection work could carry the Springfield plant to a new industrial peak. Carried away with enthusiasm Perelle and others turned a blind eye to the problems car makers confronted persuading customers to invest in

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<sup>39</sup> *Progress*, December, 1956, p. 1.

<sup>40</sup> *Progress*, December, 1956; *SMU*, March 4, April 9, 1957.



fuel injection. Difficulties in obtaining work from Detroit auto makers in the recent past should have tempered the initial enthusiasm in Springfield.<sup>41</sup>

Chevrolet had installed fuel injection systems in several of its models, but well publicized mechanical failures soured car buyers on the option. Seeing this, Ford reduced its program to introduce fuel injection. Mississippi expansion hopes were attached to another technology breakthrough developed over a four year period, push button transmissions. It was anticipated that 500-600 units a day would be shipped to Ford by September, 1957 for installation in its new Edsel models. But, in a serious blow to Perelle's growth projections, neither automotive development resulted in production contracts and the research expenditures and time spent in prototype production were never recovered.<sup>42</sup>

The second more modest gain was an effort to turn the Springfield plant's highly skilled tool room and experimental machine shop into a machine tool building unit for the corporation's own internal needs and then to the wider manufacturing world. A machine was designed and built for the Columbus, Mississippi plant to automatically locate and cut slots in small parts assembled in electric motors. By early 1959 the tool room was building an average of one machine a month. External customers never availed themselves of the highly skilled group, however. While the work kept many of the plant's highly skilled machinists and engineers busy it never generated volume sufficient enough to assist the company in its plans to double Springfield production by 1961.<sup>43</sup>

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<sup>41</sup> In 1948 workers were notified that a large Ford contract was ending sooner than anticipated and this would cause sharp production declines and worker reductions (February, 1948, p. 2).

<sup>42</sup> *SMU*, July 9, September 24, 1956; April 9, May 21, August 28, 1957.

<sup>43</sup> *Progress*, January, 1957; January, December, 1959.

## Ventures Outside Springfield

Meanwhile the company, keeping its options open in the event that new automotive parts and machine tool production activities failed to generate orders, entered several joint production ventures. In July, 1956 Bosch licensed Thompson Product, Inc. of Cleveland, Ohio to manufacture fuel injection systems developed by Springfield engineers. The Cleveland firm had complete manufacturing privileges, and competed head-to-head with the Bosch. Perelle had put the corporation, not the Springfield workforce, in a win-win situation. Whenever Thompson won a bid Bosch collected royalties on the sale. Perelle effectively established a competitor in the field that could be held up to Local 206 during contract negotiations as a more efficient, lower cost producer of the same products.<sup>44</sup>

Sales were lower than anticipated by the middle of 1957 as the failure of automotive fuel injection and push button transmissions hurt Springfield growth. In addition, defense work at the ARMA Long Island plant decreased. Springfield faced deep layoffs as fuel injection products faltered. In August the union extended its expired contract so that a wage agreement could be worked out and a walkout avoided. The 1955 'no contract-no work' philosophy gave way in the harsher economic climate and after two extensions a settlement was reached for a total package worth 11.8 cents an hour with a wage reopener scheduled for August, 1958. Union leaders were not happy with the wage settlement, but saw little

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<sup>44</sup> SMU, September 24, 1956; April 9, 1957.

alternative in the face of continued slumping sales. They could only hope conditions improved by the time 1958 wage reopener talks commenced.<sup>45</sup>

Perelle continued to pursue a merger and acquisition strategy by purchasing Philadelphia, Pennsylvania-based Tele-Dynamics in 1960. The company was a leader in the field of research and development of airborne transmitting and ground receiving equipment. Tele-Dynamics was developing electronic systems to monitor the performance of missiles in flight. Tele-Dynamics was to be operated as a separate division of ABA.<sup>46</sup>

In 1960 ABA established a joint venture with DeHavilland Holdings, Ltd. of England to acquire S.G. Brown, Ltd., also of England. DeHavilland was part of the Hawker Sidney Group, a major British industrial organization that owned several companies in aircraft, missiles, transportation and diesel engines. S.G. Brown, deeply rooted in the British defense industry, was a major producer of precision navigation and gyroscopic equipment. A production licensing agreement was also made with RCA Victor Argentina to manufacture Bosch wiper motors and assemblies with production anticipated to begin in January, 1961.<sup>47</sup>

### The Union Responds

The *Bulletin* hammered away at management throughout this period. In the August 1957 issue the cost improvement program was castigated as nothing more than a ploy to get workers to participate in their own speed-up and job elimination. The shop floor reorganization was also seen as a cleverly disguised effort to eliminate jobs, and was dubbed

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<sup>45</sup> SMU, August 31, 1957;

<sup>46</sup> SMU, February 3, 1960.

<sup>47</sup> SMU, June 11, 1960; *Progress*, August, 1960.



the "consolidate effort - eliminate personnel" campaign. A lead editorial titled "Reap the Harvest" blasted Perelle and his management team.

We all have a certain amount of pride, hidden or out in the open as to our accomplishments, our work, etc. Today, thanks to Operation Speedup, gone is the pride we had. Through no fault of the workers who can still produce quality unparalleled, the system installed allows for too much leeway, too many reworked parts and a bungling of operations out of sequence... .

In the union's view the plan resulted in excessive scrap, rework, and field rejects. The *Bulletin* ran a front page cartoon depicting the Bosch with a railroad car streaming toward it carrying a cargo of rejects, while a truck sped away from the loading dock filled up with junked parts. Workers worried about this because they well understood the key for them, the "acid test, the Public's reaction, acceptance or rejection, through familiarity of our products" is what keeps the plant going.<sup>48</sup>

In October they expressed concern that high inventories coupled with moves to automate production, could lead to more permanent job loss. Automation was causing upheaval, and labor was relegated to being a spectator at best. "The manufacturer and investor is forced into automation to survive through competition and the race for quality and price for his goods. We can see his problem, is he blind to ours?" The union urged the establishment of a joint committee to study automation, work flow in the plant, and ways to improve quality.<sup>49</sup>

To back up the call for the establishment of this committee, the union proposed a program to reduce scrap. The local argued that it made

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<sup>48</sup> LB, August, 1957.

<sup>49</sup> LB, October, 1957.

no sense for the company to boost output per worker if the increase resulted in scrap that canceled any realized productivity gains. They called for more floor inspectors to assist workers at their machines, as well as time study adjustments to put more inspection time in the rates on jobs. The *Bulletin* placed responsibility on machine operators as well. "We, the workers, must try to stem this flow of bad work even though in our hearts we know the largest share of the blame rests elsewhere. Even though conditions are far from ideal, be more alert, take a little more time even if it means a reprimand from your foreman and do a good job."<sup>50</sup>

Workers wanted the opportunity to make a difference on the shop floor. The plant had large numbers of high seniority workers. The drill press department, for example, averaged twenty-five years in the plant. Workers knew their jobs, had been lauded many times for the close tolerances they handled, and wanted to share that knowledge in an effort to right the employment picture. A brief review of the careers of three employees reveals the high level of service and the depth of skill in the Bosch plant.<sup>51</sup>

James O'Neill was retiring in 1959 after 40 years. Born in Holyoke, his first job was in that city's Farr Alpacca textile mills. He eventually got hired at Bosch as a drill press operator, worked in the radio department during World War II, and for the past 23 years worked as set up man and group leader in one of the grinding departments. Hans Krueger, with 35 years service, was born in Germany and started at Bosch in 1923. Albert Bailey, jr. also had 35 years service. Born in Birmingham, England, Bailey

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<sup>50</sup> *LB*, October, 1957.

<sup>51</sup> *Progress*, January 11, 1957. One hundred and forty union members attended the classes out of a bargaining unit of approximately 1,500 with close to two hundred turned away because of a lack of space. This meant that almost 20 percent of union members expressed an interest in the training program (*Progress*, December 26, 1958).

attended trade school and took engineering courses at night. He spent over 25 years as a toolmaker in the Development Department. There was no substitute for the familiarity such workers had with the products and various manufacturing processes required to make them right the first time.<sup>52</sup>

Eschewing a confrontational style since its founding in 1937, the union believed its members' skills and knowledge were essential if the firm was to succeed. Workers were attempting to bolster plant efficiencies in the belief that anything less ran counter to their own economic well-being. But just as with their 1954-1955 call for the restoration of the labor-management committee, the union's call was ignored and in a direct affront Perelle set up a technical advisory committee consisting only of engineers and scientists to study corporate reorganization and research programs.

### Defense Work Offers Hope Again

By mid-January 1958 layoffs reached 700 as orders for tractor pumps declined. In February Perelle announced that the production of magnetos and generators was going to be moved to Mississippi as quickly as possible. Vice-President of Manufacturing Sidney Miller said that the move was in keeping with the corporation's view that Springfield was a precision manufacturing center. A glimmer of hope came when the Springfield plant received a small order to build test equipment for a government B-

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<sup>52</sup> "Five Men Reach Total Service of 180 Years," *Progress*, January, 1959, p.1.



52 bomber program. However, first half earnings for the year were off more than 50 percent from 1957.

By the summer of 1958 Springfield managers determined that defense work held the best hopes for the plant. In November a 60-member military engineering group was established. "It is our intention to originate new products, to accept specifications, do the research and development and proceed through construction. This is something that will take time to do," Vice-President Miller told local newspapers. The engineering program focused on design simplification, miniaturization and simplified service. One result was the introduction of a new, more efficient fuel injection pump with 100 fewer machined parts, making assembly easier, and the pump less expensive than competing models.<sup>53</sup>

### Conclusion: So Much Change, So Little Gain

To hold down production costs, improve quality and increase the firm's ability to move into new markets Perelle ordered significant changes on the factory floor beginning in late 1957. He was soon hailed for this effort as the man responsible for taking a "nondescript merger of two older firms and whipping them into one of the country's leading defense contractors." Success was possible because Perelle had carefully blended defense and commercial work. The commercial work was produced in Springfield and accounted for about a third of AB-ARMA's sales and half of its profit after taxes.

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<sup>53</sup> SMU, January 13,14, February 12, 26, 1958; *Progress*, June 27, 1958; *SDN*, November 10, 1958; *Progress*, November 21, 1958; SMU, January 30, 1959.

*Fortune* contended that Perelle's concern for Bosch "is logical in his total strategy because Bosch is normally a solid money-maker and a balance wheel for more speculative military ventures." The article stated that in 1957 Bosch earned \$2.4 million on sales of \$35.5 million, or about 7 percent; ARMA earned \$2.6 million on total sales of \$98.8 million, or about 2.6 percent. For 1958 sales at Bosch declined due to a recession in truck, farming and automotive markets to \$28 million while ARMA overall sales climbed to \$83 million. Bosch earned 5 percent on its sales, ARMA just 2.3 percent. Based on all of these figures *Fortune* concluded that the Bosch plant was Perelle's "highly convenient ace in the hole."<sup>54</sup>

Some production lines were redesigned, relocated, and simplified and a new quality control program was established in each production department. Figures were reported on a monthly basis showing the cost of scrap and rework as a percentage of direct labor costs. Visual displays documented scrap parts and indicated why they were defective.<sup>55</sup>

In addition, a state-of-the-art material and inventory management system was installed. The system eliminated hundreds of paperwork transactions. Now a component could be scheduled in the computer system with required stock allocated for production in as little as three minutes. Once the production order reached the floor a computer card traveled with the work and each time a machining operation was completed a worker entered the information at a computer terminal located in each department. "We felt it necessary to have a data processing system sensitive enough and fast enough to react to our modern factory and distributing facility," said Perelle. "A bottleneck in the processing of

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<sup>54</sup> "Charles Perelle's Spacemanship," *Fortune*, Vol. 59 (January, 1959) p. 113, 115, 122.

<sup>55</sup> *Progress*, April 4, 1958.

our paperwork could not be tolerated" Orders were now directly tied to production schedules. This helped eliminate excessive set ups and machine down time. The jobs of those workers responsible for moving, recording and keeping track of work were eliminated.<sup>56</sup>

Yet the old patterns of fluctuating sales and profits continued. Sales went up from 1955 - 1957, dropped for three years, jumped in 1961 to \$133.6 million and fell through the mid 1960s to \$70.6 million in 1964. Profits followed a similar trajectory, reaching a high of \$5.1 million in 1957, falling thereafter to a low of \$1.5 million in 1964. Over this period ABA had five major customers: Alco Products, Allis Chalmers, Caterpillar Products, Ford Motor Company, and Mack Truck. These five accounted for 60 percent of all the products the corporation sold, and 83 percent of these products were manufactured in Springfield. All five were in industries influenced by the ups and downs in the national economy during the 1950s: agriculture, defense, transportation, and construction.<sup>57</sup>

As a result employment never stabilized in Springfield. For example in April, 1958 management announced a program to "attain employment stability in Springfield". By December, 1958, plans were made to add a 100 worker third shift and go to full Saturday production to keep up with orders for fuel injection systems. It was predicted that employment levels would go to 2,300 from 1,800 by April, 1959, but early in 1960 the entire plant was on a four-day week and by March, 1961 employment dropped below 1,500.

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<sup>56</sup> *Progress*, May 24, 1960.

<sup>57</sup> Sales and profit figures are found in issues of *Progress* covering the years under review. For all of BoschArma 75 percent of 1957 sales were in the highly volatile defense sector according to a financial forecast prepared on the corporation by Paine, Webber (*SMU*, September 20, 1958) p. 4.



In 1960 the Springfield Bosch plant was part of a world-wide corporation. The corporation attempted to make the Springfield facility as efficient as possible, but was unwilling to put any of the new military electronics work in the plant. Nor was it willing to keep any large volume work in the city that could be done cheaper in Mississippi. The British acquisitions provided ABA with manufacturing facilities in Europe, home to its chief competitors in the field of diesel fuel injection, Robert Bosch Corporation in Germany and Lucas, LTD., in England. The Springfield plant's future was tied to holding onto the diesel and fuel injection equipment business while attempting to capture additional market share as new products were developed in its research facility. Perelle was never able to figure out how to schedule production to eliminate wild production swings. As a consequence, the corporation could never take full advantage of the investments it made. For after all, fast machines with no work were just pieces of metal.<sup>58</sup>

In a letter sent to every worker's home in mid-1959 management warned that "American Bosch's foreign competitors enjoy a greater and too frequently a decisive cost advantage over us.... A major cost factor is of course labor costs." The letter informed employees that plant sales of fuel injection parts were only a third of what they were five years ago in spite of increased world-wide demand for diesel products. "For every dollar earned by an AB employee an employee of a foreign competitor is paid an average of only 25 cents." The letter went on, "This means that where our average hourly rate is \$2.66 the comparable hourly rate in West Germany is 66 cents, in Japan 27 cents and only 80 cents in the United

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<sup>58</sup> Worker levels were taken from membership dues lists found in Local 206 Records, UMass Amherst Labor Archives.

Kingdom." The letter arrived at workers' homes just before 1959 contract talks were scheduled to begin. Earlier in the decade high volume runs of parts mainly for the domestic automobile industry were shipped to Mississippi because it was no longer cost effective to produce them in Springfield. Workers were now being warned that it was not cost effective to manufacture the more highly specialized fuel injection nozzles, holder bodies and pumps.<sup>59</sup>

In early 1960 Perelle had a management team consider whether it would make sense to purchase all needed components from German, Japanese and English suppliers and simply assemble the pumps in Springfield with a drastically reduced workforce. Perelle believed that the fuel injection market was at stake when he ordered the feasibility study. By June, 1960 Springfield had lost 70 percent of its fuel injection work to German competitors, including Robert Bosch, and the plant went on a four day week to avoid massive layoffs. At the end of the year Perelle decided to maintain production in Springfield, but animosities caused by management's one-sided approach to solving shop floor problems called the plant's future into question.<sup>60</sup>

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<sup>59</sup> Letter reprinted in *SMU*, June 9, 1959.

<sup>60</sup> *SMU*, June 3, 1960.

## CHAPTER 5

### LOCAL 206: 1936 - 1945

#### Introduction

In 1934 almost all large metalworking firms in the region, including Moore Drop Forge, Indian Motorcycle, Smith and Wesson and American Bosch were non-union. When efforts were made in 1933 to organize the Chapman Valve Company the Central Labor Union, an American Federation of Labor affiliate, cautioned workers "that the word strike be removed from their thoughts at the present time... . The intelligence of the workers and employers in this territory was adequate to cope with labor difficulties."<sup>1</sup>

These sentiments were fueled, in part, by the fact that Springfield-area wages were higher than many parts of the state. This was do in large measure to the concentration of machine shops, foundries, machine tool builders, and metalworking manufacturing establishments in the region. Massachusetts Department of Labor and Industries wage surveys showed that Springfield average wages were generally in the top five in the state throughout the 1920s and early 1930s. For example, between 1925 and 1927 Springfield's average weekly pay for manufacturing workers was \$25.42 while Holyoke's and Lowell's were \$21.79 and \$19.13, respectively. Worcester, another metalworking center, was the highest at \$26.38. Bosch

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<sup>1</sup> The statement was made to Chapman Valve workers by Kenneth Taylor, president of the Springfield Typographical Union. Taylor also urged workers to form two separate unions, one for skilled pattern and moldmakers and the other for machine operators and foundry hands (SDN, August 23, 1933).



and other skilled metalworkers in the area initially believed they could do well without a union.<sup>2</sup>

However, several Springfield metalworking firms were organized by UE between 1936 and 1941 as organizers used this base to launch organizing efforts up and down the Connecticut River Valley from Bridgeport, Connecticut to Springfield, Vermont. By 1939 UE represented workers in manufacturing plants responsible for the output of 80 percent of U.S. electrical goods, from the smallest appliances like toasters and fans to the largest electrical generators built in the world.<sup>3</sup>

For the first twenty-two years of the American Bosch plant's history there was no labor organization. A worker's life on the job was left to the complete discretion of management. Foremen determined who worked and who did not, who received well paying jobs and who did not. Historian Maynard Seider cites a Sprague Electric worker from a North Adams, Massachusetts plant who commented, "I had to walk two miles to work and I couldn't punch in until the work came down my line. Sometimes I wouldn't even work at all and they'd send me back home. Then, I would no more than get back home and they would send for me again." This kind of treatment fostered organization.<sup>4</sup>

In 1933, as union organizing activity heightened plant superintendent Donald Murray established a company union in an effort

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<sup>2</sup> Massachusetts Department of Labor and Industries (MDLI), *Annual Report for 1938*, p. 49.

<sup>3</sup> *UE News*, (UEN) January 7, 1939, p. 4 - 5. For example, in 1939 the union represented workers at the following: Emerson Electric, General Electric, Westinghouse, Delco-Frigidaire, Edison Storage Battery, Phelps Dodge, Allis Chalmers, Singer Sewing Machine and Pratt and Whitney. Gross sales of the top 26 corporations UE had at least one local in were almost one billion dollars.

<sup>4</sup> Maynard Seider, "The CIO in Rural Massachusetts: Sprague Electric and North Adams, 1937 - 1944," *Historical Journal of Massachusetts*, 22 (Winter, 1944) p. 55.

to give workers a voice while blunting independent organization of the plant. Bosch management refused to accede to initial worker requests from the company union. The welfare capitalism subscribed to by corporations like Ford Motor Company was never contemplated and the company union gained no improvements whatsoever in working conditions. High seniority workers bristled under an employment system that allowed foremen to pick who would work. Production cycles in the plant were not well regulated, and as a consequence large numbers of workers never knew from one day to the next whether they would have a job. Aside from a core of highly skilled tool and die makers and machine set up specialists, men and women lined up outside the plant as early as 5:00 AM each day in hopes of securing a pay check. Regular raises, holiday and vacation pay did not exist. These were the conditions Matthew Campbell, president of United Electrical Workers Local 202 in the huge, near-by East Springfield Westinghouse plant, three other Local 202 officers, and a UE national organizer found during the summer and fall of 1936 when they conducted secret meetings in private homes to convince Bosch workers to unionize.<sup>5</sup>

Organizers were fired, supporters were laid off days before management conducted a 'recognition survey', and the company attempted to hold elections for officers of the company-sponsored union even after close to 70 percent of the plant's 1,200 workers had signed union cards. With each new challenge and company provocation union leaders and Campbell's organizing team responded in moderation as they

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<sup>5</sup> For a discussion of Ford see Stephen Meyer's *The Five Dollar Day: Labor Management and Social Control in the Ford Motor Company, 1908 - 1921* (New York, 1981); Daniel Raff, "Ford Welfare Capitalism in its Economic Context," in Jacoby, *Masters to Managers* (New York, 1991).

sought wide support on the shop floor before confronting Bosch management. But the rapid pace of union organizing resulting from the National Recovery Act and the Wagner Act swept over the Bosch company union and led to the establishment of United Electrical, Radio and Machine Workers (UE) Bosch Local 206 in 1936.

Matthew Campbell and Union Organizing  
in Western Massachusetts

When Matthew Campbell began efforts to organize an industrial union at the Bosch he had few allies in the city. A highly skilled toolmaker, Campbell worked for fifteen years at Westinghouse before he became active in union organizing efforts and labor politics. He eventually led successful organizing drives at many Western Massachusetts companies including Milton Bradley, Van Norman Machine, Package Machinery, and Worthington Pump.

Campbell was born in Scotland in July, 1890 and lived in Springfield for 25 years. A disabled World War 1 veteran, he belonged to American Legion Post 21, the largest post in Western Massachusetts. Married with three children, Campbell owned his own home. The 1934 Springfield city directory lists his neighbors as a tester for the telephone company, an electrician for the city, a post office worker, and a clerk at Westinghouse. He was a part of the city's skilled working class, that could afford a single family home during the 1920s, and confident that metalworking plants



would continue to provide employment for the machinists and tool and die makers residing in and around Springfield.<sup>6</sup>

Campbell played a leading role in the 1933 Westinghouse work stoppages that led to the creation of Local 202 and was elected president of the local in 1934, a position he would maintain until his sudden death in 1941. In 1935 he was elected regional vice-president of the United Electrical Workers and eventually led the local out of the American Federation of Labor-affiliated Springfield Central Labor Union and into the Congress of Industrial Organizations where he became a state vice-president. At the time of his death he had just led a successful organizing campaign at Colt Firearms in Hartford, Connecticut. Colt had resisted union drives for over 100 years, but agreed to recognize the U.E. after Campbell engineered a two-day walkout of 5,000 workers to protest speed-up and low pay rates. Campbell was also engaged in negotiations with Westinghouse as chair of the national Westinghouse Conference Board.<sup>7</sup>

### The United Labor Party

In addition to union organizing, Campbell was instrumental in developing a labor electoral strategy in Springfield, and in 1935 became the United Labor Party's (ULP) first candidate for mayor. The party served as a rallying point for many newly formed industrial unions. According to a party spokesman, "The organization of this labor party is a logical step

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<sup>6</sup> *Springfield City Directory*, 1934. Copies of directories are found in the Pioneer Valley Historical Museum, Springfield, Ma. Directories were useful in determining the occupations of union organizers and early in-plant activists.

<sup>7</sup> *SDN*, June 2, 1941, p. 8. *UEN*, May 19, 1941, p. 1; June 7, 1941, p.1.

accompanying the development of labor unions whose voting strength is now so great it demands true representation."

At the first ULP meeting an organizing committee was established to seek support from club, civic organization, and other unions. Committee members worked for large manufacturers in the city, including Westinghouse, Chapman Valve, Spaulding, and Bosch. Party organization created an opportunity for workers to discuss conditions in their plants, and it afforded Campbell a way to showcase his organizing skills and meet workers from a number of plants across the city. From the outset the city's A. F. L. - affiliated Central Labor Union, led by John Gatlee, publicly opposed the United Labor Party's efforts and endorsed the Democratic Party's candidate for mayor.<sup>8</sup>

At the end of September the ULP platform was adopted. Campbell declared that the party was born out of the dissatisfaction and frustration workers had with the two parties and their failure to "assist workers in securing just wages and decent living conditions." The ULP called for the public ownership of all city utilities, the reorganization of all city offices to avoid worker duplication, cash relief or work at prevailing union wages for the unemployed, and support for state and national legislation that would reduce the work week and secure old age pensions. Finally, the party sought to shift the city tax burden away from small-home owners through more equitable taxation of the city's large industries. In its first public meeting to announce the platform party leaders directed their appeal to a broad coalition of "small-home owners, office employees, professional men and women and the unemployed as well as factory workers." The platform pledged the ULP "shall always give preference to

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<sup>8</sup> *Springfield Union*, Sept. 5, p. 1; Sept. 10, p. 6; Sept. 11, p.6, 1935.

local products in its purchases, provided prices and labor conditions are up to our local standards."<sup>9</sup>

Campbell and his party allies sensed the weak political position of industrial workers in the city. Their platform was designed to create a broad-based coalition to insure that workers' concerns would be heard during the 1935 election. Indicative of this strategy is the fact that Campbell's nomination papers contained the names of both Westinghouse supervisors and foremen. Occupations of ULP candidates also reveal the type of coalition being cobbled together as well as the important role that skilled workers played in Springfield. Included were a plater and assembler from Chapman Valve, a toolmaker from Fiberloid Corporation, a machinist from Spaulding, and a machinist, mechanic, tool grinder, final inspector, pattern maker, and a production supervisor from Westinghouse. Throughout the 1935 campaign Campbell maintained his solid support among workers in the Westinghouse plant and was returned to the local's presidency unopposed at a September 30 membership meeting while every other office in the local was contested.<sup>10</sup>

While making their appeal to office workers, small business owners, and home owners, the ULP also declared it wanted nothing to do with the Communist Party by voting not to endorse any Party members or supporters. Karl Gustafson, a machinist at the Fisk Rubber Company and aldermanic candidate, withdrew from the ULP at the meeting where this decision was made. Campbell publicly declared that he was not a Communist and led the discussion to keep Party members off the ULP

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<sup>9</sup> *SU*, Sept. 24, 1935, p. 6.

<sup>10</sup> *SU*, Sept. 24, 1935, p. 6. The Sept. 13 *Springfield Union* reported the signatures and addresses of residents who signed Campbell's nomination papers. Using the 1934 city directory it was possible to determine place of employment and occupation for ULP candidates and many who signed nomination papers.



ticket. At the same meeting it was agreed that the ULP would not support any candidates nominated by the Republican or Democratic parties, either. In spite of this decision, the CLU refused to endorse ULP candidates. In a public statement Gatelee indicated that the CLU would not "be swayed or swerved into any political action by a mixed group of members and non-members, affiliated and non-affiliated unions, and by some individuals not members of any union."<sup>11</sup>

Undeterred, the ULP appealed to Springfield workers. "We believe that the rank and file, now that they have the opportunity will vote the way they strike, shoulder to shoulder, united in a tremendous vote for themselves at last." The president of the Painters Union, a CLU affiliate, supported Campbell and the ULP, arguing that the current thinking that labor should 'defeat our enemies by electing our friends' needed to be updated to 'defeat our enemies - elect our own.' The ULP appeal fell on deaf ears however, and two weeks before the election the CLU endorsed the Democratic candidate for mayor.<sup>12</sup>

In one final blast Gatelee labeled Campbell "self-anointed, self-appointed, and self-seeking." He warned that Campbell's efforts would "lead the people of Springfield to judge the strength of labor by the sorry results you are about to achieve". Local 202 members, outraged at Gatelee's highly personal attack on their president, marched on the Sunday afternoon November 3rd meeting of the CLU. According to newspaper accounts there were several near-fights when Gatelee and David Goggin, president of the plumbers union, threatened to fight any Local 202 member present.<sup>13</sup>

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<sup>11</sup> *SU*, October 1, p.4; October 7, 1935, p. 3.

<sup>12</sup> *SU*, October 8, p. 4; October 24, 1935, p. 1.

<sup>13</sup> *SU*, November 1, p. 14; *SU*, November 4, 1935, p. 1.

On Election night Gatelee's prediction that Campbell's showing would embarrass labor and show it in a weak light proved accurate as Republicans swept every office in the city by wide margins. Campbell came in a distant third in the mayoral race, receiving just 2,152 votes while the Republican winner garnered 22,762, and his Democratic challenger 17,565. But the loss did not distract Campbell from his organizing campaign, nor did it turn him from politics. Two years later he played a pivotal roll in the successful mayoral campaign of Democrat William Putnam, one of Springfield's leading industrialists. Putnam had embraced the UE as a needed voice for labor when Campbell mounted an organizing campaign at Putnam's Package Machinery Corporation in the spring and summer of 1936.<sup>14</sup>

According to historian Ronald Filippelli, Campbell was close to James Carey, Harry Block and others who eventually turned against the union's national leadership in the late 1940s, for among other things, being pro-communist. Filippelli partly bases this claim on a vote at the 1936 UE founding convention that Campbell cast with Block and Carey against a resolution in support of a labor party in the United States. The convention passed the pro-labor party resolution 35 - 10. Since Campbell had unsuccessfully run for mayor of Springfield just a year earlier, motivations are probably more complex than this one vote can determine.<sup>15</sup>

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<sup>14</sup> *SU*, November 6, 1935, p. 1.

<sup>15</sup> Ronald Filippelli, "UE: The Formative Years, 1933 - 1937," *Labor History*, Vol. 17 (1976) p. 366.

## The Bosch Gets Organized

By 1936 Westinghouse Local 202 was an integral part of a burgeoning plant by plant movement directed by UE to organize the Westinghouse and General Electric corporations. Each company discouraged union organization through the selective use of paternalistic labor relations and periodic purges of union activists from their plants. However, by 1936 local unions had been formed through grassroots initiatives at GE electrical transformer plants in Schenectady, New York, Lynn and Pittsfield, Massachusetts, and at Westinghouse radio and appliance plants in Springfield, Massachusetts and Buffalo, New York.

In early 1936 UE claimed to represent approximately 15,000 of the 300,000 workers in the electrical, radio and home appliance industry in the country. By 1939 the union would represent workers in plants producing 80 percent of U.S. electrical goods, from giant industrial generators to the smallest home appliances, in Emerson Electric, Delco-Frigidaire, Edison Battery, Essex Wire, Pratt and Whitney Machine Tool and Singer Sewing Machine plants concentrated mostly in New York, Pennsylvania, Ohio and Massachusetts.

Historian Ronald Schatz determined that the electrical industry concentrated most of its manufacturing facilities in U.S. cities of between 30,000 and 175,000 people, avoiding large metropolitan areas. In 1930 twelve communities stood out as centers of the industry including: Schenectady, New York, Erie, Pennsylvania, and Lynn and Pittsfield, Massachusetts, where General Electric located plants; Wilmerding, Turtle Creek and East Pittsburgh, Pennsylvania, for Westinghouse; Bridgeport, Connecticut which had large General Electric, Westinghouse and Singer



Sewing Machine plants, along with typewriter makers and machine tool builders; and the Springfield-Holyoke, Massachusetts area with the General Electric, Westinghouse, and Bosch plants, and several machine tool builders, and precision metalworking companies. The industry was also characterized by the rapid growth of production workers, climbing to 343,000 in 1929 from 92,000 in 1909. The number would drop to 164,000 in 1933 but rebound to 306,000 in 1937, an 86 percent gain. This growth soon caused a skilled labor shortage in Springfield, something union organizers used to their advantage.<sup>16</sup> Bosch workers were joining a national movement to organize labor into industrial unions and were about to challenge Rolls Royce's 1919 observation that Springfield was "the city freest from labor troubles in the United States".<sup>17</sup>

In April, 1936 Campbell was informed by UE President James Carey that efforts would begin in earnest to organize the Bosch plant. A first step was to be regular distribution of UE's newspaper, the *People's Press*, at plant gates. During organizing meetings and in articles in the union paper Bosch workers learned their Westinghouse counterparts received pay increases each month between May and October, 1936. Local 202's contract called for pay adjustments based on company profits: Workers were to receive a one percent increase for every \$60,000 a month the company

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<sup>16</sup> Ronald Schatz, *American Electrical Workers: Work, Struggles, Aspirations 1930 - 1950*, (diss., 1977). Figures in Backman, *The Economics of the Electrical Manufacturing Industry* (New York, 1962) p. 328.

<sup>17</sup> *Local 206 Bulletin (LB)* September, 1963. This special Local 206 25th anniversary issue of the paper contains a richly detailed history of the Local and is relied on heavily for a history of the early years of the local. Local 206 records for the period 1936 -1948 were lost so this anniversary issue is invaluable for the information it provides. Schatz, *The Electrical Workers* (Illinois, 1983) p. 62-64. *UEN*, January 7, 1939, p. 4. The quote is contained in a Rolls Royce plant location study that resulted in a car assembly facility being constructed in Springfield in the early 1920s, appears in Stone, p. 550.

made over a base figure of \$600,000. With the economy beginning to improve, workers saw wage gains of between nine and thirteen percent each month between May and October, 1936.<sup>18</sup>

These pay gains opened the eyes of area workers, most of whom had received no raises for several years. Average annual earnings for manufacturing workers across the state dropped sharply between 1929 and 1933, plummeting 45 percent between September 1929 and September 1930. Though skilled metalworkers tended to have higher wages, they too saw income drop during this period. By 1939 average manufacturing compensation in Massachusetts still failed to exceed 1929 levels (Table 5.1 - Massachusetts Earnings).

Table 5.1: Massachusetts average annual earnings 1927 - 1939.

1927	\$1,221
1929	\$1,246
1931	\$1,091
1932	\$953
1933	\$889
1934	\$963
1935	\$1,006
1936	\$1,068
1937	\$1,121
1938	\$1052
1939	\$1,124

A study commissioned by the state legislature demonstrated that even with Springfield's comparatively high average earnings, income in 1927 fell below what was needed to maintain a family of four. The

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<sup>18</sup> SR, Oct. 14, 1936, p.12. Carey to Campbell, April 24, 1936, UE District 2 Archives.

or \$1,568: Male average annual earnings were \$1,410. Even with their slightly higher earnings, Bosch workers were feeling the pinch as they contemplated signing union cards.<sup>19</sup>

### Winning Acceptance

Eventually 52 percent of Bosch workers signed membership cards and the union went public October 12, 1936 with the announcement that elections for officers would be held Friday, October 16. The union charter was to be issued that day as well from the UE national office in New York City. But before the charter could be hung on the office wall the local was embroiled in its first confrontation. On Thursday, October 15 management terminated three workers, two of whom were running for union office - Leo Goulet, a toolroom group leader with fourteen years' seniority, and Viola Theriaque, an assembler. Goulet was fired for allegedly allowing workers to smoke on the job, while Theriaque was let go for a 'lack of work'. In spite, or possibly because of the terminations, Goulet was elected vice-president and Theriaque, recording secretary. The day-old union now had two officers out on the street.

Campbell demanded reinstatement of the workers and threatened to file labor board charges. The following Tuesday the local papers reported that the union was still seeking a meeting with management to protest the termination and demanded resolution before Friday, October

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<sup>19</sup> MDLI, *Annual Reports for 1938*, p. 40 and *1939*, p. 43; Special Commission on Stability of Employment, *Final Report* (Boston, 1933) p. 61, 105, 125. By sector, the highest average wages in 1929 were: Printing and Publishing, \$1,850; Foundry and machine shop products, \$1,552; Machine tools and metalworking machinery, \$1,510; and Electrical machinery, \$1,422. The lowest were: Cotton mills, \$927; Paper mills, \$1,014; Knit goods, \$1,015; and Woolen mills, \$1,145. The Commission was chaired by Stanley King, president of Amherst College.



23rd. The deadline came and went with union leaders expressing confidence that the issue would be "resolved amicably," in the words of newly elected Local 206 president, Robert Shields. Julius Emspak, UE Secretary-Treasurer, supported Campbell's approach to resolving the terminations and gaining union recognition. In an early November letter he noted: "Since you have a majority of workers enrolled in the union, you will have no difficulty whatever in getting the Labor Board to act in this matter."<sup>20</sup>

Company effort to intimidate the local were not unique. Robert Zieger recounts a similar episode in a Madison, Wisconsin battery factory during the Spring of 1936 when two union officers were dismissed. However, unlike Local 206, the members of Federal Union 19587 authorized a work stoppage against the company unless their leaders were reinstated. Two and a half weeks after the strike vote Local 19587's leaders returned.

Peter Friedlander discusses the intimidation management employed to keep the United Auto Workers out of the Detroit Parts Company. In one such incident, after a secret organizing meeting, the plant manager walked out onto the shop floor and pointed out each worker who had attended the house meeting, to let union supporters know they were being closely watched. The creative lengths workers would go to protect themselves against retaliation for union activity is revealed in an article by historian Maynard Seder. In rural North Adams,

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<sup>20</sup> SR, October 12, 1936, p. 7; SR, October 17, 1936, p. 1. SDN, October 24, 1936, p. 4. Emspak to Campbell, November 10, 1936, UE District 2 Archives.

Massachusetts, "the workers fashioned their petition (for a pay increase) into a circle, leaving no single name at the top."<sup>21</sup>

Plant workers were cognizant of the organizing going on around them. Strikes and sit-ins, mostly for union recognition, were on the upswing in the state and across the country. The local press was reporting on a strike of 4,000 workers at several textile mills in Fall River, Massachusetts. There was also auspicious economic news. Local metalworking establishments were working double shifts and employment had jumped to just over 20,000 in September from 16,000 in January, 1936. Skilled workers, tool and die makers, mold makers, all-around machinists, were now in a far more advantageous bargaining position than they had been two years earlier.<sup>22</sup>

Machine tool manufacturers had dramatically expanded sales, due in large measure to innovations in the structure and design of the equipment being produced. New materials, especially steel alloys, and new cutting tool designs "make it possible to produce machines doing accurate work at much higher speeds on a greater variety of materials." These machine tools were stronger, made of lighter yet sturdier materials and used less energy. In Springfield Van Norman's milling and ball bearing grinding machines were in heavy demand by car makers, and Pratt and Whitney Machine Tool could not produce its lathes, shapers and vertical grinders fast enough to keep up with domestic and foreign demand.<sup>23</sup>

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<sup>21</sup> Robert Zieger, *Madison's Battery Workers* (Ithaca, 1977) p. 25 - 28; Peter Friedlander, *The Emergence of a UAW Local* (Pittsburgh, 1975) p. 12. Maynard Seider, "The CIO in Rural Massachusetts: Sprague Electric and North Adams, 1937 - 1944," *Historical Journal of Massachusetts*, 22 (Winter, 1944) p. 54.

<sup>22</sup> SR, October 6, 1936, p. 1;

<sup>23</sup> SR, October 11, p. 18; October 14, 1936, p. 5.

With the surge in industrial production came a skilled labor shortage, leading Springfield employers to establish training programs to get workers off welfare rolls and into their plants. Company presidents at Westinghouse and Van Norman were instrumental in getting the collaborative program established with the Springfield vocational high school. Training consisted of classroom instruction in shop mathematics, blue print reading and hands-on operation of drill presses, engine lathes, grinders, and milling machines. According to one of the sponsoring firms "Skilled mechanics who understand their machines have this year been at a premium. Specialization over a period of many years has led to a large group of just machine operators. They could pull a lever but that was about it." Owners were alarmed by the fact that an estimated three hundred skilled machinists traveled to greater-Hartford, Connecticut each day to work. Sixty out of sixty-five graduates of the first program found permanent employment with an additional forty slated to begin training in October. The program achieved a national reputation and later became a model program, with requests for information from as far away as Japan.<sup>24</sup>

Area newspapers continued to report favorable economic news. Pay increases and year-end bonuses went to area textile and rubber workers. Package Machinery boosted wages five percent and provided workers with two weeks' paid vacation as a result of a profitable year. It was reported that manufacturing job gains in Springfield were greater than those of thirteen other industrial cities in the state. "Plants Run Full Tilt Under Heavy Unfilled Orders" cheered a *Springfield Republican*

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<sup>24</sup> SR, October 11, p. 18; October 14, p. 5. See "Skilled Mechanics at a Premium," SR, October 25, 1936, p. 2e.



headline. Factories could not get orders out fast enough because they had failed to modernize over the past six years. Pratt and Whitney Aircraft in Hartford strained to machine and assemble aircraft engines to meet escalating demand. Orders for Bosch radios and automotive parts went unfilled. Foundries were running at full capacity.<sup>25</sup>

Bosch workers were in an enviable position to make demands on management: The economy was rebounding and the labor market for skilled workers tightened further. Campbell now questioned whether his 'go-slow' approach was the proper one in a late November letter to UE President Carey. Carey responded as follows:

...the procedure outlined in your letter is very satisfactory. The success of this procedure to a great extent depends on the patience of the workers involved, and care must be taken that they do not assume that everything possible is not being done to result in a satisfactory adjustment. It has been my experience that the management of companies like Bosch often waste a lot of time without reaching any suitable agreement unless pushed by the organization. In a previous letter I advised you that those on the ground floor in a case of this sort are better able to determine the proper course than I would be at this distance.

Carey urged Campbell to persist with efforts to get the Labor Board to rule on recognition.<sup>26</sup>

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<sup>25</sup> SR, November 16, p. 1; November 17, p. 4; November 18, p. 11; November 21, p. 1; November 29, p. 17; November 22, p. 18a, 1936. At the end of 1936 the Springfield Republican reported that the output of local manufacturers was strong. Gilbert and Barker, Greenfield Tap and Die and Van Norman were running at full capacity and there was increased activity in Holyoke's Fall Alpaca woolen mills. See SR, December 27, 1936, p. 14a.

<sup>26</sup> *Carey to Campbell*, November 24, 1936, UE District 2 Archives. The Campbell letter to Carey could not be found but it appears, from Carey's tone, that Campbell may have been

UE national staff encouraged local organizers to adopt the strategies they deemed appropriate for their specific circumstances. In the Bosch case a go-slow approach was endorsed even in the face of the terminations of two leaders. A memo from organizer Hugh Harley to James Matles amplifies this further. In 1943 UE was locked in a difficult campaign to organize 3,000 workers at the Sprague Electric North Adams, Massachusetts plant. The two tactics utilized were a town-wide educational campaign on the benefits of the UE and a campaign inside the company union to win its leaders over to the UE.<sup>27</sup>

Management still refused to meet with representatives of Local 206 to begin negotiations for a first contract, and instead announced a poll in mid-December to determine whether there was worker support for the union. Shields and Campbell warned management that the union considered the poll illegal. Murray responded by laying off 200 workers three days before the poll. Local 206 protested that every dismissed worker was a union supporter. Campbell now stated that a "walk-out was unavoidable as long as management's anti-union attitude continues." He added that he was not agitating for a strike and cautioned against it until the labor board could rule on the legality of the company poll. A union representative was sent to the Boston office of the labor board to launch a protest and call for an NLRB supervised representation election. In the same press interview Campbell revealed that organizing drives were now underway at four more area plants, Moore Drop Forge, Sickles, Gilbert and Barker and Indian Motorcycle.

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having some misgivings over not having adopted a more militant strategy to gain recognition. Carey appears to be subtly pushing Campbell with his "unless pushed" phrase but he clearly left strategy and tactics in Campbell's hands.

<sup>27</sup> *Harley to Matles*, July 13, 1943 in UE Archives, District 2 files, U. of Pittsburgh.

On December 12 it was reported that the union scheduled a meeting for December 16 to discuss a company proposal. On December 17 the company and union finally met to discuss outstanding issues between them. At a meeting organized by the chairman of the New England Labor Board, management agreed to recognize Local 206 and indicated that it was ready to negotiate a contract with whomever the union designated as its representatives.<sup>28</sup>

By the end of 1936 and in the first two months of 1937 Springfield workers heard on the radio or read in the local press about sit-down strikes and organizing victories across the country. Thousands were on strike at the Ford River Rouge plant in Detroit and Pittsburgh Plate Glass and Libby Owens-Ford Glass. Strikes at key auto parts plants were causing shutdowns of assembly facilities. "Labor Front Seething" read one local headline discussing wholesale walkouts affecting the entire country, "Bayonets Rule Anderson, Indiana" read another. Closer to Springfield, across New England shoe workers struck for recognition of the C.I.O.-backed United Shoe and Leather Workers. Large walkouts took place in Brockton and Haverhill. Finally on February 24th twenty-seven plants settled, and granted a 15 percent wage increase to 12,700 jubilant workers. Timing was critical to this success according to chief union negotiator

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<sup>28</sup> *SR*, December 10, 1936, p. 1 December 12, 1936, p.5; *DN*, December 10, 1936, p. 2. In the midst of this turmoil the union opened a storefront office on Main Street, just a short walk from the plant. Monthly dues were now being collected for the first time, \$1 for men and 50 cents for women. *DN*, December 14, 1936, p. 9. *M. Campbell to James Carey*, December 17, 1936, District 2 Archives. In the same letter the untiring Campbell informed Carey that "there are quite a few plants here who would like to be organized." Campbell added that "if you could get a steel worker organizer or auto worker organizer I could help him quite a lot."



William Mahan: "Shoe companies which haven't already signed, on the basis of annual Easter demand, will have to capitulate before Friday."<sup>29</sup>

Bosch contract negotiations were inconclusive through the first two months in 1937 and Local 206 and management clashed for a third time in mid-February 1937, when the company proceeded with a plan to conduct officer elections for the company union. Previous union unwillingness to confront management more forcefully may have emboldened management to proceed with this provocative activity. The company's continued recognition of both unions while refusing to negotiate a contract with Local 206 represented a serious challenge to the union's contention that it alone spoke for workers.

The union response remained measured, though more aggressive than its response to the October terminations and December mass layoffs. Quietly and confidently Shields and others organized what they hoped would be an effective in-plant protest to convince management to negotiate a contract. On Monday February 15 at a prearranged time workers shut off their machines in silent protest against management's determination to hold elections. Shields stated "We simply knocked off work at one o'clock and resumed again at 2 o'clock. Everything about the demonstration was orderly. They know our attitude and it now rests with them whether any more labor trouble develops." After exactly 59 minutes machines were restarted, metal was ground, drilled, turned and stamped and magnetos and fuel injection equipment began to make its way through the plant again. Almost immediately the company recognized

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<sup>29</sup> For examples of coverage see *SR*, "Lewis Seeks Showdown in Auto Industry," December 19, 1936, p.1; "Big Glass Strike Likely to Extend Beyond Holidays," and "Steel Workers Form New CIO Council," December 21, 1936, p. 1; "12,700 Shoe Employees Jubilant at Victory," February 25, 1937.

Local 206 and bargaining began for a first contract. "There is no question that the majority of the employees at the plant are members of the Electrical workers union," Shields asserted. "Any more labor trouble is up to them."<sup>30</sup>

### Skilled Workers and Union Organization

Matthew Campbell's union career is similar to that of other skilled workers analyzed in several recent studies of industrial union formation as well as a fictional account written by machinist and UE member Ben Field in 1946. Set during World War II *Piper Tompkins* tells the story of a 20 year old who moves from rural Connecticut to take a job in an East Hartford metalworking company. With no shop experience at all, Piper Tompkins slowly learns the trade from other workers, and is eventually befriended by UE union president, Scotty Stevenson, after having several run-ins with a shop foreman who labels the UE as "an outfit of Jews, niggers, and Reds." Piper is upset with his supervisor because he sees workers providing the foreman with food and other small gifts to insure that they are placed on well-paying jobs and are given overtime when it is available.

Born in Scotland, Stevenson is a skilled machine repair mechanic able to move about the whole factory with relative ease as he performs his job. Field describes Stevenson's work area in detail. It is not difficult to imagine Campbell's work area as similar.

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<sup>30</sup> SR, February 17, 1937, p.1; February 18, 1936, p. 1. Campbell was quick to point out that events in the plant should not be interpreted as a sit-down strike. DN, February 16, 1937, p. 2.

Not only was Scott's corner a union headquarters, but it was also a sort of library. Over his tool cabinet and boxes Scotty had built shelves for books and magazines. Here were the *American Machinist*, manuals on pumps, hydraulics, and air compressors, and magazines the like of *Iron Age*.<sup>31</sup>

Campbell was assisted in organizing Bosch by Westinghouse local officers included Business Agent Wallace Kennedy, a tool grinder, and vice president Leonard Wade and negotiating committee member, John O'Connell, both machinists. Two of Bosch's top officers Leo Goulet, a diemaker, and Robert Shields, a tool designer, were also highly skilled. A check of the occupations of ten Bosch union officers determined that seven held skilled jobs while a similar check for Westinghouse found several tool makers, final inspectors, and set up men had been early union officers.<sup>32</sup>

Historian Ronald Schatz found a similar pattern when he examined the occupations of key organizers and early officers in several UE plants. Many of these individuals were British or Scottish immigrants. Schatz found information on 28 early leaders of local unions in Erie and East Pittsburgh, Pennsylvania, Lynn, Massachusetts, and Schenectady, New York. Of the 28, 23 were Northern European immigrants or their children; 14 were of Scottish, Irish or English descent. The majority were skilled.<sup>33</sup>

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<sup>31</sup> Ben Field, *Piper Tompkins* (New York, 1946) p. 87 - 88.

<sup>32</sup> Occupations found using *Springfield City Directories*, 1925 - 1935.

<sup>33</sup> Schatz, *American Electrical Workers: Work, Struggles, Aspirations 1930 - 1950* (diss., Pennsylvania, 1977) p. 90 - 100. Schatz states that these men resembled the 'labor aristocrats' of 19th century England, p. 110. See also Schatz, "Union Pioneers: The Founders of Local Unions at GE and Westinghouse, 1933 - 1937," *Journal of American History*, Vol. 66 (December, 1979) p. 586 - 602.



Steve Babson determined that skilled workers played an equally dynamic role in the formation of the United Auto Workers. He states that "tool and die makers were the cutting edge of auto unionism in Detroit. Production workers provided the critical mass that pushed the UAW forward, but as they stormed the walls of open-shop Detroit, they moved through breaches opened by the tool and die makers... ." Babson also found that many in leading positions were either Anglo-Gaelic immigrants or their children.<sup>34</sup>

Further evidence of the role skilled workers played in organizing campaigns is contained in recent studies of the 1939 General Motors tool and diemakers strike. Historian John Barnard asserts that this strike "secured the UAW's position in GM, and therefore in the auto industry." Auto plants required two types of highly skilled workers, those who prepared the tools and dies required to manufacture automobile parts and those who set up and maintained the thousands of pieces of equipment in a assembly-line paced production plant. When these workers struck, first at the Detroit Fischer Body plant in early July, escalating to 12 plants and 7,600 workers by July 24, GM conceded that preparations to bring out its 1940 cars were at a standstill. GM attempted to get dies produced at area job shops but machinists refused to touch the work, forcing GM to negotiate a settlement with the strikers who were led by Walter Reuther.<sup>35</sup>

Campbell and other skilled worker - union activists, offered workers an alternative to the petty tyranny of individual foremen. Machine operator Art McCollough decried working conditions he

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<sup>34</sup> Steve Babson, *Building the Union: Skilled Workers and Anglo-Gaelic Immigrants in the Rise of the UAW* ( New Brunswick, 1991) esp. chs. 4 and 5.

<sup>35</sup> John Barnard, "Rebirth of the United Automobile Workers: The General Motors Tool and Diemakers' Strike of 1939," *Labor History*, 27 (Spring, 1986) pp. 165 - 187.

tolerated daily. "The company had the goddamned thing so unequal you know, that a foreman's favorite would be making a hell of a lot more money than somebody else, and this other guy might be doing more... . William Winn related "People bring farm baskets and get good jobs, overtime, privileges. And you couldn't do nothing about it. What could you do?" The theme of unfairness is repeatedly invoked.<sup>36</sup>

Capable of turning out precision work to exacting requirements, these men were level headed and systematic in their approach to their work in the factory. The planning and deliberation of their work carried over to their union organizing. It was not out of character for these workers to urge others to produce quality parts, while at the same time leading the fight against the company for union recognition. In *Piper Tompkins*, for example, Stevenson fought a supervisor to no avail when the supervisor decided to knowingly ship bad parts to the Navy. When the parts were rejected and returned, the union used the evidence to get the supervisor fired. Springfield's skilled workers appear to have related well to organizing campaigns centered on fair treatment, compensation, and respect for skilled workmanship.<sup>37</sup>

There is some evidence that, due to the nature of the work performed, skilled workers in the electrical industry maintained much of their craft identity well into the 20th century while their counterparts in industries like steel and automobiles saw this dissipate through, among other things, the introduction of new technologies. Particularly in plants

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<sup>36</sup> Quotes found in Schatz, *American Electrical Workers*, (1977) p. 68. Both workers were machine operators in Pennsylvania Westinghouse plants.

<sup>37</sup> The skill issue is important to consider in analyzing national events that would overtake UE in the late 1940s and early 1950s. Many Bosch and Westinghouse workers who led the opposition to anti-communist attacks on the UE were skilled machinists and tool and die makers, while the first officers in I.U.E. Local 206 were all stock handlers, packers, and machine operators. This will be discussed in chapter 6.

like the Bosch, with its multiple products and exacting machining requirements, tool and die makers, set up personnel, and maintenance and repair crews were in demand. These workers moved all over the plant in the course of their day, and were able to stay in contact with large numbers of workers when running for union office. Their bargaining and leadership positions were weakened, instead, by corporate developments outside the plant. Historian Philip Leahey found, for example, in near-by Pittsfield, Ma., that General Electric's "coordination of a huge network of integrated production facilities significantly reduced the control which craft workers had customarily exerted over their labor, even as they retained the skills which have been depicted as the cornerstone of their power in the workplace and of their status in life." How the Bosch plant's immersion into a multi-plant, multi-national corporation in the 1950s affected skilled workers will be examined in chapter 6.<sup>38</sup>

### Organizing in the Rest of Greater Springfield

Campbell and Local 206 union leaders did not forcefully confront management with sit downs or lengthy walkouts despite the fact that an expanding regional economy and increased demand for skilled workers reduced the risks associated with such job actions. In a 1937 year-end review of the local economy area workers learned that Westinghouse sales increased 40 percent, Indian Motorcycles output was up 36 percent and Chapman Valves sales jumped 25 percent. These companies had all added workers. Van Norman was exporting grinding machines to Russia,

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<sup>38</sup> Philip Leahey, "Skilled Labor and the Rise of the Modern Corporation: The Case of the Electrical Industry," *Labor History*, 27 (Winter, 1985 - 1986) p. 53.



England and Japan. On February 27, 1937 the *Republican* reported that "industrial output in Springfield was at record levels."<sup>39</sup>

With such leverage one would expect a surge in organizing activity across the city, but this did not materialize. Strikes declined in Massachusetts while they gained more prominence in the rest of the country. In 1931, 14 percent of striking workers in the U.S. were in Massachusetts; this dropped to 3 percent in 1937 and 2 percent in 1938. Strike days idle also dropped markedly as a percentage of the U.S. total, falling to 3.9 percent in 1935 and 2.1 percent in 1937 from 16 percent in 1931. Moreover, strikes in the country climbed to 4,740 in 1937 from 2,172 in 1936. There was little evidence of this upsurge in Springfield metalworking firms.<sup>40</sup>

A review of 1938 strikes shows that Springfield had the fifth highest man days lost by strikes in the state (exceeded by Boston, New Bedford, Lynn and Fall River). Seven industries had three or more strikes that affected five hundred or more workers. The top four were: teamsters, 20; boot and shoe workers, 13; garment workers, 11; and textile workers, 10. This would suggest that workers least secure in employment were the most willing to exert the pressure of walkouts to gain union recognition and increased wages, not workers in the industries that were growing rapidly between late 1936 and 1938.

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<sup>39</sup> SR, February 27, 1937, p. 5. An Associated Industries of Massachusetts survey released in early March showed that 84 new manufacturers, employing 5,308 workers opened in Western Massachusetts between March 1936 - March 1937. A large number of these new companies represented industrial migrations from other states AIM determined. See SR, March 8, 1937, p. 7. Year-end review in SR, January 3, 1937, p. H8. Westinghouse employment jumped from 4,437 to 5,692; Chapman Valve went from 1,000 to 1,400. Overall, metalworking firms employed 5,000 more workers in January, 1937 compared to a year earlier.

<sup>40</sup> U.S. Department of Labor, *Handbook of Labor Statistics* (Washington, D.C., 1974) p. 367.

In March, 1937 while 2,000 Woonsocket, Rhode Island woolen mill workers and 3,000 Nashua, New Hampshire and Lowell, Massachusetts shoe workers walked picket lines, 7,000 Pittsfield, Massachusetts GE metalworkers received wage adjustments and improved vacation payments without resorting to protest. General Electric, like Package Machinery and Westinghouse, tied pay increases to profitability. According to plant manager Louis Underwood, in an effort to minimize worker turnover - particularly of highly skilled machinists - GE had a policy of paying wage rates "equal to or higher than wage rates paid in the other community industries for comparable work... . If wage rates are found to be lower than going rates, the company will promptly rectify them." GE appeared to be flexible and cooperative by entering into talks with UE aimed at organizing plants across the country, prompting twenty-five year old national UE president James Carey to remark "I believe that a very happy relationship will be established between the union and the management of GE." Philip Murray, Chairman of the Steel Workers Organizing Committee (SWOC) expressed similar sentiments for U.S. Steel, extolling the virtues of SWOC's 1937 agreement with the steel giant. According to Murray, "The strike and lockout are discarded in favor of an orderly process of settling difficulties at the conference table."<sup>41</sup>

It was not until late 1939 that a concerted and successful effort was undertaken to organize Western Massachusetts metalworking firms. Package Machinery and UE Local 220 reached an agreement, giving the local exclusive bargaining rights in the plant. UE Local 259 and Worthington Pump in Holyoke reached an agreement in March, 1940.

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<sup>41</sup> Frederick Harbison, "The General Motors - United Auto Workers Agreement of 1950", *Journal of Political Economy*, 58 (1950) pp.404 - 405; R. J. Thomas, *Labor Information Bulletin* (November, 1940); Philip Murray, *Labor Information Bulletin*, (June, 1939).

Greenfield Tap and Die Local 274 won a recognition election in September, 1941, 569 to 261 over the management-sponsored Greenfield Small Tool Association. The International Association of Machinists had made four previous attempts to organize the plant. Another anti-union stronghold was captured in October, 1941 when 1,000 workers at Smith and Wesson endorsed the UE as their exclusive bargaining agent. Newspapers characterized plant management as having a reputation "exceeding even Henry Ford's for being bitterly anti-labor." Smith and Wesson had signs at its gates reading 'No Catholics hired here.' Company efforts to smear the union as pro-communist failed to deter workers from voting for the union, and by the end of November a contract was signed.<sup>42</sup>

### Bosch Workers Gain Through Negotiations

Over a five month period between October 1936 and February 1937 in measured steps, eschewing the walk-out or sit-down Local 206 established itself as the legitimate voice of workers, in the plant. When management fired union leaders, work went on in the plant while Campbell and others negotiated. When scores of workers were laid off on the eve of a recognition poll to be conducted by the company, Local 206 leaders remained low-key. They continued to sign up new members, and publicly stated that they, and not the company union, represented workers. Its one militant action, "the fifty-nine minute stand-up" convinced management to discontinue the company union and negotiate

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<sup>42</sup> UEN, November 18, 1939, p. 1; March 23, 1940, p. 8; September 27, 1941, p. 1; October 4, 1941, p. 1. UEN, May 16, 1942. The election was close, with 817 voting for U.E. and 658 for affiliation with the American Federation of Labor (UEN, June 6, 1942). It appears that at least for the U.E. organizing gains were the most dramatic after the war began.



a collective bargaining agreement. For management the fifty-nine minutes of silence followed by the din when all machine tools were turned on again, may have posed a greater threat than the walk-out of a handful of workers in one department in the plant. The unity of action demonstrated to management that union leaders did in fact speak for all workers and could command them when necessary. With orders for radios and magnetos going unfilled, and skilled workers hard to find, management did the logical thing as it disbanded the company union and recognized Local 206 as the sole bargaining agent for plant workers

The union won an initial 2.2 percent raise on each worker's base rate, and Labor Day fittingly became the first paid holiday in 1937. In 1938 a ten cent base rate increase was obtained, along with time and a half for any hours worked in excess of eight during the day, 40 for the week, and all Sunday work. No gains were made in holidays and workers still did not receive paid vacations. Nor was there seniority protection. Seniority remained an important issue; in fact job security for long-term employees had been one of the key organizing issues during the union's formative period. Local 206 became one of just two UE locals in the country to attend the 1938 national convention with a signed labor agreement.

By 1940 grievance and arbitration procedures were in place, seniority rights were spelled out, six paid holidays and a vacation schedule were established. Local 206 bargainers gained language stipulating that layoffs and recalls were to follow plant-wide seniority. A job classification book became part of the contract in 1941.<sup>43</sup> Steady wage gains were made as well, with eight and 10 cent per hour increases in 1938 and 1939. In five years base rates were raised from a range of 20 cents to 50 cents an hour to a

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<sup>43</sup> *LB*, September, 1963.

new range of 60 cents to \$1.21. By comparison, only after work stoppages and sit-downs throughout the early months of 1941 did the UAW and Ford settle on a 10 cent increase, the first for Ford workers in three years.<sup>44</sup>

The Local 206 agreement fit into an emerging pattern in metalworking. In a study of collective bargaining carried out in 1941 economist Sumner Slichter determined that while 290 of 400 contracts negotiated between 1933 and 1939 contained some seniority provisions, fully 87 percent of metal trades agreements contained such language. With the Springfield Westinghouse local pushing for this protection in their agreement, it is likely that this influenced Local 206 negotiators to make a concerted effort to win such protections for their members as well.<sup>45</sup>

Bosch plant-wide seniority language was significant because in such a large, sprawling facility, with close to 50 production departments and several hundred job classifications, administering the system became a bureaucratic nightmare. Seniority clauses in other contracts were usually limited to specific departments, making it easier for management to layoff workers. Plant wide seniority like Bosch workers had, gave high seniority workers from one department the right to "bump" workers off a job in another department. A chain reaction of "bumps" across the plant often resulted, causing serious production disruptions. Certain occupations

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<sup>44</sup> Nelson Lichtenstein, *Labor's War at Home: The CIO and World War II*, p. 46 - 47. U.S. Steel, General Motors, General Electric and other corporations similarly increased wages as well.

<sup>45</sup> Sumner Slichter, *Union Policies and Industrial Management* (Washington, D.C., 1941) p. 105-107. For discussions of the issue of seniority as an aspect of union formation see Freidlander, *The Emergence of a UAW Local, 1936-1939*, p. 72-74; Howell Harris, *The Right to Manage* (Wisconsin, 1982) p. 64-65; Schatz, *The Electrical Workers*, ch. 5, p. 105-136.

"requiring ability, as may be agreed upon jointly by Management and the Committee of Local 206, as necessary to the efficient operation of the plant" could be exempted from seniority rules. A clause was also put in place calling on the company and union to explore the option of going to a 32-hour work week if layoffs would drop the workforce below 2,000. The plant-wide language and the "bumping" procedures it sanctioned would be a sticking point in union-management relations for the rest of the union's history.<sup>46</sup>

The Bosch contract was more elaborate than many others in the late 1930s and early 1940s. David Brody characterizes most agreements as "thin affairs, largely codifying existing conditions and limited to wages, hours, vacations, and weakly drawn grievance and seniority provisions." Only after the war was such language strengthened, as new provisions were added to contracts. By comparison, in the 1940 Bosch agreement all personnel moves were to be based on plant-wide seniority. Seniority was accumulated from date of hire, providing there were no breaks in service for voluntary quits, discharge, or failure to report to work.<sup>47</sup>

Early agreements contained strong maintenance of membership language requiring that employees "will be required as a condition of employment with the Company to maintain their membership in good standing during the life of this Agreement." This was something the UAW only gained with General Motors in 1950. A check off system was also established, with dues automatically deducted monthly from each

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<sup>46</sup> *Local 206 Contract*, 1942, p. 30. In later years management aggressively sought to limit this language through negotiations and in arbitration cases, arguing that a layoff of 25 workers would result in at least 100 moves across the factory as each laid off worker exercised his or her rights to bump into other jobs using their seniority. The domino affect this caused could result in a layoff taking several weeks to complete.

<sup>47</sup> David Brody, *Workers in Industrial America* (New York, 1980) p. 178. *Local 206 Contract*, 1942, p. 30.



worker's pay and turned over to Local 206's treasurer. The maintenance of membership and dues deduction clauses simplified the administrative tasks that confronted the local. By 1941 the contract required the company to pay for the negotiating committee's lost time when the company requested meetings. Grievance committee members were to be paid during weekly meetings as well. In 1941 the local gained the right to represent all office workers in the plant excluding engineers and supervisors.

On the eve of World War II, then, Local 206 had achieved legitimacy. With the exception of the 59 minute sit-down this was done at the bargaining table. Maintenance of membership language, company dues check-off, well-defined grievance and arbitration language and seniority measures elaborating the ways management could move workers in and out of the plant provided workers with parameters in dealing with management. The contract greatly reduced the arbitrary authority of foremen that sparked worker organizing in the plant in 1936.<sup>48</sup>

### Conclusion: The Union Faces an Uncertain Future

Examining trade union activity during and immediately after World War II, Nelson Lichtenstein contends that a "system of interclass accommodation" developed immediately following the war. Union power was essentially political power, and it was put to effective use on the shop floor during the 1930s and early 1940s. In auto plants workers operating grinding machines, milling machines, lathes and performing

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<sup>48</sup> *Local 206 Contract*, 1942, p. 26 33.

intricate assemblies were able to maintain a level of control over the pace and content of their work, unlike workers regulated by the flow of moving assembly lines. Labor agreements provided workers with protection from unilateral reprisals by management when they challenged management authority on the factory floor. Quickie work stoppages and departmental slowdowns escalated among workers. By 1944 one of every two workers in the auto industry was taking part in some sort of work stoppage. In 1944 a GM vice-president reported that most GM strikes were "caused by the refusal of workers to meet production standards."<sup>49</sup>

Such overt activities never assumed prominence in Springfield. Local 202 at Westinghouse had lengthy strikes as part of national labor negotiations. However Bosch, Van Norman, Chapman Valve, and other significant metalworking plants were quiet during and immediately after the war. The fight over rates and production standards took on greater urgency in the mid-1950s. Springfield metalworkers may actually have maintained more control over their work than Lichtenstein's autoworkers, at least until then.

As the previous chapters show, the management team that consolidated its authority in the Bosch plant under the direction of Charles Perelle sought to gain a measure of control on the factory floor at two levels, ideologically with the union and at the point of production by reconfiguring the factory floor. A popular labor relations manager was fired and the hated head of time study took this position. The long-time

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<sup>49</sup> Quoted in Lichtenstein, "Conflict Over Workers' Control: The Automobile Industry in World War II," in Michael Frisch and Daniel Walkowitz, eds., *Working Class America* (Urbana, 1983) p. 295. The workforce Lichtenstein describes as being the most actively involved in shop floor job actions is quite similar to the one found in the Bosch plant. During the 1940s and early 1950s close to 50 percent of the workforce set up and operated manual machines and could significantly control output by controlling their own pace. Information from Local 206 seniority and occupations lists, UMass Archives.

production manager was released along with several production supervisors. Because of their high skill levels, and the intricate and close tolerance work performed, Bosch workers had not yet had their roll on the shop floor challenged, but they soon would. For example, before and during World War II the union had a vibrant union-management council in place to discuss production-related issues with management. By the mid-1950s the union fought, albeit unsuccessfully, to keep this council going, in vigorous opposition to management's unilateral decision to eliminate it.<sup>50</sup>

Labor historian David Brody contends that significant shop floor battles were continually being fought as part of a never-ending jockeying for in-plant control. During the war managers were concerned that unions were encroaching on their right to run the shop. Labor agreements reflected local leadership's commitment to preserving job security for their membership. A give-and-take ensued, and resultant contracts reflected labor relaxing its concern for shop floor and job control language in exchange for seniority protection and cost of living and wage increases tied to productivity boosts. Income security prevailed over job security.

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<sup>50</sup> During and immediately following the war the CIO's Philip Murray and the UAW's Walter Reuther attempted to define a role for labor in corporate decision-making, based in part on the shop floor militancy Lichtenstein describes. Murray's Industry Council Plan sought a voice for labor in corporate production, investment, and employment decisions. Lichtenstein, "Conflict Over Workers Control," p. 301. By the mid 1950s the Local 206 labor agreement contains the following language: "The Company reserves and retains complete authority to manage its business and to make all decisions relative thereto, including, but not limited to, the right to schedule the work and working forces, discipline or discharge employees for just cause, promulgate reasonable shop rules, and other inherent management rights not herein specified."



At the local level workers still tried to exercise some control over their work. Brody's assertions are supported by Gary Gerstle's study of textile union activity in Woonsocket, Rhode Island. Analyzing contract language he states that "In mill after mill, unionists sought to replace the managerial unilateralism that had characterized shop floor governance with management-labor mutualism.... Discharges, qualifications for promotion, piece rates and bonuses, work loads and working conditions all demanded the mutual agreement of employers and employees.... To Independent Textile Union members in 1941, industrial democracy had come to mean equal voices for management and labor on every issue relating to life on the shop floor." However the 'control' gains of the early 1940s did not last long. Management rights clauses were inserted into most contracts and the spirit of mutuality was in retreat.<sup>51</sup>

Interpretations put forward by Lichtenstein and Brody describe a pattern of union activity emerging after World War II in which firm-centered collective bargaining and the policing of contract language are the focal points. In this model, income-security became more important to union leaders than employment-security. However, it appears that Brody would place more stock in the persistent shop floor 'dances' - the soldiering of completed work so as to make sure piece-rates were tilted in the worker's favor, the stretching out of machine tool set ups to play havoc with production schedules and insure overtime for one's department, the zealous guarding of contract language that protected

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<sup>51</sup> Brody, *Workers in Industrial America*, p.188 - 195; Gary Gerstle, *Working-Class Americanism: The Politics of Labor in a Textile City, 1914 - 1960* (New York, 1989) p.212, 314-316. A typical clause read: "The Union recognizes that the Management of the plant and direction of the personnel, subject to the provisions of this agreement, shall be vested exclusively in the employer." Compare this to the management rights clause in the Local 206 agreement.

seniority rights for new jobs and against layoffs - as being symptomatic of rank and file interest in the maintenance of a semblance of job control. A close review of Local 206 grievances and arbitration cases during the 1950s and 1960s is presented in chapter 7 to determine if this was indeed the case in the Bosch.

After the war, Bosch workers were confronted with three disruptive issues: employment levels fluctuated wildly causing hundreds of workers to be laid off and recalled repeatedly from 1945 - 1960; the UE was openly challenged for leadership in the plant by the upstart International Union of Electrical Workers; and Bosch became part of a larger corporation with factories spread out across the country and Europe. Rather than eschew the strike weapon, the local responded to these changes by becoming more assertive than ever before at the end of the 1950s and through the 1960s. These issues, along with the union's response to management's drive for shop floor control in Springfield, and overseas expansion will be discussed in the next two chapters.<sup>52</sup>

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<sup>52</sup> This appears to be a fairly high level of strike activity for the years in question and is similar to what Geiger found in his study of Madison's battery workers. See his concluding chapter in *Madison's Battery Workers, 1934 - 1952*.

## CHAPTER 6

### THE UNION AND CORPORATE CONSOLIDATION I: UNION SPLITS AND RUNAWAY JOBS

#### Introduction

In the years immediately following World War II Connecticut River Valley metalworkers were enmeshed in a high stakes fight for survival. However, there is scant evidence that their unions attempted to take a common stand to preserve their livelihoods. New corporate ownership took charge of factories that had been locally owned for generations as Springfield's metalworking industry was integrated into the rapidly changing national and international economic landscape. Bosch workers witnessed the shift of what they believed to be *their* machines and work to newer US and foreign plants. They also grappled with the impact the purchase of new machine tools had on skills and seniority protection. As we have seen, during this period management repeatedly compared Bosch hourly wages to costs in Europe, South America, and the rapidly industrializing and mostly non-union southern United States. Several joint production ventures were established overseas, and a production plant was built in Mississippi to perform work usually done in Springfield.

At Bosch, union leaders attempted to assert themselves to maintain the prestige earned during the war production boom. Through the monthly *Bulletin* members were told of the impact of corporate decisions. They were told that new technologies and shop reorganization plans would lead to workers running several machine tools simultaneously.



Articles warned that this would play havoc with long-standing job classification and seniority language as well as alter the way piece work rates were set. Militant rhetoric was also directed against management for expanding in Mississippi, and for a brief period calls were made to establish a community-based coalition to fight the shift of manufacturing jobs out of Springfield. However, by the late 1950s, the union campaign, weak though it was, had collapsed. Erratic employment swings continued. Union membership remained unstable, making it difficult to establish a consistent, unified response to the company (Figure 6. 1- Local 206 membership).

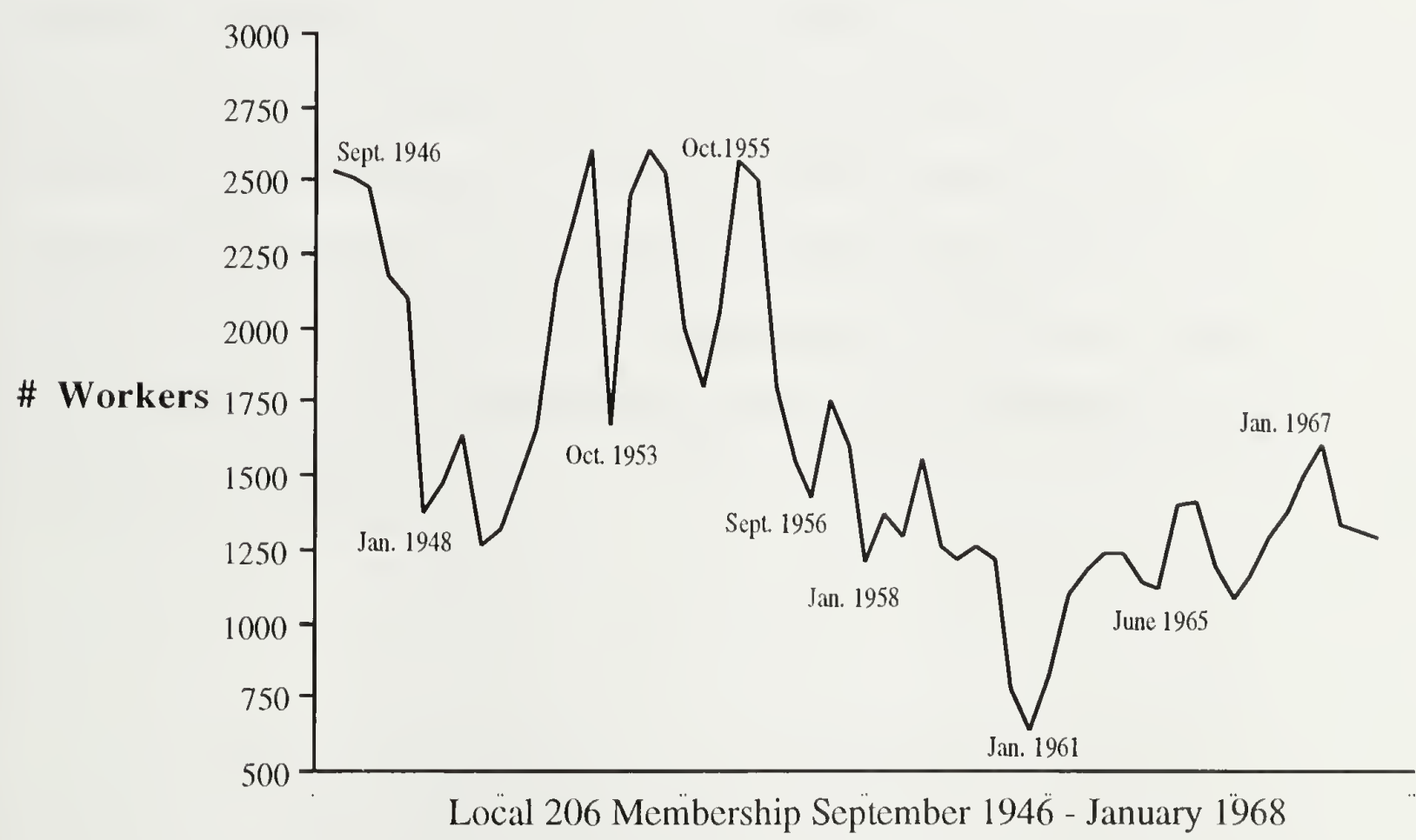


Figure 6.1: Local 206 membership 1946 - 1968

Compounding these problems, the legacy of the acrimonious in-plant battle that resulted in the IUE wresting control of Local 206 from the UE made in-plant unity all but impossible. Several founding officers and long-time union stewards of UE Local 206 withdrew from active participation in the union. Just as ownership and decision-making authority over the Bosch shifted to New York, workers were engaged in a power struggle, and thus missed the opportunity to address the sale of the plant and articulate their own vision of the factory's post - World War II future.

Finally, the union's leadership often took contradictory positions toward management during the 1950s, leaving the rank and file confused as to the position they should take toward supervision. For example, in April, 1959 Charles Perelle was praised for putting "AB in a position to compete, cementing most jobs here in Springfield." Seven months later he was accused of viewing workers in the plant as basic units of production instead of people. Lacking a consistent approach to the problems facing workers, union leaders reacted to each new crisis as it occurred; all the while membership dropped, and work left the city for good. Through it all, no comprehensive strategy was ever articulated to deal with these issues.<sup>1</sup>

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<sup>1</sup> *LB*, April, 1959, p. 1. In the same article Perelle is praised for bringing in his management team. The article concludes on an optimistic note. "We (the workers) have proven our worth - considerations always follow recognition." *LB*, November, 1959, p. 1; *LB*, May, 1956, p. 3. In 1956 one *Bulletin* writer likened supervisors to "new-born reptiles ready to strike at the opportune moment," *LB*, May, 1956, p. 3.

## United Electrical Workers Under Attack: 1948 - 1952

### Introduction

In February, 1951 the second issue of the *IUE-CIO Bulletin* carried an editorial titled "Coincidents - Communists - And Comments." It reiterated events leading up to the June, 1950 representation vote when the International Union of Electrical Workers won a clear cut majority and succeeded the United Electrical Workers as bargaining agent for workers in the plant. Once again charges of Communist party membership were leveled at several UE national officers and organizers. The editorial writer called on these national officers to "name us one single instance in which the UE line has departed from the line of the Communist party and Soviet Russia over the past ten years." Absent from what the article called "its last full scale attack on the UE" was any discussion of trade union policies or disagreements the Bosch-IUE local had with the performance of the UE from 1936 - 1950 in the plant. By the local's thirtieth anniversary celebration its history had been completely rewritten. No mention was made at all of the UE as organizer of most of the large metalworking firms in Western Massachusetts. Instead, those members who led the fight to remove UE from the Bosch were canonized as the pioneers of the Bosch union.<sup>2</sup>

At its 1949 convention the Congress of Industrial Organizations expelled the United Electrical, Radio and Machine Workers. In 1950 several more unions were expelled. The UE expulsion was anticlimactic

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<sup>2</sup> *LB*, February, 1951, p. 3.



since it had already resigned from the CIO prior to the 1949 national meeting. It is not the intent here to analyze what transpired at the national level. The focus is on Springfield, home to several UE metalworking locals, and how the UE - IUE conflict affected Local 206's presence in the plant.

Chapman Valve, Van Norman, Westinghouse, and Bosch were organized from the mid- to late 1930s and remained part of the UE for roughly 10 years, as did many other plants in the Connecticut River Valley between Bridgeport, Connecticut and northern Vermont. In just eight weeks during November and December 1949 Springfield UE members backed their Executive Board recommendations and voted to leave the UE and for the CIO - backed International Union of Electrical Workers; only in the Bosch plant was there organized opposition to this move.<sup>3</sup>

### The National Scene

From its founding in 1936 UE was a divided union. According to historian Ronald Filippelli three distinct groups joined together to form the UE between 1936 and 1937. One group was headed by James Carey, in his role as leader of the Philadelphia-based Radio and Allied Trades National Labor Council. A second was led by James Matles, who brought in locals affiliated with the Machine Tool and Foundry Workers along

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<sup>3</sup> There are several histories of the United Electrical Workers and studies of anti-communism in the labor movement that contain detailed discussions and analysis of the UE - IUE split including: Michael Bonislowski, *The Ant-Communist Movement and Industrial Unionism: IUE vs. UE* (Master of Arts Thesis, 1992); Ronald Filippelli, *The United Electrical, Radio and Machine Workers of America, 1933 - 1949: The Struggle for Control* (diss., 1970); Martin Halpern, *UAW Politics in the Cold War Era* (Albany, 1988); Stephen Meyer, *Stalin Over Wisconsin: The Making and Unmaking of Militant Unionism, 1900 - 1950* (New Brunswick, 1992); Steve Rosswurm, ed., *The CIO's Left-Led Unions* (New Brunswick, 1992); Ronald Schatz, *The Electrical Workers* (Urbana, 1983).

with 14 International Association of Machinist lodges. The third group, consisted of workers from several General Electric facilities, including plants in Lynn, Massachusetts and Schenectady, New York, was closely identified with Julius Emspak.

Divisions manifested themselves at the union's Buffalo, New York founding convention in March, 1936. Delegates voted 36 - 10 against a motion to support a third national political party. Carey led the opposition along with Springfield Westinghouse local president Matthew Campbell. The GE locals, loyal to Emspak, supported the third party concept. At the same meeting Carey was elected president and Emspak, Secretary-Treasurer of the UE.

Matles and the machinist locals did not join the UE until 1937. When they did, Matles became director of organizing and the balance of power in the union shifted from Carey. Even while president, Carey was kept out of the successful 1937 - 1938 negotiations for a General Electric national contract. Carey's fall from power in the UE culminated in his defeat for the presidency by Al Fitzgerald of the Lynn, Massachusetts GE in 1941. However, Carey had been elected Secretary-Treasurer of the CIO in 1938. From this highly visible national position he maintained support in many of the radio plants he had brought into the UE, and by early 1948 Carey and his allies were able to turn several UE locals against the national leadership.<sup>4</sup>

There were other indications of what was to come after World War II. During the 1940 UE convention, Emspak and Matles joined together against Carey in opposing conscription. At the March, 1941 national Executive Board meeting Carey again opposed Emspak and Matles.

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<sup>4</sup> Filippelli, *The United Electrical, Radio and Machine Workers*, p. 53.

Championing the cause of local autonomy, Carey and his long-time Philadelphia ally, Harry Block, attempted to gain passage of a resolution allowing locals to bar members from holding office based on their political affiliation. The effort failed.<sup>5</sup>

Not long after this Executive Board defeat Carey allied himself with the Association of Catholic Trade Unionists (ACTU). Established in 1937 by several New York priests, labor organizers, and social reformers, ACTU had chapters in at least two cities, Pittsburgh, Pennsylvania and Bridgeport, Connecticut, that were UE strongholds. ACTU concerned itself with the dangers it felt Communists in the labor movement posed to Catholic workers. It was also putatively anti-fascist. ACTU focused mainly on UE because, according to historian Ronald Schatz, half UE's members were Catholic.<sup>6</sup>

Internal and external pressure on the UE's top leadership began in earnest in the summer and fall of 1946 when Block organized UE Members for Democratic Action (UEMDA). According to Block, local unionists who resisted what he termed Communist dictation, were relegated to second-class membership in their locals. UEMDA intended to change this. Several Congressional subcommittees also began to investigate the UE at this time.<sup>7</sup>

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<sup>5</sup> Block was a founder of the Philadelphia Philco radio local in 1933, attended the UE's founding convention, and was president of the Philadelphia district of UE. Block and Carey were joined by Matthew Campbell in this unsuccessful effort. Campbell's vote here is consistent with the position he took to bar Communist party members and supporters from running for office on the United Labor Party ticket during Springfield city elections.

<sup>6</sup> Schatz, *The Electrical Workers*, p. 181.

<sup>7</sup> Filippelli, esp. p. 68 - 88, 201. From 1936 - 1940 Carey could usually count on Campbell for support in his attacks on the political affiliation of UE officers, efforts by UE to develop a labor party, and statements against early entry into the war. Campbell's death in June, 1941 deprived Carey of a consistent Executive Board vote. Al Fitzgerald, from GE. Local 201 in Lynn took Campbell's seat on the Board and soon defeated Carey for the UE presidency. By 1948 three key issues divided CIO unions: the Henry Wallace presidential campaign, membership in what was argued was the Communist-dominated World



But in spite of the attacks and investigations UE continued to receive financial and moral support for its organizing efforts. The National Citizens Emergency Relief Committee conducted extensive fundraising efforts to support striking General Electric and Westinghouse workers. Members of the committee included Eleanor Roosevelt, former New York City mayor Fiorello LaGuardia, Florida Senator Claude Pepper, actor Melvyn Douglas, musical conductor Leonard Bernstein, and band leader Artie Shaw. Locally, the Springfield City Council voted 21 - 3 to support local Westinghouse workers, out of work in a national strike. Labor unions and civic groups collected over \$2,000 during a fund raiser for the strikers. Students from area colleges, including Smith, Mt. Holyoke, and American International, served as ushers at the event. In Massachusetts the UE played an active role on the labor front, with union staffers leading the fight in the legislature for passage of a law guaranteeing unemployment payments for strikers out of work over four weeks.<sup>8</sup>

While Carey and Block plotted against the union's national leadership, UE remained successful organizing new locals and defeating take-over attempts from other unions, including the United Auto Workers (UAW), the United Steel Workers (USW), and the International Association of Machinists (IAM). In Dayton, Ohio by a 275 - 23 vote machinists decided to leave the IAM because of dissatisfaction with their contract, and affiliated with UE; and in Henderson, Kentucky the UE

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federation of trade Unions, and support for the Marshall Plan. See F.S. O'Brien, "The 'Communist Dominated' Unions in the United States Since 1950," *Labor History*, 9 (Spring, 1968) esp. p. 185 - 186. Block's role in establishing the UEMDA is discussed in Schatz, *The Electrical Workers*, p. 180 - 181.

<sup>8</sup> UEN, February 18, 1946, p. 7; February 26, 1946, p.8; March 16, 1946, p. 6.

defeated an A.F.L. Federal Union 121 - 32 at a GE appliance plant in the face of A.F.L. charges that the UE was un-American and communist.<sup>9</sup>

Early in 1947 the *Saturday Evening Post* ran a series of articles by conservative columnists Joseph and Stuart Alsop. In "Will the CIO Shake the Communists Loose?" *Post* readers learned that UE's leaders were directed from the Kremlin. According to the Alsop brothers, Carey was fooled by Emspak and Matles because both were highly effective organizers. The death of Matthew Campbell in an auto accident weakened Carey's position in the UE and it then shifted to outright Communist party control. The article described UE union meetings as "not affairs of joy and gladness. They are usually held in grim and sleazy halls... . The rank and file stay away. But a communist will come to a union meeting if he has to crawl to it from his death bed... ."10

The *Post* article was not favorable to Carey or the CIO, either. While attacking the UE a broader anti-union message was being conveyed. The authors wrote: "The very thought of the CIO causes many respectable persons to sweat with horror." As for Carey, they described him at the 1947 CIO convention "sitting beside Murray (United Steel Workers and CIO presidents) energetically smoking a cigar too large for him," and as a "small, dark young man boiling with nervous energy, chieftain of the anti-communists, and the best kind of fighting Irishman."<sup>11</sup>

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<sup>9</sup> UEN, May 25, 1946, p. 7; October 5, 1946, p. 4; February 8, 1947, p. 3.

<sup>10</sup> Joseph and Stuart Alsop, "Will the CIO Shake the Communists Loose?" *Saturday Evening Post*, February 22 and March 1, 1947. The authors were certainly wrong about the cause of Campbell's death which was from a sudden heart attack, not an automobile accident.

<sup>11</sup> Alsop, "Will the CIO Shake the Communists Loose?" *Saturday Evening Post*, March 1, 1947, p. 27.

UE Maintains Support. Attacks like the one in the *Post* escalated, but UE continued to achieve significant organizing success. In February, 1947 UE took control from the International Brotherhood of Electrical Workers (IBEW) of a large General Instruments plant in New Jersey after workers invited the UE in and expressed dissatisfaction with their existing contract. During the General Instruments campaign, according to the *UE News*, "The use of an attack on the UE written by James Carey, assistance by the employer, and appeals to racial and religious prejudices had failed to overcome one fact - wages and conditions were far below those in nearby UE plants." UE's opponents argued that if UE won the plant would be desegregated. Organizers responded that this was indeed the case, and actively sought support in African-American neighborhoods. Henderson Simons, a black World War II veteran told *UE News* that all 200 African-American workers in the plant voted for the UE: The final tally was 923 - 356.<sup>12</sup> In near-by Holyoke, in November 1946 the UE defeated the IBEW 290 - 15 and gained the right to represent workers at the Holyoke General Electric plant in spite of what the local papers referred to as a campaign of "red baiting and racial slanders."<sup>13</sup>

During an organizing campaign at a Lowell, Massachusetts, GE plant the company charged that the union was a front for "the evil power" and that union leaders were "dishonest, unpatriotic, and ungodly". However, UE still won the election, defeating the International Ladies Garment Worker Union 202 - 94.<sup>14</sup> In the face of similar attacks during an organizing drive at an RCA plant in Pulaski, Virginia local merchants took out a full page newspaper advertisement in support of the UE. In the

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<sup>12</sup> *UEN*, March 1, 1947, p. 1.

<sup>13</sup> *UEN*, November 9, 1946, p. 4.

<sup>14</sup> *UEN*, August 2, 1947, p. 7.



ad merchants urged workers to vote UE based on the union's record of achievement, its dedication to solving members problems, and its ability to "support its members in their effort to win the things that they are entitled to as Americans." UE won 739 - 3.<sup>15</sup>

In summary, between 1946 and September, 1947, UE was involved in 571 representation elections - at new shops or in shops where they were being challenged by another union - and won 86 percent. It is apparent that large numbers of rank and file workers believed that the UE was a legitimate union and that it offered a powerful voice in their efforts to gain better pay and working conditions.<sup>16</sup>

#### The Rise of the International Union of Electrical Workers in Springfield: 1947 - 1950

In October, 1947 the *Springfield Union* published an open letter from Anthony Cimino, former president of Westinghouse UE Local 202, to Ralph Forsstrom, president of Bosch UE Local 206. The letter reiterated charges made in the *Saturday Evening Post* and elsewhere, that many UE national and district officers were members of the Communist party. Cimino, a 15-year assembler at Westinghouse, urged UE members to join a local chapter of UE Members for Democratic Action and become involved in the fight to return UE to sound American trade union principles.<sup>17</sup>

Forsstrom, a skilled toolmaker, had been elected president in 1945. He was singled out for this attack because of his public defense of the

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<sup>15</sup> UEN, August 9, 1947, p.1.

<sup>16</sup> Election figures are in UEN, September 27, 1947, p.8. A total of 112,745 workers were employed in plants covered by these elections. UE won the right to represent 73 percent of these workers.

<sup>17</sup> SMU, October 29, 1947.

union against red-baiting from UEMDA members. In a 1946 letter to Jim Matles, Forsstrom requested information on the role Harry Block and others were playing in attacking UE. He informed Matles that:

I intend to take the floor at our membership meeting next month in support of the National officers and in opposition to Red-baiting, but I know I will get a lot of opposition from some of the other officers of our local, so that any information you can send me will be greatly appreciated as long as it is strictly the truth and can be substantiated. I have a reputation for being both truthful and sincere and I intend living up to this reputation.<sup>18</sup>

On the same day Forsstrom wrote UE president Albert Fitzgerald to express regret that he had voted against the re-election of Matles and Emspak at the national convention. "My conscience is bothering me a little," he wrote, "even though we were instructed to vote as a unit and the majority of our delegates were in favor of voting for Block's running mates." This indicates the Local 206 Executive Board - which instructed delegates on how to vote at conventions - was divided on the communist issue. It also demonstrates that Forsstrom was neither Communist-controlled or a Communist Party member as Cimino and others contended. In the note Forsstrom's democratic proclivities appear as he let Fitzgerald know "my conscience does not bother me a bit for voting

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<sup>18</sup> *Ralph Forsstrom to James Matles*, September 22, 1946 (UE Archives District-Local Series, ff 247x). The 1946 Milwaukee convention marked the first time an open electoral challenge to UE national leadership took place. By eight-to-one majorities each attempt failed. Local 206 was now identified by its votes at this convention as in the Carey-Block camp (Schatz, *The Electrical Workers*, p. 184).

against you because of the unfair manner in which you conducted the meetings at the Convention... ."19

Fighting inside the UE continued through the rest of 1947. In Bridgeport, Connecticut the local leadership had testified before the House Un-American Affairs Committee that UE was Communist-dominated. At the Bridgeport GE plant everyone who testified was voted out of office, including all members of UEMDA. The UE New England District 2 Council passed a resolution condemning the UEMDA as a dual-union movement, and demanding that it dissolve.<sup>20</sup> Local 206 members continued to support Forsstrom. For example, at a May meeting union members rejected a company contract offer endorsed by the negotiating committee by a four to one margin and voted to dismiss the entire committee and business agent. Forsstrom was easily elected to the new negotiating committee.<sup>21</sup>

The September 1947 Convention and the Cimino Letter. But in September the event that precipitated Cimino's open letter occurred: At the UE national convention in New York City Forsstrom, unlike in 1946, defied the local's directive and voted for the national officer slate of candidates, including Matles, Emspak, and Fitzgerald. Two other Local 206 delegates, James Manning and William Slattery, cast their votes as instructed in opposition to the national UE officers. Manning, an All-American football player and graduate of Jesuit-run Fordham University in New York City, continued to oppose UE national leaders and policies

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<sup>19</sup> *Ralph Forsstrom to Albert Fitzgerald*, September 22, 1946 (UE Archives District-Local Series, ff 247x).

<sup>20</sup> *UEN*, December 20, 1947; UE District Council Minutes, October 1947 (UE Archives, ff 6).

<sup>21</sup> *Al Smith to James Matles*, May 20, 1947 (UE Archives, District-Local Series, ff 253).



after the convention. While there is no evidence linking Manning to the Association of Catholic Trade Unionists, possibly he was exposed to their outlook on trade union issues and attitudes toward UE while enrolled at Fordham, since New York was a stronghold of ACTU activity.

In its convention coverage the *Daily News* informed readers that no Springfield locals voted for Fitzgerald, Matles, and Emspak. Cimino's letter followed, and by early 1948 Manning and Slattery were spokespersons for a growing opposition group inside Local 206. They were supported by the Greater Springfield UEMDA chapter, which regularly leafleted the Bosch telling workers that if "Communism is an issue in any of your unions throw it to hell out and throw the advocates out along with it."<sup>22</sup>

#### The UE Comes Apart in Springfield: November - December 1949

Ralph Forsstrom became the focus of UEMDA attention. In spite of this, he was re-elected president of the local in November, 1948, garnering 71 percent of the vote against UEMDA candidate William Slattery. As with his earlier election to the revamped negotiating committee, it appears the rank and file preferred officers who projected themselves as effective unionists. The national political struggle was still secondary.<sup>23</sup> This was the case in most of the country as well. In December, 1948 alone

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<sup>22</sup> *SDN*, September 9, 1947. The throw them out statement was first made by Philip Murray, president of the Steelworkers. The *News* reported that "A number of delegates from the Springfield area have expressed their growing distrust of the left-wing elements in the UE union." Leaflet quote in *SDN*, article titled "Bosch Workers Urged to Battle Reds in UE," September 18, 1948. UEMDA had representatives from UE unions at Monsanto, Package Machinery, Van Norman, Chapman Valve, Bosch, and Westinghouse.

<sup>23</sup> *UEN*, November 27, 1948, p. 10.

UE defeated three attempts by the UAW to raid its locals, including a 3,000 worker refrigerator plant in Evansville, Indiana.<sup>24</sup>

At the start of 1949 UE national leaders attempted to shift the focus from the union by mounting an all-out campaign against high unemployment and falling worker incomes. The national Executive Board passed a resolution castigating big business and Congress for the fact that five million Americans were jobless. They also went after those they termed half-hearted labor leaders who were running away from the fight against unemployment. However, these efforts failed and at the September, 1949 national convention James Carey emerged with three times more delegate votes than in 1948. Carey now claimed that locals loyal to him represented 150,000 out of approximately 475,000 UE members.

At the beginning of November, prior to the start of the national CIO convention which officially expelled them, the UE resigned from the CIO. The Westinghouse, Chapman Valve, Van Norman, Monsanto, and Bosch locals issued a joint press release stating that they intended to remain in the CIO. "We're staying in the CIO," read the release, "we don't know yet how this is to be done, but we'll find a way. Between the UE and the CIO the choice is clear - it's CIO every time." On November 2nd Herman Greenberg, president of the Western Massachusetts CIO Council, announced that a ten-person national board had been appointed to set up a new labor organization to represent any workers desirous of leaving the UE. Anthony Cimino was named Springfield-area representative to the board. The board's first action was to grant a CIO charter to the International Union of Electrical Workers and name James Carey

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<sup>24</sup> UEN, December 18, 1948, p. 5; December 25, 1948, p. 3; January 22, 1949, p. 1.

president of the new union. On November 4 Carey sent telegrams to 1,500 manufacturing plants urging management not to have any further dealing with the UE and advising them that IUE now represented their employees.<sup>25</sup>

Also on November 4, regularly scheduled elections for Local 206 officers were held. In the main contest Forsstrom faced Ralph Chicketti in a race for business agent. Chicketti, a union steward and stock handler, had thirty years' seniority in the plant. By a 690 - 670 vote Chicketti narrowly defeated Forsstrom, while Frank Broderick, another anti-UE leader, was elected president. On November 5th the *Daily News* headline read "Bosch UE Defeats Forsstrom: Leftists Lose Last Hope of Major Influence Here."<sup>26</sup>

In rapid succession area plants exited UE and affiliated with the IUE. Van Norman led the way on November 4, followed by Westinghouse and Chapman Valve three days later, and Monsanto on November 8. At a Sunday, November 20 mass membership meeting Pittsfield GE workers voted overwhelmingly to join the IUE. There, before the vote workers listened to a sermon by Father Marshall of St. Mary's Roman Catholic Church advising them that they had a choice between "Washington and Moscow and ultimately Christ and Stalin."<sup>27</sup>

The Bosch remained split three more weeks. Management refused to recognize UE, held dues collected in escrow, and refused to negotiate a

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<sup>25</sup> SDN, November 1, 1949, p. 1, p. 4; November 2, 1949, p. 12; November 3, 1949, p. 1. Cimino had attended the CIO convention that expelled UE as a delegate from a Pennsylvania local of the United Theatrical Employees Union. SDN, November 4, 1949, p. 8. Chicketti had 30 years seniority in the plant.

<sup>26</sup> SDN, November 5, 1949, p. 1. In a related story Herman Greenberg praised Bosch workers for defeating Forsstrom.

<sup>27</sup> SDN, November 21, 1949, p. 32.



new contract. On November 9 the stewards council, chaired by Forsstrom and comprised entirely of union stewards, affirmed its support for the UE and agreed to send a telegram to Carey demanding that "he keep his nose out of our business and stop interfering with our current contract negotiations." But the Executive Board, composed of top officers and just a handful of stewards, passed its own motion calling for a swift resolution to the conflict.

Finally, at the November 19 membership meeting a motion carried ordering all local officers to withdraw immediately from the UE and sign IUE membership cards. A second motion passed directing Broderick and Chicketti to attend an organizing meeting of the IUE to be held in Philadelphia at the end of November, with all expenses paid by Local 206. Confident that they had shop floor support, Broderick, Chicketti, and Manning called a special executive board meeting for November 25 and suspended Forsstrom, second shift Vice-president Theodore Gagnon, Trustee Donald Bergeron and three negotiating committee members from office for failing to comply with the wishes of the membership to disaffiliate from UE and sign IUE membership cards. These six, along with 25 other members had signed an open letter refusing to join the IUE at the November 19th membership meeting. By November 30, 1,200 workers had signed IUE membership cards.<sup>28</sup>

Through the first five months of 1950 attention focused on the National Labor Relations Board election to be held June 2 to decide the issue of representation in the plant. Anthony Cimino, now an IUE international representative, helped IUE supporters throughout the

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<sup>28</sup> Executive Board minutes, November 14, 1949; General membership meeting minutes, November 19, 1949; Special Executive Board meeting minutes, November 25, 1949 (Local 206 files).

campaign. He was assisted by Herman Greenberg who planned a giant rally the night before the election. Workers voted 964 - 724 to end their affiliation with the United Electrical Workers. An IUE supporter quoted in the local papers remarked "The fight to clean the Communists out of our union started here in Springfield. It is fitting that every major plant in this area has seen fit to stay with the CIO and reject decisively communism."<sup>29</sup>

### Skill Counts: Who Supported the UE and the IUE?

The UE made one attempt to reestablish itself in the Bosch plant. In 1952 Forsstrom led a brief but intense campaign to represent workers in the skilled trades, including the maintenance department, experimental machine shop, and all tool and die and gage makers. However, under the supervision of the Boston office of the NLRB, workers voted 127 - 78 to remain in the IUE.<sup>30</sup>

A close analysis of individuals associated with the UE and IUE from 1947 - 1950 indicates that Forsstrom made the right decision in trying to win back those departments. It is possible to identify 41 workers and their occupations, 10 at Westinghouse and 31 from Bosch, who declared for or against the UE. Looking first at Bosch, the occupations of 21 who voted to remain in the UE were determined. Eighteen held skilled positions in the plant: Of these, five were toolmakers and four were all-around machinists. On the other side, among the ten IUE supporters, there was

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<sup>29</sup> SMU, June 3, 1950, p. 1. The IUE International loaned the Springfield local close to \$10,000 to finance the campaign (Local 206 files, Correspondence Series II).

<sup>30</sup> SDN, August 20, 22, 1958.



one set up man, two machine operators, an assembler, and six stock chasers and store room clerks.

At Westinghouse 14 workers signed a public statement opposing the IUE and for a brief period tried to reorganize a UE local in the plant. Occupations were determined for seven from this group. Five of the seven were skilled tradesmen and machinists and two were assemblers. A key leader of the stay-in group was maintenance mechanic Murdo Campbell, brother of deceased UE stalwart Matthew Campbell. The two most influential IUE leaders in the plant were assemblers.<sup>31</sup>

Historian Ronald Schatz found a similar pattern in an examination of the occupations of UE and IUE supporters in East Pittsburgh Westinghouse UE Local 601. Just as with early Bosch organizing, the main tool room had been a center of early union organizing. Many remained loyal to UE, while the nucleus of IUE support came from younger, unskilled and semiskilled workers. Schatz writes: "Although exceptions can be noted, the UE generally captured majorities in those sections of the bargaining unit in which a high proportion of the workers were either skilled, well paid, or both. The IUE won those sections of the unit in which the proportion of skilled or well-paid work was lower."<sup>32</sup>

In April, 1950, prior to the failed certification elections at Westinghouse and Bosch, *UE News* printed a series of interviews with Westinghouse workers. Titled "Old-timers Fight for UE at Springfield Westinghouse" the article provides further evidence of UE's support. A toolmaker commented that the strongest pro-UE department in the plant

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<sup>31</sup> For Westinghouse see *SDN*, November 18, 1949, p. 1. The fourteen signed non-communist affidavits to conform to Taft-Hartley guidelines, established themselves as UE Local 202 and petitioned the NLRB for what ended up being an ill-fated certification election.

<sup>32</sup> Schatz, *The Electrical Workers*, esp. chapter 8, quote on p. 203.



was the tool room. Oscar Nilsson, a machinist and one of the first UE organizers in the plant added "I certainly don't fall for this communist-baiting. I think that's a politicians' move of guys to get votes and get jobs for themselves."<sup>33</sup>

In sum, the Bosch and Westinghouse numbers reveal the following: 23 of 28 UE supporters held skilled positions while only one of 12 IUE supporters held a similar job. UE supporters included: machinists James Connell, Theodore Gagnon and Ray Gosslin; toolmakers Ed Durgin, Ralph Forsstrom, Louis Urban, and Emil Claus; and machine mechanics Gustav Langheld, Murdo Campbell, and James O'Neill. It was also possible to identify the occupations of 12 Local 206 officers who held positions in the union between 1940 and 1944. Here again the findings reveal that a majority of individuals held skilled positions. In the group of ten were diemaker Leo Goulet, tool grinder Wallace Kennedy, two all-around machinists Leonard Hayward and John O'Connell, and tool designer Robert Shields.

After the split union leadership came from a different source. Three men dominated Local 206 for the next ten years: James Parker, a stock clerk served as president from 1952 - 1958; Jim Manning, now a work expediter, was business agent from 1952 - 1958; and Ralph Chicketti another work expediter, served as president from 1950 - 1951 and was on

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<sup>33</sup> *UEN*, April 2, 1950, p. 4. It is unclear if there was an ethnic aspect to who wanted to stay affiliated with the UE. In a recent conversations with a long-time UE staff person, David Cohen, he indicated that the shops that remained UE, especially in Greenfield, Massachusetts and Springfield, Vermont were comprised mainly of workers with old New England Yankee backgrounds who rejected outsiders from various anti-UE organizations telling them who to support.

various negotiating committees. No skilled machinists or tool and die makers were elected to top office in the local through the 1960s.<sup>34</sup>

### The Impact of the Split on Organized Labor

It appears that skilled workers now focused their attention mainly on improving wages. Since the majority of workers were paid on an incentive basis tool room and other trades people often made less money per hour because they were paid a straight hourly salary. This group became active during contract negotiations and usually managed to elect at least one skilled trades member to negotiating committees. Content in the belief that their high level of skill assured them employment, if not at Bosch, somewhere else in the valley, the group became disengaged from the affairs of the local. They paid little attention to the negotiating battles and daily shop floor fights piece workers had with management over such issues as rate changes, the introduction of new incentive systems, and management's desire to replace workers with new machines. The social base of the local during the 1930s and 1940s, fell silent during the 1950s and 1960s. That no tool and die makers, machinists, and mechanics held high office after 1950 is noteworthy, indeed. Angered, embittered, embarrassed, barred from running for office for their loyalty to UE, many quit the union movement at a time when their energy and organizing skills were much needed. Most were like what labor journalist Len De Caux termed the in-

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<sup>34</sup> Names were gathered mainly from meeting minutes and newspaper articles. Occupations were determined primarily using city directories and union newspapers. Employment records for the period could not be found. IUE officers were determined from election files in Local 206 archives, UMass-Amherst.

between progressives in the labor movement, who now wondered how much good they had done.<sup>35</sup>

The UE had aggressively organized the rapidly growing electrical industry starting in the late 1930s and established national agreements with two of the largest corporations in the country, General Electric and Westinghouse. In the early 1940s close to 80 percent of the workers in the industry belonged to UE. However, as a consequence of intensive raiding by CIO unions like the UAW and the internecine battle with IUE, UE membership dropped to 71,000 in 1957 from almost 500,000 at the end of World War II. Most importantly, as Schatz points out:

Freed from the constraint of a powerful nationwide union, top General Electric and Westinghouse executives set about redesigning jobs, manufacturing facilities, and the internal structure of management itself. The net effect of these changes, which began immediately after World War II and extended into the mid 1960s, was to radically change the world of the workers and in the process undermine the conditions which had given birth to nationwide unionism in the first place.<sup>36</sup>

Nationally, the IUE grew quickly, winning several more representation elections between 1950 and 1954. But the electrical industry, particular the consumer goods segment, grew more rapidly, with

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<sup>35</sup> While it is beyond the scope of this research it would be interesting to determine if any UE skilled workers left the large plants in the early 1950s to start smaller firms of their own. There is evidence that in parts of Europe, and particularly northern Italy, numbers of plants were established by workers expelled from large firms for their Communist political views during this same period. In *Labor Radical* Len De Caux reports on visits with several labor organizers and officers affected by the attacks on alleged communists in the labor movement. Besides eliminating communists, De Caux contends, the move also eliminated "most earlier labor idealism." See Len De Caux, *Labor Radical* (Boston, 1970) p. 504 - 506.

<sup>36</sup> Schatz, *The Electrical Workers*, p. 232 - 233.



most new plants built outside the Northeast, IUE's base of support. GE's unionization rate dropped to 80 percent in 1960 from 95 percent in 1950. By the early 1960s GE workers were in a dozen unions instead of just one as they had been through the late 1930s and 1940s. Coordinated bargaining with GE became very difficult.<sup>37</sup> Some highly skilled work remained in the Northeast, like the production of GE's massive electrical transformers in Pittsfield, and its airplane engines in Lynn, Massachusetts. However, consumer products plants were built in the South and Southwest and by the early 1960s newer factories were placed in Europe and elsewhere around the globe to take advantage of lower wages. How did this production shift affect IUE membership in New England? In 1955 IUE represented workers in 59 factories in southern New Hampshire, northern Connecticut, and Massachusetts: By 1985, 65 percent of these plants were closed.<sup>38</sup>

### Local 206 and the Mississippi Plant

#### Introduction

In the essay "American Workers and the New Deal Formula" labor historian David Montgomery describes four sources of employer control over labor: Ideological control of the education system; the coercive authority of the government; company ownership of the means of

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<sup>37</sup> Schatz, *The Electrical Workers*, p. 226. By 1963, in terms of membership numbers UE only represented 10,000 GE workers. Other unions with a sizable presence in GE were: IUE - 68,000; IAM - 9,000; UAW - 5,500.

<sup>38</sup> The list of plants was found in IUE 206 files, UMass, Amherst Labor Archives. Closings were determined using city directories at three year intervals from 1970 - 1985. It is possible that a handful may have changed ownership and/or name and still be open. But this does little to minimize the fact that so many plants closed.

production; and the firm's drive for profits and control of markets. The later two were effectively utilized when Bosch management announced plans to build a manufacturing plant in Mississippi in 1953, and repeatedly used thereafter as joint production ventures were established in England, Holland, Italy, and South America. This unchallenged ownership made it possible for the corporation to determine where production could be carried out in the most cost effective way: If production in Springfield could be done cheaper elsewhere, so be it.<sup>39</sup>

To support his contention Montgomery cites the work of labor economist Sumner Slichter who in 1940 observed that "in the absence of great outbursts of union enthusiasm the pressure of business competition will always make the unionized sector of any industry tend to shrink." Montgomery refers to the case of northern textile workers, who made significant gains in wages and working conditions in the aftermath of World War I only to see their factories close down and industry move south. A similar fate awaited Springfield metalworkers in the mid 1950s.<sup>40</sup>

### Mississippi Moving

In constructing the Mississippi plant "ABA is essentially following the trend of other manufacturers in the highly competitive automotive component business who have found the operation of branch plants to be advantageous," company president Donald Hess told workers. The Springfield plant had recently lost high volume production work for Ford

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<sup>39</sup> Essay in David Montgomery, *Workers Control in America* (New York, 1979) ch. 7.

<sup>40</sup> Sumner Slichter quoted in David Montgomery, *Workers Control*, p. 157.

to Southern competitors and Hess had no intention of losing again. Following the recent split in Local 206, Hess had little reason to fear the "great outburst of union enthusiasm" Slichter wrote about would be forthcoming.<sup>41</sup>

There was a public response to the Mississippi announcement in the union's monthly paper. A *Bulletin* editorial cautioned members not to be fooled by the reasons Hess gave for the Mississippi start-up. According to union business agent Jim Manning it had little to do with loss of work to competitors with Southern plants or the need to reduce costs to meet increased competition. "They are attempting to get away from paid holidays; three week vacations; cost of living increases; pensions; paid insurance; seniority." Union president Parker added that he doubted the company's strategy would work: "So if they think, by moving to Mississippi, they will get away from Organized Labor, they are making a sad mistake." Parker added, "When they open the gates of their new plant in Columbus, they will find themselves surrounded by IUE-CIO Organizers." Parker also informed members that the ARMA Corporation owed its Long Island workers over a million dollars in retroactive pay dating back to July, 1952 and asked: "Now the same Corporation is building a new plant in Mississippi - when they do not have enough money to pay the employees they have now. I wonder what will happen next?"<sup>42</sup>

A *Bulletin* writer asked "Is Bosch doomed in Springfield?" and proceeded to answer his own question, warning that it would be difficult for workers to win the fight: "The working class may succeed in

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<sup>41</sup> Hess letter quoted in *SMU*, April 15, 1953.

<sup>42</sup> *LB*, April, 1953, p. 1.



postponing its final breakdown; they cannot avert it whichever way they turn, whatever remedy they resort to, they cannot overcome the fatal contradictions that gnaw ceaselessly at the workers' vitals...." He concluded, "The moving to Mississippi plan is one of the desperate schemes to which the stockholders have turned to increase their dividends."<sup>43</sup>

In fact, the IUE did organize the Mississippi factory by the late fall 1954, but this did not stop the expansion of the plant later in the year and the reallocation of even more Springfield work to the facility. Local 206 provided organizers with information on wages, benefits, and seniority language that were used in a series of newspaper advertisements aimed at workers in the new plant, and president Jim Parker went to Columbus to work on the organizing drive for several weeks. In an open letter distributed to Mississippi Bosch workers, the union observed "We are in no small way interested in the forming of a union at the AB plant in Columbus, Mississippi." The letter highlighted the workers' strong wage and benefit package that derived from a strong union. Local 206 went on that the contract secured better labor relations because "we believe, and the company believes, in good honest, fair negotiations."<sup>44</sup>

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<sup>43</sup> LB, April, 1953, p. 2.

<sup>44</sup> "Dear Friends Letter", October 19, 1954 in Local 206 Labor Archives, Correspondence File, Series 2. It is surprising that this tone would be used toward management when the union had been accusing them of behavior comparable to what happened at Pearl Harbor for building a plant in Mississippi. Such thinking shows how labor lacked a strategic approach to the rapid pace of events swirling around them and how labor felt it needed to appear very reasonable to succeed. In fact relations were anything but excellent. For example, in a June, 1954 letter to IUE field organizer Emmett Curley, President Parker apologized for not corresponding sooner and explained "We have been going through some big layoffs... . We now have over 600 people laid off since the middle of April" (Local 206 Archives, Correspondence file).

The Carey Plan. As part of their organizing campaign IUE distributed a news article to Mississippi workers taken from a speech made by President James Carey. "*The Southern Story*" outlined the international's position on Southern industrial development. Using twisted logic, Carey stated in part: "But there is a considerable difference between an expansion of production; part of which is to take place in non-industrial areas, which we favor, and simply changing existing production from one area to another." Carey assumed that a corporation only made decisions to build new plants when it had excess work orders for existing facilities. Such a decision was also predicated on at least stable, but by implication growing markets. Once a new factory was built a company was going to use it, even if it meant shifting work from an older plant when orders slacked off. This position encapsulates the overall weakness of labor's national efforts to understand and develop strategies to deal effectively with the changes underway in the global economy. One small local in Springfield could do very little alone, while at the national level Carey in this case, made this confused statement about production expansion the center-piece of his union's effort to fight runaway shops in the electrical industry.

Carey argued as well that corporations stood to make huge savings on such things as pensions and vacation benefits if they closed factories with high seniority workers. "We have demonstrated, for example, that by wiping out a plant of 1,000 people with ten years of service and starting up an entirely new plant where people have no service, General Electric would be able to save a million dollars..." Finally, he cited several

instances of electrical, radio, and machine industry runaway shops from the New England and Middle Atlantic states to support his arguments.<sup>45</sup>

Carey also outlined the IUE's five-part program for combating factory closings. First, federal tax abatement and other programs designed to make it financially beneficial to move should be eliminated, including Taft-Hartley provisions allowing firms to pay sub-minimum wages during start-ups. Second, workers laid off as a result of a closing should be given hiring preference at new facilities. Third, all seniority and service credits should be retained by workers when they relocate to the new plant. Fourth, severance equal to one week's pay for each year worked should be paid to all laid off employees by the company. Finally, unemployment compensation should be increased and benefit periods lengthened through the establishment of an Employment Security Fund.<sup>46</sup>

### Labor Falters on Runaways

Carey's program is indicative of arguments David Brody made in *Workers in Industrial America*. Discussing UAW behavior during the early 1950s Brody states: "When it took up the problem of unstable employment in the auto industry, the UAW had two choices: Either to deal with the causes, or to protect its members from the consequences." For the UAW, by the mid 1950s, supplemental employment benefits and a result-based approach prevailed; Carey's five points similarly focus

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<sup>45</sup> *Special Bulletin: The Southern Story*, in Local 206 Labor Archives. In the examples plants were abandoned in Trenton and Belleville, New Jersey; White Plains, New York; Bridgeport, Connecticut; Pittsfield, Massachusetts; Philadelphia, Pennsylvania; and production started in Louisville, Kentucky; Tyler and Paris, Texas; Rome, Georgia; Ashville, North Carolina; and Reform, Alabama. The *Special Bulletin* was also distributed in Springfield by the Western Massachusetts CIO Council.

<sup>46</sup> *Special Bulletin*.



primarily on income security.<sup>47</sup> There was no call for stepped up Southern organizing or a discussion of capital mobility and its possible prevention. Absent, as well, was any recognition at all of the rise of global competition. In the early 1960s this limited perspective resulted in the union joining with management in a company-financed 'Buy-America campaign' even as the corporation laid off hundreds of workers and expanded its production base in Europe and South America. Carey's program conceded any interest at all in developing a comprehensive strategy to deal with the structural changes in the electrical industry. By looking inward, the program also failed to galvanize the community in an effort to stem job erosion.<sup>48</sup>

Brody also cites a 1960 study in which economist Sumner Slichter contended that the choice unions made to be more concerned with income security is indicative of the general conservatism of the American labor movement. Such a policy, Slichter argued, avoided "the necessity of bargaining over such essential management decisions as production schedules, capital improvement plans, and plant location and left management ... its freedom to make these decisions".<sup>49</sup> This had not been labor's position right after World War II. Consider, for example, observations made in 1945 by an aide to UAW leader Walter Reuther regarding the 1945 General Motors strike. The UAW viewed the strike as:

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<sup>47</sup> David Brody, *Workers in Industrial America*, p. 194.

<sup>48</sup> UE, by comparison, tried to develop strategies that would address the needs of laid off workers as well as look at the industry. It called repeatedly for a strategy to organize the South and end discrimination. UE recognized as early as 1946 that corporations were beginning to decentralize production and attempted to devise responses to this as shops became scattered and decreased in size. They also sought to develop community-labor coalitions wherever possible to fight plant closings. For two examples of this see *UEN*, September 14, 1946, p. 7 and District Council No. 2, *Unemployment in Massachusetts* (Fall, 1949); UE National Office Records, District 2, ff 103, University of Pittsburgh.

<sup>49</sup> Slichter, quoted in Brody, *Workers in Industrial America*, p. 194 - 195. See chapter 3 for a discussion of UE strategies immediately after World War II as an example of this.

... the first act of a new and significant era in American unionism, an era in which labor might break away from the bonds of business unionism, to wage an economic struggle planned to advance the welfare of the community as a whole, and to lay the foundations for new economic mechanisms designed to win security without sacrificing liberty.<sup>50</sup>

In a 1951 *Bulletin* article at least some workers in Local 206 still believed labor needed more.

In Europe unions have been guaranteed the right of co-determination, which implies union participation in corporate financing, pricing, supply, and all other functions of management. This theory has been covered in some of Walter Reuther's writings and we hope in some future issues to bring you a report on this tremendous advance in union responsibility.<sup>51</sup>

In 1953 and early 1954 the *Bulletin* carried several more articles about the Mississippi plant. Union officials predicted the Mississippi move would lead to higher unemployment in the Springfield-area and decrease the demand for labor and the price paid for it. A call was also issued for union members to get involved: "This one time all of you must get into the battle, for though the North won the Civil War, the Union Army better organize and really win this one." Politicians were criticized: "Because of the juicy advantages offered by the South for exploitation of non-union workers by manufacturers, with little or no opposition by some senators and congressmen from New England, we're heading for a

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<sup>50</sup> Quoted in Brody, *Workers in Industrial America*, p. 176.

<sup>51</sup> *LB*, February, 1951, p. 2.

rough time." A growing concern was now becoming a "Going - Going - Gone Concern."<sup>52</sup> A front-page cartoon in the April, 1954 issue depicted the Mississippi plant submerged in mud with ducks floating around it. Two managers, covered with the mud themselves, were talking and one said "Well the Labor's Cheaper anyway." An editorial accompanying the cartoon warned that the corporation had 47 additional acres on which to build in Mississippi and questioned "How can anyone at the American Bosch feel reassured that his work is not moving, but will stay?"<sup>53</sup>

The April issue also reported a disappointing trip Local 206 officers made to Washington, D.C. The Massachusetts Congressional delegation ignored Parker's call to eliminate provisions in the Taft-Hartley law that allowed manufacturers bringing new industry to a community to petition the federal government for a six-month waiver on minimum wages laws. They also refused to consider sanctions against the corporation, including the curtailment of lucrative defense contracts.<sup>54</sup>

The issue of defense contracts, which arose several more times through the 1960s, illustrates how the absence of a coherent strategy to fight work relocations could hurt labor. For example, while Parker sought to use the contracts as a way to penalize Bosch for moving, just four years later the Springfield Westinghouse local sought, and obtained a pledge from Massachusetts Senator John Kennedy and Springfield Congressman Edward Boland that they would pursue large defense contracts for the plant to keep employment up in the city.<sup>55</sup>

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<sup>52</sup> LB, April, 1953. Usage of the phrase "This one time" implies that the union rank and file had not been actively engaged in the affairs of the local. There is a sense of urgency here that workers need to, at the very least, come to the defense of their livelihoods.

<sup>53</sup> LB, April, 1954, p. 1.

<sup>54</sup> LB, April, 1954, October, November, 1954.

<sup>55</sup> SDN, February 28, 1959, p. 1. Kennedy and Boland did not deliver on their promise as the plant fell to 200 workers in 1970 from 4,000 in 1958 (Joan Reilly, *History of*



Finally, Local 206 officers called for the establishment of a non-partisan movement to fight runaway shops and safeguard Springfield's skilled jobs. "The storekeeper, grocer, milkman and all other businesses will suffer from this move by industry out of the area unless something is done and done soon," an union editorial warned. However, there is absolutely no evidence that this call, the criticism of political officials, and the challenge to union members ever amounted to more than a rhetorical effort or that workers were willing to fight to preserve jobs.

In fact, events at Westinghouse indicate the opposite may have been the case, and that the rank-and-file chose to ignore the situation entirely. At Westinghouse, while rumors circulated that thousands of jobs were to be lost, Local 202 members defeated William Lieberman in his 1958 presidential reelection bid. Lieberman had been outspoken in challenging Westinghouse to declare its Springfield plans and successfully pushed for the Massachusetts AFL-CIO to call for a boycott of Westinghouse products. From local newspaper accounts it appears Lieberman was defeated because many workers believed his stridency on the issue was alienating the company. After his defeat the boycott was not implemented.<sup>56</sup>

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*Westinghouse Electric Company in Springfield 1915 - 1970: The Demise of a Giant* (unpublished paper, 1986) Pioneer Valley Historical Society Westinghouse Business file. It was obviously a lot easier for Kennedy and Boland to tell workers they would try to put more contracts in the city than tell a Fortune 500 corporation that they were going to be cut off from defense work, especially in the absence of any laws or regulations that tied the contracts to specific geographic regions. Local 206 tried again in the mid-1980s to get Congress to curtail contracts to the new plant owner United Technologies. The corporation had a several hundred million dollar defense order backlog and was in the process of closing the Springfield plant ostensibly because there was a lack of work for the facility.

<sup>56</sup> SDN, February 28, 1959, p. 1.

### Conclusion: A Weak Economy Getting Worse

By May, 1954 Bosch union leaders conceded there was little that could be done to stop the relocation of work to Mississippi. An editorial titled "Reward for Faithful Service" accompanied a cartoon showing a worker being kicked out the door of the factory. It read in part:

More lay-offs can be expected when the moving starts rolling in high speed. There are many employees who will be affected directly and indirectly. Some of these employees that will be affected by these lay-offs have been with the company between ten to twenty-five years, and some even longer. It will be hard for some of us to stand by and watch our living move from under our noses, and what hurts most is that we can't do anything to stop this flow of work from going out the door.<sup>57</sup>

Weaknesses in the regional economy were difficult to ignore. Three area plant closings are symptomatic of the problems workers and unions faced. In July, 1954 the Springfield Thread Works, a 52 year-old family business closed its doors. Of its 70 employees, ten had worked at the plant over 40 years. In the Summer of 1958 the H.L. Handy. Co. announced plans to leave the area, laying off 500 workers. This meat and provisions firm, founded in Springfield in 1883 by Herbert Handy, was now part of Swift and Company. Swift stated the closing was a part of "the company's program to close uneconomical units, improve others, consolidate operations where possible into the most modern facilities." The Fleming Foundry, a three generation family-owned business

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<sup>57</sup> LB, May, 1954, p. 4.

announced it was ceasing operations in March, 1959 leaving 50 workers unemployed. Foundries, the starting point for much of basic industry, were feeling the effects of the declining US machine tool industry. Fleming was also losing work because many industries were switching from the purchase of gray iron castings, its sole product, to new materials. The closing of these three well-established firms, with deep roots in the area, along with several others, might have prompted much public concern, but it did not.<sup>58</sup>

In 1956 Future Springfield, Inc., a local business and industry group, prepared an economic blueprint for the city. Its research established that there were 12 manufacturers that employed over 1,000 people in the city. In just ten years, as a consequence of work relocations and closing, the number dropped to eight; by 1976 there were only five. If the group had updated its report in 1986 they would have been distressed to learn only two of their original twelve companies were still engaged in manufacturing.<sup>59</sup> Labor's response to threats like the one posed by the Mississippi plant and such manufacturing job loss remained ineffectual in Springfield and other older Northeast manufacturing cities like Bridgeport, Connecticut and Trenton, New Jersey.

At the national level unions remained indifferent to the problem and failed to mount even an educational campaign about the changing global economy and its potential impact on jobs and communities. The

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<sup>58</sup> SMU, July 24, 1954, p. 10; SDN, August 21, 1958, p. 1; SMU, March 5, 1959, p. 13.

<sup>59</sup> Future Springfield, Inc. *Report* (1956) found in Pioneer Valley Historical Society Business Collection series. The 12 are American Bosch, Chapman Valve, Gilbert and Barker, Package Machinery, F.W. Sickles, Springfield Armory, J. Stevens Arms, U.S. Rubber, Van Norman Machine, Westinghouse, Monsanto Chemical, and Spaulding. Only the last two are still in operation. Forrant, *Plant Closings* (1987).



American Federation of Labor strategy focused mainly on ending tax and bond subsidies for runaway companies, along with calls for Congressional investigations on runaway shops.

With the exception of the Mississippi plant, the ARMA Corporation expanded mainly in Europe and South America through the 1950s and 1960s, rendering much of the AFL position meaningless. Reuther's late 1940s argument that labor needed a place at the table when investment and plant expansion decisions were made was more apposite, but had no champion in national AFL-CIO circles. Without a national labor strategy, Bosch workers resorted to what they knew best. They argued with the company to make the product better and stated repeatedly that their skills were enough to keep work in the plant and make it competitive.

## CHAPTER 7

### THE UNION AND CORPORATE CONSOLIDATION II: GRIEVANCES, LABOR CLASSIFICATIONS AND STRIKES

#### Introduction

Chapter 6 discussed the two most important external events affecting union activity in the plant, the acrimonious struggle between the United Electrical, Radio and Machine Workers and the International Union of Electrical Workers for control of Local 206, and the corporation's decision to build a plant in Mississippi. In this chapter three internal issues are discussed: the operation and uses of the grievance procedure, the job classification and rating system and how it affected workers in the plant, and the Fall 1958 solidarity walk-out in support of the Bosch engineer's union.

The union had a difficult time regaining momentum in the shop after the UE-IUE split. The most notable manifestation was a failure to achieve needed quorums for monthly membership meetings. ARMA benefited from this as they sought to make changes in the plant. The lack of internal cohesion made it difficult for the local to deal effectively with the issues of job loss, work relocation to Mississippi, and global expansion. With workers in most large metalworking plants facing the threat of outright closure or large layoffs, the Springfield trade union movement failed to pull together, as Bosch unionists and others failed to develop a shop and community-wide program to defend jobs. The region's Central Labor Councils remained silent as well. The union however, did become

contentious in the shop whenever work increased and members returned from lay-off. Then, it attempted to use what temporary bargaining leverage it had to achieve wage and benefit improvements and resolve outstanding issues on the shop floor.

## The Grievance Procedure

### Introduction

Workers in the Bosch, like their counterparts in other large manufacturing plants across the country, chafed under the arbitrary authority of foremen through the 1920s and early 1930s. They especially resented management's unilateral right to determine who worked and who did not. From the outset, unionists determined to solve this problem by establishing dispute resolution mechanisms the company would have to observe. There is reason to believe that this issue was as important as wage considerations were to Bosch workers who led the 1936 organizing campaign.<sup>1</sup> A 1940 UAW pamphlet, cited by Stephen Meyer in his history of Allis-Chalmers and the UAW, supports this view. Before unionization shop supervisors "were little tin gods in their own departments. They were accustomed to having orders accepted with no questions asked. They

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<sup>1</sup> Early union activist Ralph Chicketti's remembrances discussed earlier bear this out. Lining up for work early each morning and relying on the good will of supervisors to have a job and be assigned decent work had to rankle particularly the more highly skilled workers in the plant. The affront contributed to this group playing a leading role in union organization in the late 1930s. In 1973 the grievance procedure still performed the function of regulating behavior between a foreman and worker. In one incident a 30-year gage maker was accused by his supervisor of not working the first half hour of his shift. Upset, he left the shop and was suspended. At the first step hearing the steward got the suspension rescinded. At the next step union and management got the worker and supervisor to shake hands and the issue was resolved (Series III, Local 206 grievance files, UMass Labor Archives).



expected workers to enter into servile competition for their favors." After unionization, the pamphlet continues, "The foreman finds the whole world turned upside down. His small-time dictatorship has been overthrown, and he must be adjusted to a democratic system of shop government."<sup>2</sup>

Ronald Schatz found much the same in interviews he conducted with UE members at the East Pittsburgh Westinghouse plant. Machine operator Art McCollough commented: "The company had the goddamned thing so unequal you know, that a foreman's favorite would be making a hell of a lot more money than somebody else and this other guy might be doing more... ." Operator William Winn agreed: "People bring in farm baskets and get good jobs and privileges - and you can't do nothing about it. What could you do?"<sup>3</sup>

### Bosch Grievance Procedure

In the first Bosch contracts, procedures to settle disputes were delineated, but what constituted a contract violation was not clearly defined. For example, the first line of the 1941 contract's section on the grievance procedure begins, "in the event of a grievance" and outlines the procedures. While no early grievances were preserved it is likely that in the late 1930s and early 1940s the union and company spent considerable time debating whether an issue the union raised did in fact constitute a grievance. In 1941 a steward system was established and problems were to be resolved at the department level between the worker, foreman, and

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<sup>2</sup> UAW 1940 pamphlet quoted in Stephen Meyer, *Stalin Over Wisconsin: The Making and Unmaking of Militant Unionism, 1900 - 1950* (New Brunswick, 1992) p. 109.

<sup>3</sup> Ronald Schatz, *American Electrical Workers* (diss., 1977) p. 68.

union steward whenever possible. If a dispute could not be settled at this level, a four-person grievance committee would meet with management to solve the problem, with the company paying the wages of all in attendance.

Time limits were also in effect to insure speedy dispute resolution. At the first stage the foreman, steward, and grievant were to meet in the department to solve the problem. Failing resolution, the issue would next be placed before the personnel department by the union business agent within one working day. A formal investigation would take place in the next two days by the grievance committee if the business agent and personnel department could not satisfactorily resolve the problem. After a formal hearing, to be held within one week, the company had an additional week to answer the complaint. If a settlement was still out of reach, the parties agreed to submit the dispute to a three-member arbitration board for final resolution. The union agreed in the arbitration clause that it "will not cause or permit its members to take part in any sit-down, stay-in, slow-down, or stoppage within the period of this Agreement." Management, in turn, agreed not to "lock out any employee." The 1958 walk-out in support of another striking local in the plant discussed in the next section tested this clause.<sup>4</sup>

By the end of World War II this system upset corporate labor relations officials across the country. Skillful unions, they argued, used the vagueness of the system, to gain an unfair advantage for labor and infringe on a company's right to manage the enterprise. Historian Sidney Lens pointed out in 1948 that in fact each side used the grievance procedure to "consolidate its base," and "to plan and prepare for bigger

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<sup>4</sup> *Local 206 Contract*, 1941.

conflicts at the termination of the contract or wage reopening period." During the war production boom, union stewards did diminish the arbitrary power of foremen but in the late 1940s and early 1950s management was determined to take back the power it believed it had lost. Limiting labor's abilities to use grievance machinery effectively was one aspect of this.<sup>5</sup>

An Historical Overview. Milton Derber visited several unionized electrical, glass, and rubber factories in 1939 and 1940 and prepared a series of case studies under the direction of University of Wisconsin labor historian Selig Perlman. Derber determined that while labor generally agreed that management had the right to direct production they also did everything possible to restrict this right. During interviews with managers, union officials, and rank and file workers he found that after the issue of wages the most important question was how work was allocated. Workers were attempting to eliminate the ability of foremen to arbitrarily give the best piece work jobs to friends, relatives, and non-union machine operators. Conflict also ensued over the issue of foremen operating equipment and performing other work unionists felt belonged to them. The union and company also argued frequently over the establishment of a proper role for the union in verifying the fairness of piece work rates. Derber indicated that unions were learning how to

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<sup>5</sup> Sidney Lens, "The Meaning of the Grievance Procedure", *Harvard Business Review*, Vol. 26 (1948) p. 721. By 1971 the Bosch contract defined a grievance as "a claim by an employee or the Union, that an action or non-action by the Company violated a specific provision or provisions of this Agreement." In the late 1970s the company tried to get time limits for filing grievances in the contract but failed. It succeeded in 1983 when the negotiating committee was fearful the plant was going to close.



utilize the grievance procedure to prevent management encroachment on early contract gains.

Derber noted, as well, that in the plants he visited top management "has become slightly less antagonistic" to labor. When the union allowed for "exceptions and not too rigid a system," in turn, "The petty tyrannies of minor supervisors have been eliminated and production efficiency has to that extent increased."<sup>6</sup> Derber's examination of the history of unionization in the electrical industry revealed that there was "relatively wide and peaceful adoption of collective bargaining." This stemmed from two things: First, employers realized that the fight would be costly and futile; second, the union organizers were extremely skilled and resourceful.<sup>7</sup>

In Springfield, the Westinghouse union and plant manager had regularly scheduled meetings to discuss outstanding problems. In 1934 the company had also established what it called shop regulation committees, to work on such issues as plant housekeeping and maintenance. The union selected two workers from each department in the plant to serve on these committees. During this period grievances were largely resolved on the shop floor or in regularly scheduled meetings between the Industrial Relations director and the union's business agent and president. According to Derber, the union wanted to demonstrate to management and the public that "a responsible labor organization could make constructive contributions to the welfare of the plant," and this was the

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<sup>6</sup> Milton Derber, *The New Unionism and Collective Bargaining* (1940) p. 26. Derber cites an industrial relations director who commented that his job was "to keep the peace without selling the plant," p. 46.

<sup>7</sup> Derber based his observations on interviews with managers and union officers at the Schenectady Works of General Electric, the East Pittsburgh and Springfield Westinghouse plants, and a Philco and an RCA plant in Philadelphia. Derber most likely talked to Matthew Campbell while in Springfield.

case.<sup>8</sup> Westinghouse managers estimated that 12 percent of productive labor was lost to waste and defective work in 1937. This had dropped to 6.1 percent by 1939. Derber added:

However, even if its economic value were slight, the 'scraps' campaign would be worthwhile, for it has a notable influence on labor relations. Through the joint departmental and inter-departmental committee meetings it has given the workers and supervisory officials a clearer appreciation of each other's problems and has destroyed many of the bases of misunderstanding and antagonism.<sup>9</sup>

Stephen Meyer, in his recent book on Allis-Chalmers and the UAW, examined hundreds of grievances for the period 1937 - 1940. Meyers notes two important categories of grievances, those that presented "a significant challenge to the shop floor authority of straw bosses, foremen, and supervisors," and those that "touched on the complicated question of new production technologies."<sup>10</sup> He found that 48 percent of 2,500 indexed grievances filed between 1937 and 1940 involved wages, and that most of these protested unfair piece rates and requested the union be present for new studies or demanded access to management studies.

Meyer contends that grievance activity "constituted a means for resisting new technologies and new production methods" and sprang from a sense of "equity and fairness." The grievances were also the only contractual vehicle workers had to stave-off speed-up. From the machine operator's perspective, an unfair rate connoted an attempt by management to gain more pieces per hour for the same, or less pay. As automatic

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<sup>8</sup> Derber, p. 93 - 99.

<sup>9</sup> Derber, p. 100.

<sup>10</sup> Meyer, *Stalin Over Wisconsin*, esp. p. 111 - 117.

machinery was introduced these rate grievances also gave workers an opportunity to protest both the technology and the rates on the jobs the equipment performed. Examples from Bosch grievance files help to make this clear.<sup>11</sup>

## Job Structures and Labor Classifications

### The System

By the late 1940s every Bosch worker had a labor grade and detailed job description that defined what he or she did in the plant. In tandem with the seniority system that governed layoffs and recalls, these regulated the movement of workers in and out of the factory. At the same time they significantly limit management's flexibility in the areas of job assignment and staffing.

The entire system evolved during World War II with the incorporation of the first job classification book in the contract. Along with the piece work incentive structure, the seniority-classification system was a principal source of friction in the plant until the day the doors were locked. Each worker had a detailed job description and labor grade that defined their occupation in the plant and encompassed their classification. In addition, the parties agreed to "establish straight plant-wide seniority" using these occupations; layoff procedures were also based on them. As will be discussed below, unionists refused to perform functions they believed strayed from their classification and argued for a higher rate of pay if directly ordered to do so. When ordered, a grievance was filed,

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<sup>11</sup> Meyer, p. 113.



which in turn, slowed production at the precise moment when it was important to get the job assignment done. Workers also zealously guarded what they felt to be the work in their classification and grieved whenever they believed somebody else was performing it. In addition union stewards kept an eye out for instances where a worker was ordered to perform tasks ordinarily done by a worker who may have been laid off. During every contract negotiation period from the late-1960s through the 1980s management tried to rid the plant of this system, contending that it placed severe restraints on their ability to produce cost effectively. However, union negotiators spurred on by high seniority workers, dug their heels in and defended what they viewed as their only modicum of job protection.<sup>12</sup>

Each worker had a detailed job description with a labor grade and occupation code attached to it. The lower the labor grade number, the higher the base rate payment. There were six grades for production workers running from labor grade 4 - 9. A grinding machine operator's job description read as follows: "Grind to very close tolerances and fine finishes. Finish grind plunger outer diameter, and plunger helix, also rough, semi-finish and finish grind camshaft lobes. Set up complicated jobs. Dress Wheels." This occupation carried with it a Job Grade 4 and Occupational Code 307A. There were two other descriptions for grinding machine operators with subtle distinctions and different job grades and occupational codes. A Job Grade 5 grinder "did repetitive grinding to close tolerance and finish" and "performed production setups", while a Job

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<sup>12</sup> SMU, December 10, 1958; April 8, 1959; July 29, 1960; March 15, 1962.

Grade 6 grinder performed "repetitive grinding to average tolerance and finish" and did "production setups."<sup>13</sup>

Turret Lathe operators had three job descriptions, occupational codes and job grades. Distinctions centered on setup responsibilities and tolerances. The top operator was required to perform complicated setups and work to close tolerances; the middle range, simple setups and close tolerances; and the lowest performed no setups at all and worked to average tolerances.<sup>14</sup>

Floor inspectors moved throughout the factory checking on the quality of parts being produced. They had three job descriptions. An Inspector Class 1, Job Grade 4 performed final inspection work on complicated and expensive products, needed to exercise a high degree of responsibility and required very little supervision. An Inspector Class 2, Job Grade 5 worked on complicated parts and assemblies, had to have knowledge of blueprints and used minimal judgment. An Inspector Class 3, Job Grade 6 worked on simple parts and assemblies. Traditionally an inspector in job grade 4 could 'work down' and perform less complicated work, while the obverse would prompt an immediate protest. This was done to prevent the company from eliminating more well-paid inspectors by assigning their work to Job Grade 6 inspectors.<sup>15</sup>

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<sup>13</sup> IUE Local 206 *Red Book of Job Classifications*, p. 20, 21.

<sup>14</sup> *Red Book of Job Classifications*, p. 20, 21. There were over 150 descriptions and occupational codes in place by the completion of 1958 contract negotiations.

<sup>15</sup> *Red Book*, p. 12. While piece workers had to contend with the rate issue, inspectors, stock handlers, set-up men, and other of what were termed day workers, always had to be aware of company efforts to assign higher labor grade work to lesser classified people. Since it was difficult for the company to establish time standards for the work these individuals performed, the next best thing was to pay as little as possible to get it done.

The AAIM Rating Manual. Bosch labor grades were established using a complex job rating system established by the American Association of Industrial Management (AAIM). AAIM utilized a point-based system, that made it possible to "determine the differentials between jobs in terms of their relative requirements, and provides the factual basis for obtaining such differentials." According to AAIM such ratings yielded the benefit to a company of "establishing and maintaining the equitable wage relationship between jobs, which is fundamental to good industrial relations and sound wage administration."

AAIM attached point values to the application of such things as skill, effort, and responsibility, totaled the points, and through predetermined point ranges, arrived at a job grade for the hundreds of occupations in the plant. For example, the Job Grade 4 Grinder in the example above had a point total in the 294-315 range while the Job Grade 5 Grinder was in the 272-293 range. In each broad category to be reviewed there were specific factors to be rated. For example, in the category skill the factors were education, experience, initiative, and ingenuity. Finally within each of the factors there were five degrees of proficiency. Such a complex and subjective system was bound to cause disagreement between workers and supervisors.

Within the overall system experience could gain the most points, followed by education and initiative. Points were based solely on what was needed to do the job. Thus, a drill press operator who might have graduated from a machinist apprentice program and could interpret complicated blueprints gained the same points for education as a co-worker who had never finished high school. He or she received points based only on what it took to become a good drill press operator. Workers



were never paid for knowledge or overall ability, but for the precise functions they were expected to perform. The system was inflexible in this regard.<sup>16</sup>

Here, as with the job descriptions, the finest of distinctions existed between the degrees in a factor being reviewed. Under experience, the operative words were the "minimum length of time it would take a normal qualified person working under normal supervision to attain quality and quantity performance standards." The faster a job could be learned the lower the point value attached to it. Under initiative and ingenuity "the independent action, use of judgment, the making of decisions and the amount of resourcefulness and planning the job requires" were rated. The difference between the top two degrees were "requires the use of considerable judgment" and "requires the use of outstanding judgment". Mental or visual demand evaluated the "degree of mental and/or visual fatigue sustained through the application of mind and eye in performing job duties. "Concentrated" attention and "intense and exacting" attention made the difference between the top two degrees in this category.<sup>17</sup>

AAIM and Quality. The AAIM system placed almost no emphasis on the issue of quality work. Quality was mentioned in just the Effort category in the manual. It measured "the responsibility for preventing loss which may result from negligent inspection or testing. " It carried a maximum point value of 25, the lowest a factor could receive in the entire

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<sup>16</sup> *Bosch Job Rating Manual* p. 3.

<sup>17</sup> *Bosch Job Rating Manual*, p. 4, 6, 9.

system. The greater the dollar-value loss caused by bad work, the higher the points achieved.<sup>18</sup>

Each time a new machine tool was placed in the factory lengthy negotiations followed before a labor grade was established. However, the company had the final authority to set the labor grade for the job and only had to provide the union with its rationale. Not surprisingly, management slotted every new job at the lowest possible level. This prompted the worker on the job to grieve his or her labor grade and resulted in several arbitration cases.<sup>19</sup>

In summary, three features - precise job descriptions, labor grades governing transfers, layoffs and recalls, and the AAIM rating system - established a formal, rule-bound system regulating worker movement throughout the plant by the early 1950s. By the mid-1940s a management team was established to keep track of the paperwork required to document this system, while the union won the right to have a member of their elected Seniority Committee present at all layoffs to advise workers on their various options. Workers knew their labor grade and classification numbers the way a returning World War II veteran could recite the numbers on their dog tags.

Economist Richard Edwards argues that this entire system was designed by management to gain bureaucratic control over the factory floor. For Edwards, "bureaucratic control is embedded in the social and

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<sup>18</sup> *Bosch Job Rating Manual* p. 11.

<sup>19</sup> *Bosch Job Rating Manual*, p. 1. The AAIM manual was entitled *Definitions of Factors And Respective Degrees Used in Rating Production, Maintenance and Service Jobs*.

organizational structure of the firm and is built into job categories, work rules, promotion procedures, discipline, wage scales, definitions of responsibility and the like." This accurately describes the AAIM approach, and places Charles Perelle's reorganization of the labor relations department and his drive to limit union involvement in plant production decisions in the context of events taking place across U.S. industry. Edwards is correct when he points out that as the system developed unions were drawn in to it, giving up such things as the right to strike during the life of a labor agreement, in return for fairly predictable wage increases, modest pensions, and other benefits. However, as the Bosch case demonstrates, workers were quite capable of manipulating the system to slow down and block management attempts to establish authority on the factory floor.<sup>20</sup>

### The Grievance Procedure and Corporate Consolidation

#### Under Perelle Problems are Not Solved

By the mid-1950s the Bosch grievance system was in disrepair. A 1956 *Labor Bulletin* ran a front page cartoon showing Director of Industrial Relations James Mote seated at a table across from a sweating and gagged foreman who was rubbing a magic lantern with 'answers' written on it. The word 'NO' floated in a cloud above the foreman's head. Off to the side of the table was a file cabinet with grievance forms spilling out of the drawers. In a near-by waste basket lay a copy of the labor agreement. An

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<sup>20</sup> Richard Edwards, *Contested Terrain: The Transformation of the Workplace in the Twentieth Century* (New York, 1979) p. 132.



accompanying article reminisced about the old-days when labor relations personnel had open and tolerant minds and negotiated settlements instead of issuing dictatorial ultimatums. "We cannot help but recall," the article went on, "the many pleasant hours spent with men of high principles who treated us as human beings and received the proper respect reserved for those who lead us." The message was clear: The timely resolution of problems on the shop floor, was not taking place.

Foremen were no longer allowed to answer grievances in the first step. Every issue had to be handled by Mote's labor relations department. This meant delay, and often compounded problems for stewards and foremen. The irony here is that speedy dispute resolution could have contributed to management's concerted efforts to increase plant efficiency. However, by delaying the settlement of even the simplest problem, the aggrieved worker often slacked off in quiet, personal protest.<sup>21</sup>

### What Bothered Local 206 Members?

Table 7.1 is based on a sampling of two hundred Local 206 grievances filed from the early 1950s through 1968. How do the issues here compare with Derber's and Meyer's findings? Each studied an earlier period, but there is a great deal of continuity between issues workers deemed significant in the 1930s through the 1950s and 1960s.<sup>22</sup>

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<sup>21</sup> *LB*, April, 1956, p. 1. Mote had now been given the nickname 'Mote the Goat' in honor of what workers believed to be his stubborn and mean-spirited personality.

<sup>22</sup> The local maintained excellent grievance files by worker and department. Hundreds of these files are well organized in the UMass archives and provide a rich source for a more exhaustive study of grievance activity in the plant. In many instances the grievance committee's notes are attached to the original grievance and in almost all cases the company's formal written response is attached as well.

Rate Grievances. On rates, Bosch workers argued, "I find the rate given to me to be extremely low. I want a new rate taken that will be fair and equitable;" "Time study eliminated my fatigue allowance;" "I cannot

Table 7.1: Sample of 200 Local 206 grievances 1953 - 1970.

Rates of payment on piece work	30%
Job classifications	26%
Foremen performing union work	11%
Miscellaneous	11%
Seniority in layoffs and recalls	8%
Working out of classification	3%

possibly do the work assigned, I am already overloaded;" "I claim speed-up." In the drill press area of the shop, where the company made a concerted effort in the mid-1950s to reorganize production well over 50 percent of all grievances filed concerned new piecework rates. In the entire sample 30 percent of grievances were on rates and improper time studies.

In early 1960 the issue of fair rates intensified to the point that union leaders had to caution angry workers not to walk out over the proliferation of unresolved rate grievances. In a letter to officers and stewards union president Depathy warned "employees if walking out in a body are subject to disciplinary action. Instead, he instructed workers to place a grievance on "each and every part number and operation number and on all set-up time studies."<sup>23</sup>

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<sup>23</sup> Local 206 files, Series III, grievance files. Letter to Officers and Stewards found in Series 3, grievance files. The job classification issue will be analyzed in the next chapter when the job rating and seniority systems are discussed.

The answer to one such grievance demonstrates the complex nature of rate complaints as well as how rate setting was integral to management's efforts to exert greater shop control. After a 1959 grievance hearing Shop Superintendent Charles McCobb wrote, "The elements in the study were all found to be correct. However we did deem it advisable to increase the utilized time factor which increased the rate from \$8.60 to \$9.78 per 100 parts produced." This largess was followed with an explicit warning to the worker to increase production: "With this change in the rate I am sure there is no violation of the contract and operators can produce much more than they are presently turning in."<sup>24</sup>

By the late-1950s, as rate setting became more complex workers' use of the grievance procedure to protest bad rates heightened.<sup>25</sup> An undated five page union memo provides an analysis of rate-related problems from 1942 - 1966 in Department 110 demonstrates this. The department contained lines of large Warner and Swasey chucking machines and Acme Gridley bar-fed automatic screw machines. It had the largest concentration of skilled set-up men and the most skilled machine operators in the plant. Workers were responsible for keeping three or more of these machines running. The entire department was paid on a group output basis. The first memo entry read, "During the war years and for a period afterwards the many problems were kept in the department and resolved by an aggressive group of old timers, so written grievances were at a minimum."<sup>26</sup>

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<sup>24</sup> Series III, Box 10 grievance files.

<sup>25</sup> *Local 206 1941 Labor Agreement*, p. 36. In 1941 the contract read: "The policy regarding the speed of operations is that time studies shall be made on the basis of fairness consistent with quality workmanship, efficiency of operations, and the reasonable working capacity of normal operators."

<sup>26</sup> *Department 110 Grievance History Memo*, author unknown (Local 206 files).



When Perelle began his modernization program Department 110 was one of the first to receive new machine tools with simplified set up procedures, automatic part loading attachments, and increased tool capacity to boost output. After 1953 grievances were filed to resolve the issue of how many machines each operator was required to run. Workers protested whenever the company attempted to reduce the number of set-up men in the department, and there were continual skirmishes regarding the number of floor inspectors assigned to the area. Such grievances mitigated against management's position that they determined staffing patterns on the shop floor.

Workers in the department also protested the way they were compensated when machines broke down during production. In January, 1954, for example, a 'downtime grievance' resulted in a chart being made by a time study engineer so that a standard formula could be applied. By March, workers grieved the accuracy of the chart, and in April it was discarded and another prepared.

Whenever management introduced production changes workers argued that their jobs changed as well, necessitating reevaluation and possible upgrading. During the 1940s and early 1950s operators in the department mainly roughed out parts to be finished in successive operations elsewhere. By the late 1950s, engineering and tooling improvements in the department made it possible to produce parts closer to finished dimensions. Management then laid-off large numbers of milling and grinding machine operators who had performed these secondary machining operations. To protect jobs, grievances were filed which asserted that since the "tolerance and closeness of work has greatly increased since these machines were first installed to do just blank work,"

and "now a more finished product is demanded under conditions far in excess of capabilities of machines and personnel," the jobs should be changed to the way they were. If not, operators should have their job grades elevated, base pay increased and several more floor inspectors added to the department to insure the close tolerances required off the machines were being maintained. There is no evidence in the union's arbitration files that such grievances succeeded.<sup>27</sup>

When a department grievance like this was written every worker signed it and attended the hearing. The work area would become deserted and production could cease for hours. Not surprisingly, such group grievances were unnerving for management. In the case of Department 110 this was especially so, for roughly 80 percent of all parts machined in the factory started there. These grievances were empowering to workers, who witnessed a mini-shutdown that was perfectly legal under the collective bargaining agreement.<sup>28</sup>

Supervisory personnel performing what was considered union work generated large numbers of grievances, particularly following layoffs. These grievances were usually written by stewards who most likely were instructed by union officers to crack down on these practices. Foremen were written up for such things as moving pallets of work, carrying a handful of parts from one work area to another, inspecting parts, carrying tools from the tool crib to a machine, and adjusting machines. The

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<sup>27</sup> *Department 110 Grievance History Memo*. Grievance that involved arguing for a job upgrade were seldom successful. In a review of 15 arbitration cases, the union won only one upgrade.

<sup>28</sup> *Department 110 Grievance History Memo*. It is instructive to compare the scene of collaboration Derber described in the late 1930s at Westinghouse with this almost constant battle in what can be arguably viewed as the most important production department in the Bosch. The company tried repeatedly to change grievance procedure language in order to limit the number of workers attending a hearing but the union resisted these efforts.

company responded after one such grievance hearing: "The arguments of the union have been reviewed and considered and it is the company's opinion that the contract was violated by the supervisor going to the tool crib to find the correct boring bar." On another occasion a foreman going after the tooling for a set-up was charged with a contract violation. In a third example, the company stated it "does not condone or have any intention of permitting foremen to secure and transport gages and fixtures."<sup>29</sup>

Like group grievances, these too were empowering. The steward and workers who witnessed the illegal activity had the authority to stop their own machines, request a meeting with their boss, and inform him he was in violation of the labor agreement. Overbearing foremen ran the risk of having production tied up for several minutes a day by skilled stewards determined to uphold the contract. During the company drive for increased productivity such interruptions were costly and shined a spot-light on a department's leadership. Stewards could use this to their advantage. In addition, foremen suffered personal embarrassment if the issue proceeded through the grievance procedure and a hearing was held with plant labor relations personnel. When the company put in writing that supervisors were wrong for performing union tasks, workers had license to ridicule foremen. This also undermined management efforts to gain control on the factory floor. These grievances remained one of the few ways for the union to exhibit a modicum of power and control, and resist Perelle's speed-up campaign.

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<sup>29</sup> Series III, Box 12 grievance files.



Job Rating and Classification Grievances. Grievances on job classifications were the second most common filed in the plant after rate ones (Table 7.1). Set-up men continually filed this type of grievance when ordered to move completed work from one department to another, complaining that they were not stock chasers. Set-up men also reacted strongly against instructions to run production work once a set up was completed and the job was ready to run. Workers in the Chucking Machine department filed numerous grievances regarding requirements to move parts and inspect finished work. Like Department 110, the majority of workers had high seniority and the machines in the area were some of the most difficult to maintain in the factory. Management continually tried to force operators to run more machines or perform more of the support tasks needed to keep the department running, including, moving work, inspecting parts, oiling machines, and doing simple set-ups and tool changes. Since none of these tasks were contained in their formal job descriptions, workers resisted what they believed were management encroachments on their jobs. The company response to one such grievance: "At times operators will have to relocate parts from one area to another within the department or walk a greater distance than usual to get parts to load into the machine," captures the essence of this issue.<sup>30</sup> A second answer makes it clear that the company sought some flexibility in making these types of assignments, while the union was unwilling to accede to this easily. Set-up men were upset that they were being forced to clean machines, claiming it was a maintenance department

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<sup>30</sup> Series III, Box 12, ff 125, grievance files. Two workers in the department, Vincent Motyl and Donald Staples, filed numerous grievances on these. Each became a union steward and eventually were elected to more responsible positions in the union during the 1960s and 1970s. But they made their reputations as strong unionists in these departmental skirmishes.

task. The company denied the grievance and informed the union that "during peak loads, to meet production demands, we may need to assign this to set-up men."<sup>31</sup>

Union leaders viewed these classification violations as a jobs issue. When shop floor reorganization plans were introduced large numbers of stock handlers, packers, and other non-machine personnel were laid off. The company then attempted to get this work done by temporarily reassigning operators to these tasks. A brief newspaper article made the union's position clear on such a tactic: "Operators working out of classification on day work jobs must be halted. Let's hire the needed help for efficiency and productivity's sake."<sup>32</sup>

Issues of job classifications, descriptions, and the assignment of work became so nettlesome that quite often special contractual side-agreements were negotiated to resolve them. For example, in 1954 the union and company signed a document to "promote and maintain a harmonious relationship among the skilled maintenance workers." Job Grade 4 millwrights, painters, and masons were reclassified to Job Grade 3 with a seven cents an hour increase, as a result of a grievance filed against their being ordered to move machines around the shop. In return for the upgrade, the union agreed to language that stipulated "maintenance work often arises in large quantities, particularly during the movement of a department. In the interest of efficient maintenance operations, it is necessary at times to have maintenance workers perform other types of work than their classification imply."

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<sup>31</sup> Series III, Box 12, ff 126, grievance files. The union saw this as a jobs issue and in one newspaper article wrote "Operators working out of classification on day work jobs halted. Let's hire the needed help for efficiency and productivity's sake."

<sup>32</sup> *LB*, October, 1959, p. 3.

Grieving skilled tradesmen may have been attempting to maintain some vestiges of craft distinction in job assignments. But the side-agreement ended this notion when the union and company agreed "In consideration of this upgrading of these classifications it is agreed that maintenance workers shall perform such maintenance work as may be assigned to them by their Supervisors without detailed regard for job descriptions or job content."<sup>33</sup>

### Conclusion

Frequently the union utilized the grievance procedure and the job classification system to gain a measure of respect and recognition from the company, correct inequities, and slow down management's shop-floor reorganization. The filing of group grievances, the determination to have rates set which included proper allowances to insure a fair day's pay, the vigorous efforts to limit supervision's encroachments on union work, the attempt to protect laid off workers' jobs by grieving when ordered to work out of classification, are very much connected to the notion of working people's self-worth and honor that labor historian David Brody writes about.

The issue of fairness was integral, as was the attempt to achieve a degree of job security in a factory with wild employment swings. While the union fell eerily silent when it came to publicly protesting mass layoffs

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<sup>33</sup> 1954 Supplemental Agreement found in Maintenance Department grievance files. This agreement actually supplemented an earlier one in 1953 which could not be found. By the late 1970s there were over 20 side-agreements like this one resolving classification issues, including a six page document titled "Split Class Agreement" which broke 30 occupations into even more distinct categories and included lay-off and recall to work language. One occupation, Experimental Machinist, now had 12 categories, while another, automatic screw machine operator, had seven.



and the possible closing of the plant, workers did stand-up for themselves in the plant. They were also willing to support other unionists when the occasion warranted, even at considerable risk to the jobs they were attempting to protect.<sup>34</sup>

### 1958 Wildcat Strike

#### Background

During 1957 contract negotiations while small gains were made in the pension and insurance plans, Local 206 failed to gain a highly sought cost of living clause. The company granted a small raise and both sides agreed to hold wage reopener talks in August, 1958. Union negotiators gambled that the business climate would improve in a year and that they would have better results. During the first half of 1958 the plant received orders to build test equipment for the government's B-52 bomber program. With slight employment gains workers believed they were in the best bargaining position they had been for several years. The negotiators' gamble appeared to pay off. But no agreement was reached.<sup>35</sup>

The union argued hourly rates were nine cents below the local average. A company spokesman countered that Bosch average hourly pay of \$2.66 exceeded ten similar firms in the region by 19 cents. "The company naturally doesn't want a strike," a press release read. "However we don't want to go through negotiations similar to these each year, and

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<sup>34</sup> For Brody's recent thoughts on this subject see "Workplace Contractualism," in Lichtenstein and Harris, eds., *Industrial Democracy in America: The Ambiguous Promise* (New York, 1993).

<sup>35</sup> SMU, August 31, 1957, p. 14; September 6, 1957, p. 1.

we're not going to." The company added that it had spent six million dollars over the past six years to improve plant efficiency and meet the challenges of foreign competition and that the increase the union sought would cancel the investment.<sup>36</sup>

All finished and nearly finished products were moved to warehouses in anticipation of a strike. The move seemed reasonable since in early August the membership had given their negotiating committee the authority to call a strike. But when newly elected Local 206 president Ernest Depathy remarked that the membership was divided over the strike vote, and his remarks were reported in the local newspapers, company negotiators realized the union was in a weak position. Talks broke off, but unlike the 1955 negotiations when the union took a 'no contract - no work' position, production continued. After a few more days agreement was reached on a seven cent an hour increase. However, the union failed to gain cost of living protection; the company's aggressive negotiating stance seemed successful.<sup>37</sup>

### The Walkout Takes Shape

After such disastrous negotiations union leaders may have felt a show of internal unity was in order. When picket lines were set up early on the morning of October 10 by the 175 members of the company's striking Engineering and Architectural Local 112, Local 206 had the

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<sup>36</sup> SMU, August 14, 1958, p. 1. Leslie Neville, director of public relations, told newspaper reporters that warehouses were stocked with products and that the company was ready for a long strike.

<sup>37</sup> SDN, August 14, 19, 1958. The 1955 two-day strike was the first in since the plant was unionized in 1936 and broke what the Springfield Union called an "astounding record of tranquillity" (SMU, September 2, 1955).

opportunity it was looking for: Machines fell silent for several days as 1,300 Local 206 members, in a show of solidarity and defiance to management, refused to cross picket lines set up by the engineers. Local 206 business agent Jim Manning explained: "We cannot promote or assist a strike without being in violation of our contract with the company." He added, "We cannot, however, control the actions of individuals in our local."

The *Daily News* carried a front page photograph of striking workers and Local 206 members blocking the front gates of the plant while hundreds of other union members could be seen sitting on a hill across from the plant. The hill, where workers congregated for several more days, was directly across the street from all the corporate offices in the factory. Seeing hundreds of union members perched on the hill every morning angered management and represented a challenge to their efforts to gain greater control in the plant.<sup>38</sup>

The pace of events quickened on the second day of the 1958 stay-away. Company officials notified Manning that the union was in violation of its contract. Personnel manager James Mote also sent letters to the homes of every Local 206 member informing them they were participating in an illegal work stoppage. Manning once again told the local press that "I've told my people the plant is open and they can go to work but they say they don't want to be called scabs."<sup>39</sup>

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<sup>38</sup> *SMU*, October 10, 1958, p.1. The *Union* reported that on the first day of the walk-out workers refused to enter the plant lobby to receive their paychecks. The October 10 *Daily News* carried a front page photograph of striking workers and Local 206 members blocking the front gates of the plant while hundreds of other union members could be seen sitting on a hill across from the plant. The hill, which workers congregated on several more days, was visible from the various corporate offices in the factory.

<sup>39</sup> *SDN*, October 11, 1958.



Talks broke off between Local 112 and Bosch negotiators with neither side willing to move from its last wage proposal. The union sought a 3.5 percent hike while the company was proposing 3.1 percent. A federal mediator was called in. To compound the corporation's problems, the Columbus, Mississippi IUE local went on strike October 9th as their contract expired. ARMA's head of labor relations, W. Gerard Tuttle, hastily left Springfield, where he had been negotiating with the Engineers, and raced to Mississippi in an effort to end that strike as quickly as possible. The head of the engineers' local charged that the company did not want to settle the dispute and was more interested in testing the resolve of Local 206. If that was the company's intention, corporate officials underestimated the depth of anti-company feeling. Picket lines held firm over the weekend, blocking trucks from moving work out or materials into the plant. Tuttle remained in Mississippi, and the company now informed Local 112 that there would be no talks until his return.<sup>40</sup>

By the fifth day of the stoppage Local 206 members started referring to the walkout as the "49-cent strike". Forty-nine cents represented the weekly pay differential between the company and union wage proposals. The company sent a second letter to Local 206 members urging them to cross the picket lines and return to work, but to no avail. Workers still occupied the hill across from the factory each morning, and the shop floor remained dark and silent. Tuttle was called back from Mississippi in an effort to break the negotiating stalemate. In his first action he refused Local 112's request to send the dispute to binding arbitration and return to work.

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<sup>40</sup> *SMU*, October 11, 1958; *SDN*, October 11, 1958, p. 1; *SDN*, October 13, 1958, p. 24. Local 206 members finally received their pay when the company agreed to distribute checks in the plant's cafeteria, located across the street from the main production facility.

Nine days into the strike not one Local 206 member had crossed the Local 112 picket lines. For a third time management sent a letter urging an end to the walkout. It read in part "Next Friday you will receive no pay - is it worth it for the small amount that divides Local 112 and us? If it is not money, what is it then? There must be a great principle involved." It concluded:

After lengthy negotiations your union gained for you increases averaging approximately seven cents an hour, which is \$2.80 a week. Do you realize that you have already lost 43 weeks of your recent increase by your six days absence from work? You will never make up the pay you are losing." Since union members were unhappy with their August wage settlement this reminder may have stiffened their resolve.<sup>41</sup>

The Local 112 contract was settled on October 20 when engineers agreed to the company's 3.1 percent pay increase. Local 206 members returned to work after suffering wage losses that averaged \$121 per worker. They maintained a strong sense of labor solidarity throughout, risking their jobs to support other unionists as well as letting management know how they felt about events in the plant. On the first day of the walkout a perceptive news reporter may have come closest to explaining why Local 206 members stayed off the job when he wrote: "A vivid contrast in business conditions was provided by today's walkout. In 1955, the strike idled 3,500. Today, no more than 1,300 were involved."<sup>42</sup>

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<sup>41</sup> SDN, October 18, 1958, p. 1. Four hundred workers filed unemployment claims during the second week of the walkout. The company informed the local newspapers that it would fight every claim. There is no evidence that management ever filed unfair labor practice charges against the union or sought injunctive relief from the courts during the entire dispute. There is also no evidence of any attempts to pressure the city to provide a large enough police presence to escort any willing workers into the plant.

<sup>42</sup> SMU, October 10, 1958, p. 1.

In an effort to capitalize on unity in the plant Local 206 struck at the expiration of its contract on August 14, 1959 hoping once again to gain cost of living language. But the economy did not help the union cause: Massachusetts unemployment was high as the country struggled through the 1959 recession. The U.S. Department of Labor determined that Massachusetts had seven of the 33 labor markets in the country with unemployment rates exceeding six percent. Springfield was one of them. With employment so unpredictable, workers wondered if a lengthy strike made sense.<sup>43</sup>

However, it appears the company looked forward to the opportunity to reassert its control after the nine-day illegal walkout a year earlier. Company negotiators gave their counterparts a wage proposal just two hours before contract expiration, forcing the union to strike or quickly settle without time to review the proposal in detail. Bosch spokesperson Leslie Neville also informed the media that "The company is in good shape for a long strike and has a warehouse stocked with products." The company now demanded a three-year labor agreement in order to gain more wage stability in the face of increased foreign and domestic competition. When the strike began union negotiators were warned that money issues would not be discussed unless they were willing to consider a three-year contract. To increase the pressure further on negotiators, management sent a letter to workers on August 21. It stated that Bosch faced a serious challenge from foreign companies and that only a small wage increase was possible in order to keep the price of pumps competitive.

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<sup>43</sup> *SMU*, August 17, 1959, p. 3. A Federal Reserve Bank study released in August noted that in all three post-war recessions employment declined more on a percentage basis in New England than in the rest of the country (*SMU*, August 18, 1959) p. 1.



After 13 days a settlement was reached, with the company gaining the three-year agreement it sought. Once again the union failed to gain the cost of living protection it demanded. The union did get improved contract language that allowed them to grieve new rates in the plant when they were set. Previously an operator had to run a job and try out the new rate before it could be protested. This was hailed as a "protection against automation." But problems with the grievance procedure, especially the company's failure to abide by time limits, made utilization of this new contract clause difficult. The rank-and-file also found it difficult to become too excited about the clause after losing 13 days pay on the heels of the 9 days lost in the 1958 walkout.<sup>44</sup>

At the union ratification meeting Manning stated, "We took these people on and we beat them". He added, "When they back us into a corner you have to fight. I don't believe you'll ever have to fight again." Just ten weeks later Manning was soundly defeated in the race for business agent by Ralph Chicketti, ending his almost fifteen years as an office holder in the local. Chicketti was a founding member of the local in 1936 and had worked with Manning to defeat the United Electrical Workers in 1949 and 1950. Manning received just 220 votes out of 823 cast. The rank and file did not share his views on the outcome of the strike, or support his role as their chief negotiator.<sup>45</sup>

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<sup>44</sup> SMU, August, 14, 15, 17, 21, 26, 29, 1959.

<sup>45</sup> Local 206 election results, Series 1, Box 3, ff. 34 - 36, UMass Labor Archives. Total votes cast in the shop elections of 1955, 1957, and 1959 are indicative of the problems unionists faced in the factory. Vote totals dropped steadily, from 1,642 in 1955 to 1,320 in 1957, and finally 833 in 1959. This is almost a 50 percent decline.

## Conclusion

During the decade of the 1950s the labor force dropped an astonishing 70 percent, to under 750 from a post-World War II high of 2,500 in 1955. Over the same period corporate sales and profits were equally erratic. For example, sales jumped to \$134.3 million in 1957 from \$73.8 million in 1955, then dropped back to slightly under \$120 million in 1958. Bosch and other divisions were hurt by the 1958 - 1959 recession and new product development failed. Profits surged to a high of \$5.1 million in 1957, but to the dismay of stockholders, plunged to \$1 million in 1960 on sales of \$125 million as the corporation reached its nadir, hitting record lows on the New York Stock Exchange. Neither Perelle's strategies to boost productivity, or his global expansion efforts achieved the desired financial results.

Meanwhile Local 206 remained excluded from all discussions about the future of the plant. Union leaders still urged workers to: "Exercise utmost care in manufacture of parts or in assembly. Take pride in your craftsmanship." In an April, 1960 *Bulletin* article titled "Our Jobs" unionists were told "The business is there, it won't come to us, we have to secure it by quality, fair pricing, and dependability. It can be done with the same people that led Bosch on top once, the membership of Local 206." But management never looked to the union for help to solve difficult shop floor problems. When this was written unionists had no idea that the corporation had commissioned a study to determine the viability of the Springfield plant.<sup>46</sup>

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<sup>46</sup> Both quotations from *LB*, April, 1960, p. 1. For example, in April, October and November 1959 and again in February, 1960 Local 206 called on management to form a joint automation

In 1960 stockholders watched in disbelief as German competitor Robert Bosch wrested 70 percent of Springfield's fuel injection business. However, Defense Department orders associated with escalating military activity in Viet Nam arrived in Springfield. This resulted in millions of dollars of new contracts and hundreds of recalls and new hires by the mid-1960s. The orders masked two underlying problems in Springfield: Demand for commercial automotive, agricultural, and truck products remained weak; and foreign competitors continued to gain market share at the expense of the plant.

With the plant study completed, Perelle decided in late 1960 it would be better to spend more money in Springfield on machine tools and product development in an effort to revive the facility, than to attempt to shift all the work elsewhere. The union, no longer as interested in solving factory floor problems as it had been in the early 1950s, turned to securing the best wage and benefit packages possible. By 1960, the plant's job roller coaster resulted in there being a core of high seniority workers along with large numbers with less than five years in the factory. These high seniority workers were concerned about pension improvements, more vacation time, and job security. They were unwilling to compromise regarding such things as labor classifications and seniority, believing contract language protected their employment. Unlike former business agent Manning's earlier contention that workers in the plant would never have to fight again, these unionists conducted three

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committee. The committee is the "sane and intelligent course," and it will benefit everyone, together we can deal better with the issue," *LB*, December, 1959, p. 1.



defensive strikes between 1960 and 1971 to hold onto rights and benefits they believed the corporation was trying to take away.

## CHAPTER 8

### EXPANSION ABROAD, SPRINGFIELD INVESTMENTS, AND LABOR DISQUIET: 1960 - 1971

#### Introduction

In a 1993 collection of essays on the impact of corporate strategies on workers and communities, editor Bruce Nissen describes what he and several other historians of post-World War II labor history call the 'Social Accord'. The Accord sprang from the United Auto Workers' contracts in the early 1950s, especially the 1950 agreement with General Motors (GM). The five-year contract established direct links between increased productivity and wage increases, established an annual wage increase over the life of the contract, and boosted pension and other fringe benefits. By the early 1950s UAW agreements contained supplemental unemployment benefit protections that guaranteed workers several weeks of wage support above their normal unemployment compensation.<sup>1</sup>

The 1950 contract gave GM a needed degree of stability in their relations with the UAW, particularly in the area of labor costs. By locking in wage increases over a five year period GM gained a tremendous advantage over Ford, Crysler, and other automotive companies struggling to control labor costs and unit prices. GM also gained control over managerial decisions regarding plant location and construction, technology acquisition and utilization, and product pricing. These were the issues UAW president Walter Reuther raised in the union's

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<sup>1</sup> For a discussion of the Accord see Nelson Lichtenstein, "UAW Bargaining and Shop-Floor Conflict: 1946 - 1970," *Industrial Relations*, 54 (Fall, 1985) p. 360 - 381.

acrimonious 113- day strike in 1946. The union, in return, gained annual pay increases and a modified union shop that provided a modicum of membership stability. According to labor historian Nelson Lichtenstein, who has researched and written extensively on the UAW, the union soon after the strike tied its fate more closely to that of the industry and increasingly subordinated the endemic shop-floor struggle over working conditions and production standards to the UAW's national bargaining program. Reutherism moved, according to Lichtenstein, from a demand for structural change in the auto industry to negotiating wage and supplemental benefits for autoworkers while leaving power relationships in the industry unchallenged.<sup>2</sup>

Much of post - World War II labor history is framed by these Accord parameters. It is generally accepted that industrial unions, for better or worse, operated within boundaries circumscribed by the 1950 GM - UAW labor agreement. Whether cajoled, forced, or willing partners, unions gave assurance to management that they had the right to run their business. This included a free hand to make capital investments, new technology, and plant location decisions. From there, workplace contractualism took over and unions focused their energies, to the exclusion of almost all else, on getting the best financial packages possible for their membership at contract time.

In 1950 the UAW agreed not to strike over the life of the five-year contract. This provided GM with the ability to better determine labor

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<sup>2</sup> Frederick Harbison, "The General Motors - United Auto Workers Agreement of 1950," *Journal of Political Economy*, 58 (February, 1950) p. 397 - 411. GM called the agreement "unprecedented in labor-management relations" and noted that now "all concerned can face the future with added confidence," Harbison, p. 399. Lichtenstein, "UAW Bargaining and Shop-Floor Conflict," p. 362 - 363. The result was dramatically improved pensions, supplemental unemployment benefits, cost of living and productivity wage improvements.



costs as well as set production schedules with little fear of a labor stoppage. Soon one-year agreements, which had been the norm in all basic industry, were a thing of the past. In return, corporations ostensibly acceded to labors concerns by insuring steady wage and benefit gains, speedy dispute resolution through the grievance and arbitration procedure, and a semblance of job security.

But did the Accord have the deep roots attributed to it? Did unions, like Local 206, that were not involved with national pattern bargaining, gain the wage, benefit, and job security guarantees attributed to the Accord? If the Bosch case is typical, the answer is no. The Accord frames the discussion, it should not close it off. Also as Mike Davis points out, the Accord was contingent upon the continued success of American capitalism. He writes, "... any slowing of mass consumption, import penetration of the domestic market, deregulation or decline in defense spending would directly undermine and destabilize bargaining structures and progressive wage agreements."<sup>3</sup>

### Local 206 and the 'Treaty of Detroit'

As the previous chapters demonstrate, the Bosch plant's history shows the danger of writing post-World War II labor history primarily through the prism of the United Auto Workers and the Accord. Springfield events, from the UE-IUE split, to the Mississippi decision, to

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<sup>3</sup> On the Accord see "A Post-World War II 'Social Accord,'" in Nissen, ed., *U.S. Labor Relations, 1945 - 1989: Accommodation and Conflict* (New York, 1990) p. 173 - 208. For a critical examination of the impact of corporate strategies on workers, unions, and communities see Nissen and Craypo, eds., *Grand Designs: The Impact of Corporate Strategies on Workers, Unions, and Communities* (New York, 1993). Mike Davis, *Prisoners of the American Dream: Politics and Economy in the History of the US Working Class* (New York, 1986) p. 118.

the creative uses of the grievance procedure, and the 1958 solidarity stoppage, are rich, complex, and difficult to force into such a paradigm. Certainly, for a period after the war, a measure of wage improvement and job security were offered to workers employed in large, oligopolistic mass production corporations like General Motors and U.S. Steel. Above many market forces, they could raise prices, pass along part of this gain to workers, and still satisfy their shareholders. But this advantage was short-lived for most companies, and the so-called Accord eluded most Springfield metalworkers.<sup>4</sup>

Job security was non-existent. The plant's wild employment swings have already been discussed. Worker anger on this issue simmered over in 1960 when layoffs mounted and membership fell to close to 600, down from 1,400 in mid-1958. These deep cuts were caused by the relocation of work to the Mississippi plant and the 1958 - 1959 recession's affect on agricultural equipment producers and truck builders, two of Bosch's largest markets. In 1960 unionists asked: "We are supposed to possess some real brain-boys upstairs. How about getting a few of these experts together to formulate a plan so that we can have an even flow of employment?"<sup>5</sup> Unlike their brothers and sisters in auto, Local 206 failed to gain income protection through a cost-of-living clause until late in the 1970s. This became a precipitating factor in three strikes in the late 1960s and early 1970s. The local also never gained pay increases tied directly to productivity gains.

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<sup>4</sup> See Filippelli, "The Historical Context of Postwar Industrial Relations," in Nissen, *U.S. Labor Relations*, p. 137 - 172.

<sup>5</sup> *LB*, April, 1960, p. 3.



Two failed research and development efforts in the late 1950s, growing foreign competition, and the relocation of work to Mississippi meant that union bargainers rarely negotiated with employment and work on the upswing. Consequently, management had little concern that a walk-out would hurt their customers and used labor negotiations as a way to try to control product costs at the expense of the workforce. During the 1959 strike, for example, company negotiators maintained they had to do everything possible to hold down product costs or run the risk of losing significant market share. These were not idle negotiating threats: Less than six months after the strike the plant went on a four-day week after almost 70 percent of its diesel fuel injection business was captured by its chief rival, Germany-based Robert Bosch. However, during this same period of time workers were in fact arguing that they should be allowed to participate in shop floor reorganization efforts so that their expertise could be utilized to more efficiently make products and hold down final costs. As has been seen, management turned a deaf ear to these overtures.<sup>6</sup>

The grievance procedure failed to adjudicate problems as intended. Long delays in resolving disputes caused tensions to build in the plant and on more than one occasion workers were warned by union officials not to walk-out of the shop in protest. As shown in chapter six, workers resorted to creative utilization of the grievance procedure to stage mini-slowdowns when they believed rates or working conditions were unsatisfactory and to confront particularly onerous foremen. By the late 1960s the dispute resolution aspect of the grievance procedure had collapsed and the union argued "that use of the arbitration process is of no value because there are so many violations it would be too costly and time

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<sup>6</sup> SMU, July 19, 1960, p. 9.



consuming, and furthermore, the company would not honor the awards."<sup>7</sup>

The union now methodically used the grievance procedure to thwart company reorganization efforts and slow down production. For example, in 1966 management decided to monitor workers performing set-ups with movie cameras so rates could then be established on pieceworkers whenever they changed machines over from one job to another. Workers who exclusively did set-ups protested, concerned that this was a step toward establishing set-up rates throughout the plant. Set-up work was notoriously difficult to time as in many cases it required a series of fine adjustments to bring tools into their proper settings to achieve required production tolerances. Interested in increased productivity, management wanted desperately to be able to determine how many set-ups could be expected in a day in order to plan production scheduling with greater accuracy. Since the contract required that pieceworkers were taken off of incentive rates and paid their average hourly rate of pay for time spent on set-ups, Stephen Jaross, the union business agent, informed the company that the attempt to gather this information was a contract violation.

A union memorandum summarizes what transpired next.

On May 27 the company approached an operator to start taking studies, a pre-set arrangement made with the Business Agent and the steward to have this operator called off the job on union business and to meet with the business agent to discuss the situation took place. At this point the company was aware that as each operator was to be studied, the same

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<sup>7</sup> *Local 206 files, Series III, Box 25.* Comments were contained in a National Labor Relations Board charge.

procedure would be followed by the Union, and as everything being done followed a pattern, the company stopped all further taking of studies.<sup>8</sup>

The company never attempted to establish rates on set-ups again.

Can the union's application of the grievance procedure to block management be viewed as workers winning a degree of job-control as some labor historians would argue? Or is this more accurately assessed as a defensive and desperate effort to hold on to some vestiges of self-respect as Nelson Lichtenstein and others contend? The machine operators and set-up men who took collective action, and staved off the company's effort to gain more control over the work day surely saw the victory as positive, as did other workers, well aware of what was at stake.<sup>9</sup>

From the Bosch case study, it appears post-World War II labor history is richer and more contentious at the shop floor level than some labor historians have contended. Lacking forward-thinking theoretical and strategic leadership at the national level on issues like runaway shops, corporate investment strategies, in-plant production problems, local leaders were left to their own devices. In plants like the Bosch - where much of the work was still skilled and semi-skilled and unregulated by automated assembly lines - vestiges of craft identification and pride in workmanship remained strong. Workers believed they

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<sup>8</sup> *Local 206 letter to IUE Legal Department*, (Stephen Jaross to Attorney Mel Warshaw) September 36, 1966, Local 206 archives, Correspondence Series II, box 5.

<sup>9</sup> *Local 206 letter to IUE Legal Department*, Stephen Jaross to Attorney Mel Warshaw, September 36, 1966, Local 206 archives, Correspondence Series II, box 5. For a discussion see Lichtenstein, "UAW Bargaining and Shop-Floor Conflict."

could make the plant run smoothly and asked to have their skill and knowledge utilized. While Walter Reuther and the UAW and Philip Murray and the USW shifted away from the ideas regarding industrial councils they had espoused through the 1940s, this was not the case everywhere.<sup>10</sup>

The 1958 wildcat strike was one of the local's last concerted attempts to let management know workers counted for something. The disastrous negotiations of the previous year, the repeated failure to receive cost of living language, and continued rejection of union calls for automation and quality committees, culminated in an unprecedented, and illegal eight-day walkout in support of another union in the plant. In effect, unionists demonstrated they were needed if products were going to be shipped on time to customers. However, the corporation was unmoved. For the next ten years a plant that had just a two-day walkout since it was organized in 1936, had three walkouts including lengthy ones in 1968 and 1971. Calls for cooperation to solve production-related problems all but disappeared as the union tuned to securing the jobs of the plant's high seniority workforce and exacting the greatest possible wage and benefit gains. This set the union and company on a collision course since management believed the way to be competitive in the global markets they sought was to hold down U.S. labor costs and/or find places to manufacture more cheaply.

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<sup>10</sup> For a discussion of many of these issues see David Brody, *In Labor's Cause: Main Themes on the History of the American Worker* (1993) esp. chs. 5 and 6. In ch. 6, "Workplace Contractualism" Brody writes: "What happens on the shop floor is not a secondary affair in the lives of working people. On the contrary it engages their innermost sense of self-worth and honor." The concern for production-related issues in the union newspaper is certainly a manifestation of this.



The high seniority workforce posed problems in this regard. By 1956 close to 30 percent of the workforce had over 25 years seniority; in one department alone five men collectively had 180 years of total service. In 1959 an in-plant party was held for 40 workers celebrating their 45th year of service. For them, the *Bulletin* comment "Gone is the fraternal spirit of teamwork and friendship that has always been associated with management and labor" had deep resonance. The pension and vacation demands the union began making for this group added significantly to the wage differentials the company saw when comparing production costs in Europe, Japan, Mississippi, and Springfield. However, the demands could not be ignored since the group was a sizable, vocal, and unified segment of the workforce at contract time.<sup>11</sup> One can only wonder what many of these high seniority unionists must have been thinking when they sat down at the union's 25th anniversary dinner and heard their long-time nemesis William Tuttle, manager of labor relations for the entire corporation, remark: "Local 206 exemplifies a situation where labor and management working together have created a strong union and a strong company."<sup>12</sup>

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<sup>11</sup> In 1956 there were 378 members of the 25-year Club out of 1,200 working (*LB*, April, 1956, p. 3). The quote is from *LB*, April, 1957, p. 1. See also *Progress*, January 23 and March 13, 1959. The company newsletter continually ran articles about long-service workers and their importance to the success of the plant even as they disdained their input on the shop floor.

<sup>12</sup> *Progress*, September, 1963, p. 1.

## The Corporation

### Military Sales Lead the Way

A key to the Bosch plant's success in the 1960s was defense sales. Profits and employment had fallen steadily from mid-1958 through 1961. While corporate sales were up slightly, total profits fell to \$1 million in 1960 on sales of \$125.5 million. The up and down sales record was indicative of economic shifts occurring in the post-World War II global economy.

In *The Deindustrialization of America* economists Barry Bluestone and Bennett Harrison point out that by the 1960s the percentage of total world sales by US producers in several industries was flat , and concentrated in fewer firms. In electronic components, for example, the sales of the four largest corporations jumped to 36 percent of the market from 13 percent. According to Bluestone and Harrison this led to "the control over capital location, and therefore jobs (being) wielded by a small set of decision makers."<sup>13</sup> Even though its profits had fallen sharply, with 1960 sales of \$125.3 million and assets of \$64.5 million, as an international leader in the production of fuel injection systems, ARMA could make capital location decisions. This left workers vulnerable to plant relocations. At the same time, according to Jules Backman, an expert on the industry, because there was such intense interunion and intraunion rivalry in the electrical machinery industry, "more so than any

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<sup>13</sup> Barry Bluestone and Bennett Harrison, *The Deindustrialization of America: Plant Closings, Community Abandonment, and the Dismantling of Basic Industry* (New York, 1982) esp. ch. 5.

other mass production industries in the nation," a coordinated labor response to corporate relocations was highly unlikely.<sup>14</sup>

Table 8.1: Sales and Profits 1955 - 1970.<sup>15</sup>

Year	Sales (millions)	Profits (millions)
1955	73.8	3.4
1956	86.7	3.2
1957	134.3	5.1
1958	--	4.1
1959	119.9	3.5
1960	125.5	1.0
1961	133.6	2.0
1962	119.6	2.9
1963	84.3	2.4
1966	112.8	4.5
1967	119.3	5.9
1968	151.0	6.3
1969	160.0	6.4
1970	155.9	1.6

Weak profits in 1960 and 1961 alarmed stockholders, but in April, 1961 the first two of what would be millions of dollars of defense-related orders reversed the downward slide. Bosch received a \$2.5 million order to build weapons control systems for the government's B-52 bomber program and a \$3 million order to produce fuel injection systems for 792

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<sup>14</sup> Jules Backman, *The Economics of the Electrical Manufacturing Industry* (New York, 1962) p. 213, Appendix Table 2, p. 359.

<sup>15</sup> Note: Data taken from local newspaper reports, issues of *Progress*, and the AMBAC Industries *Prospectus*, for April 1971. Figures from 1950 forward are for the entire corporation, not just the Springfield plant. It is difficult to disaggregate Springfield Bosch figures.



M-60 tanks currently under construction by Michigan-based Continental Motors.<sup>16</sup>

Bosch engineers were always concerned that the fuel injection systems they developed were too costly for the automobile market, as had been the case in the late 1950s. With defense orders increasing, a decision was made to abandon the development of a gasoline fuel injection system first experimented with in 1957, and focus product development on military applications. The decision was momentous since independent tests conducted by Dupont Corporation showed that even in the early developmental stages the systems saved 14 percent in automobile fuel consumption.<sup>17</sup>

Even greater defense sales convinced corporate officers the decision to focus on military markets was correct. The Studebaker-Packard Corporation of South Bend, Indiana ordered 4,000 multi-fuel injection systems for military trucks it was building. The multi-fuel pumps were a unique engineering design that allowed the user to easily convert a vehicle to run on any of three available fuels, regular gasoline, diesel fuel, and kerosene.<sup>18</sup> This flexibility made the pump attractive to the military in battle field situations. It was anticipated that close to 500 jobs would be added by the end of 1961 to complete new orders. The final total was closer to 350, however, because commercial business continued to slump badly,

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<sup>16</sup> SMU, April 27, 1961, p. 10.

<sup>17</sup> SMU, November 26, 1961. This is an important example of how defense production and manufacturing research were linked during the Cold War. Had Bosch engineers continued to develop the new gasoline injection system in the early 1960s there is no way of determining how much more viable the plant may have become once defense work abated. For a discussion of Pentagon influence over manufacturing research and development see David Noble, *Forces of Production: A Social History of Industrial Automation* (New York, 1986) esp. chs. 2 and 3 and Ann Markusen and Joel Yudken, *Dismantling the Cold War Economy* (New York, 1992) esp. chs. 1 and 3.

<sup>18</sup> SMU, June 24, 1961.

especially in automotive and farm equipment.<sup>19</sup> But by fall, 1963 greatly expanded military orders resulted in union members climbing to 1,200, up from under 750 in January, 1961. The Army now agreed to purchase the fuel injection systems for all of its 5-ton trucks from Springfield with deliveries to begin in early 1964 and run through late 1965. This was followed by a contract for fuel injection systems for 2.5 ton trucks that was renewed again in early 1965. The total value of the contract was \$9 million. A decision was made to invest \$2 million in new equipment to boost military production even further.

Business also improved when, for the first time in three years, Bosch received a substantial order from General Motors for a fuel injection pump for small truck engines. Export sales were growing as well, reaching record highs in 1963 and accounting for six percent of Springfield's total sales. Since 70 percent of the sales were to Latin America and Canada, new distribution groups were started in Europe and the Far East to stimulate sales there. All of these multi-year production contracts helped management develop a coherent production schedule, and in turn provided a greater degree of workforce growth and stability in the plant than at any time since World War II.<sup>20</sup>

The Bosch defense connection was not unique. In fact, increased military spending during the Korean and Vietnam Wars masked significant structural changes in the Massachusetts economy, reflected in sharp economic contraction and high unemployment at the conclusion of

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<sup>19</sup> SMU, March 7, 1961; March 15, 1962. *Progress*, April, 1962, p. 4.

<sup>20</sup> SDN, October 31, 1963; *Progress*, May-June, 1964, p. 2; SMU, August 28, 1964. On exports see SMU, March 24, 1964, p. 11. By the end of 1964 ARMA had a \$24 million backlog in defense work, over 60 percent of this in Springfield. However even with this defense gain total sales and income dropped from 1963 to 1964 reflecting a continued and troubling weakness in commercial sales.

each conflict. Near the conclusion of the Vietnam War Massachusetts was receiving over 10 percent of the nation's total prime defense contracts. By the mid-1970s when this spending was cut, the state's unemployment rate led the nation. Bosch workers were among the thousands in greater-Springfield who lost their jobs as a result.<sup>21</sup>

### Charles Perelle Steps Down

In the midst of the remarkable early 1960s turn-around Charles Perelle stepped down after ten years as president and chief executive officer of ARMA; he remained chairman of the board. Elected by the Board of Directors to replace him was Charles Beck, president and chief executive officer of Philco Corporation, a wholly owned subsidiary of Ford Motor Company. It was hoped his knowledge of the automotive industry would secure increased sales in that slumping but important market. Perhaps the growing international competitive pressures had worn Perelle down. Just months before his decision to step down, Perelle had negotiated a manufacturing and sales agreement with Germany-based Robert Bosch, to give a major competitor rights to manufacture a newly designed diesel injection systems in its Stuttgart plant in return for sales royalties. The deal was an admission that the US company was having difficulties entering European markets.<sup>22</sup>

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<sup>21</sup> For a discussion of Massachusetts and the impact of defense spending on industry see Jack Tager, "The Massachusetts Miracle," *Historical Journal of Massachusetts*, Vol. 19 (Summer, 1991), esp. p. 122 - 128; Robert Forrant and Elyse Cann, *The Demise of the Massachusetts Defense Connection*, (Springfield, 1993). Tager states that this defense link was well-established by the end of World War II. The Massachusetts Institute of Technology, for example, saw federally-sponsored research jump from slightly under \$20,000 in 1939 to close to \$44 million in 1944 -1945 (Tager, p. 122). The Springfield unemployment rate in 1975 was 11.2 percent compared to a national average of 8.5 percent.

<sup>22</sup> *Progress*, July-August, 1964, p. 1.



In his first public reception, held at the Longmeadow Country Club, Charles Beck declared "The American Bosch Division is very important and so is Springfield as a community." His words may have been comforting to union officials in attendance at the gathering . Beck informed those in attendance that the Springfield plant was now the largest division in the corporation, surpassing the Arma Long Island facility which just lost a major defense contract. He added that overall corporate growth for the foreseeable future would come from three sources: internal product development; further penetration of present markets; and the acquisition of other companies.<sup>23</sup>

### Springfield Investments Pick-Up

In March, 1964, to back up his Springfield commitment, Beck announced plans to invest in new engineering and product testing equipment. At the same time three new machines, valued at \$300,000, arrived at the plant, two automated finish grinding machines and an automatic indexing drill with 24 tool stations. In addition, a \$500,000 order was placed with the Keene, New Hampshire Kingsbury Corporation for three multi-station machining centers, and a \$60,000 order was placed with the DeHoff Gun Drill Corporation in Cranston, Rhode Island for two machines. The purchases provided a boost to the Northeast's slumping machine tool industry.<sup>24</sup>

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<sup>23</sup> *Progress*, November-December, 1964, p. 1. *SMU*, November 13, December 17, 1964. Beck had a Master of Science in Business Administration from Wayne State University and had assumed a number of progressively responsible positions in the planning department at Philco before becoming president.

<sup>24</sup> *SMU*, March 28, 1964, p. 16; *Progress*, May-June, 1964, p. 4. In *Progress* a company official indicated that machine tool purchases would be made from New England companies whenever possible.

On the negative side, with defense work keeping the plant busy, a decision was made to subcontract the production of a small fuel injection pump used on farm equipment to the New Jersey-based Singer Sewing Machine Corporation. Singer had no prior experience machining close tolerance parts and assembling diesel pumps. Soon after the deal was completed the union complained that rejects from Singer shipments were as high as 60 percent and that defective pumps were being shipped to customers.<sup>25</sup>

Early in 1965 a \$2 million investment was announced by Robert Scott, vice-president for commercial operations. While past machine tool purchases had been mainly for defense work, these acquisitions were for commercial production. Scott was attempting to boost flagging truck and farm equipment sales in the eventuality of a defense spending cut. Acquisition of the equipment was hampered by delivery delays of up to 40 weeks for many machines, setting back the company's aggressive effort to gain a larger market share.<sup>26</sup>

In March, 1965 ground was broken across the street from the main production facility for a \$2.6 million research center. This was the first plant construction at Bosch since World War II, and solidified Bosch as the largest of the corporation's four manufacturing divisions. Scheduled to be fully operational in 1966, the new facility would hire 72 new engineers and technicians. The center was needed if Beck was to succeed with his plan to

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<sup>25</sup> *LB*, November, 1964, p. 2; February, 1965, p. 2. Since the end of World War II one of Bosch's chief marketing slogans was 'The world knows it can depend on premium performance from any product that bears the name American Bosch.' Workers worried that this was no longer the case. The slogan was first used on the cover of the May, 1948 issue of *The Craftsman*.

<sup>26</sup> *SMU*, January 28, p. 16, May 14, 1965, p. 12.

boost engineering and product development capabilities by 40 percent over the next two years.<sup>27</sup>

In a May, 1965 public relations effort Beck released figures on Bosch's role in the regional economy. Ninety percent of the company's total workforce of 2,101 lived within a 30 minute drive of the plant. Along with a \$14 million payroll, an additional \$4 million was spent locally on services and supplies. Two million dollars had also been spent purchasing new machine tools from New England firms.<sup>28</sup>

Engineering center construction was followed a year later by a decision to build a \$2 million assembly building to house all fuel injection assembly work along with packaging, shipping, and receiving. Plans included an automated monorail to move all parts from the production facility to the new area, and a temperature-controlled assembly room for extremely close tolerance hand-fitting of special products. The expansion created 30 percent more production space in the old building, as well, when assembly equipment and personnel were relocated. Company spokespersons stated the expansion would provide adequate manufacturing space through the early 1970s, and that 700 additional workers would be hired by 1970, bringing total employment to 3,000, compared to 1,400 in 1961. Optimism soared further when sales increased 39 percent for the first half of 1967.<sup>29</sup>

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<sup>27</sup> SMU, March 2, March 23, 1965. The total corporate investment in the city now reached \$13 million since 1956. *Progress*, March, 1965, p. 1.

<sup>28</sup> SMU, May 4, 1965, p. 1. Firms that received the largest dollar amount of work included the long-established area metalworking companies Hampden Brass and Aluminum, Moore Drop Forging, Agawam Tool and Die, and Production Tool and Die.

<sup>29</sup> *Progress*, February-March, 1966, p. 2; SMU, March 1, 2, 1966, July 28, 1967.



## Corporate Expansion: Foreign Ventures Lead the Way

At the end of 1959, it will be recalled, Perelle had commissioned a study to determine the feasibility of buying components abroad for assembly into fuel injection pumps in Springfield. Final assembly and pump calibration required a great deal of skill and knowledge of the product, something not easily reproducible at a lower labor cost elsewhere. A decision was made to continue local production, preserving the jobs of several hundred workers. But, at the same time, Perelle completed a joint venture in 1960 with the British conglomerate DeHaviland Holdings, Ltd., to increase production capabilities and establish a presence in important European markets. DeHavilland had recently acquired S.G. Brown, Ltd., England's leading manufacturer of precision navigation instruments, had close financial ties to the Hawker Sidney Group, a major industrial organization with interests in aircraft engines, missiles, diesel engines, and automotive products. While Perelle hoped to make the Bosch diesel business successful, he was trying to position ARMA Corporation to enter European markets. If this failed he was willing to sell Bosch's diesel know-how to other corporations. Merger talks were also undertaken with Illinois-based Standard Kollsman, a manufacturer of electronic communication equipment, and Lionel Corporation, the maker of toy trains, which had just entered the guided missile market and was seeking partners. Neither discussion yielded much, but did demonstrate the corporation's aggressive expansion effort.<sup>30</sup>

Charles Beck continued Perelle's acquisitions strategy. In 1965 Bacharach Instruments was purchased for \$8.5 million and in 1967 Packard

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<sup>30</sup> SMU, June 11, 1960, p. 14; March 27, 1962, p. 17.

Instruments for \$12 million. Packard and Bacharach were major producers of a variety of measuring and testing instruments for medical and radiation research. Also in 1967 Hispano Suiza, a Dutch company, and Steelweld, Ltd., a British firm, were acquired. Each was a leading producer of factory automation equipment. In 1968, Pace Industries, a Tennessee defense manufacturer, and Michigan Dynamics, a producer of scientific and medical instruments were acquired.

At the time of the European acquisitions Beck commented on growing world-wide competition: "Our job is going to become increasingly more challenging and we are developing a master plan to meet that challenge." For Beck the challenge was "the skilled wage differential between the Springfield plant and those in Europe - an average of \$1.52 an hour in England, Holland, and Germany as against \$4.45 here, including fringe benefits." He added that "competitive market conditions will determine the future of any facility in Bosch's corporate structure." He pointed out that Bosch's chief competitor Robert Bosch had average labor costs of approximately the same \$1.52. To succeed against this competition, especially because in Beck's estimation Europe and Japan were closing the technology gap, "labor must maintain the highest degree of productivity," and this meant for Beck "automation to the nth degree." Beck also noted that the greatest growth potential for the corporation was in electronics, thus the Packard and Bacharach acquisitions. The union should have been concerned: There was no electronics production in Springfield.<sup>31</sup>

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<sup>31</sup> SMU, March 23, April 8, 1967. For wage comparisons between England, West Germany, Italy, Japan, and the U.S. see Backman, *The Electrical Industry*, p. 291 and Appendix table 31, p 363. Backman determined that the gap between U.S. electrical industry hourly wages and those in the other countries studied widened between 1950 and 1958. For example, the differential between West German and U.S. hourly wages, was \$1.15 in 1950 and \$1.56 on

Beck's efforts in Europe were part of a dramatic expansion of U.S. corporate foreign spending between 1965 and 1980. According to economists Harrison and Bluestone total direct investment abroad in factories, office buildings, machine tools, and office equipment was less than \$50 billion in 1965 , reached \$124 billion in 1975 and surpassed \$213 billion in 1980. They note that profits from these investments "grew even faster, from \$5.2 billion in 1965 to more that \$424 billion in 1980... ."32

### In-plant Strategies: Workers Still Excluded

To insure new orders at competitive prices, shop floor reorganization efforts proceeded, building on efforts undertaken in the late 1950s. Two critical aspects of the plan were the installation of an International Business Machines (IBM) data collection system and the implementation of a value analysis engineering program. The entire IBM unit, complete with 25 data entry stations interspersed throughout the factory was capable of doing the payroll and performing inventory and production analyses.

Management estimated that there were 130,000 separate machining operations to monitor, as various components moved through the plant to final assembly. According to a company press release, the computer system "reduces by at least 48 hours the time lag between completing and reporting a manufacturing operation." The location of computer stations in each manufacturing department also meant that production employees

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1958; between England and the U.S., \$1.15 in 1950 and \$1.19 in 1958. With the final machining and assembly of fuel injection pumps still very labor intensive, labor savings gained by shifting production out of Springfield were significant.

<sup>32</sup> Bennett Harrison and Barry Bluestone, *The Great U-Turn: Corporate Restructuring and the Polarizing of America* (New York, 1988) p. 26.



would walk 15,000 fewer miles a year. In addition the system was capable of tracking operating time on various machines so that the maintenance department could better schedule preventive maintenance to avoid lengthy equipment breakdowns. With close to 1,600 machine tools in the factory this was quite important, especially to insure minimal work flow disruptions. The data could also be used, the union feared, to monitor individual workers in an attempt to speed them up and cut rates.<sup>33</sup>

The IBM system provided the capability, for the first time, to "deal efficiently with the flow of work as it progresses through the various operations." At the same time an attempt was made to reorganize the factory "along the concept of product line assembly" so that systematic layouts were established for the complete assembly cycle of one product. However, the problem persisted that the machining of the thousands of highly specialized components was not done by product line, but by machining function. In other words, parts to be ground went to a general grinding machine area and parts to be milled went to the milling area in the plant. But, even with the sophisticated IBM system, parts-in-progress still traveled a crazy-quilt pattern back and forth the length of the sprawling manufacturing building as they went from one process-oriented department to another. Just three years after installation, the system was totally upgraded for an additional \$1.3 million based on anticipated sales growth for the plant. In the end, rather than make the

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<sup>33</sup> The number of machines was contained in *Progress*, September-October, 1964, p. 2; *Progress*, April-May, 1966, p. 2. Mike Davis argues that the introduction of technologies like the IBM system were part of U.S. managements' effort to break the power of shop stewards through the control of vast amounts of information on production and that this amounted to significant speed-up and a diminution of union shop-floor power (Davis, p. 122).

plant more productive, the expensive computer system simply allowed management to more effectively track this work flow anarchy.<sup>34</sup>

The value analysis program consisted of a careful study of every part produced in the plant to determine cheaper and easier ways to produce it. Two examples clarify the program. Operating levers on one series of pumps had always been machined using steel stock. After review, it was determined the levers could be produced using a stamping operation and cheaper material. This resulted in a 66 percent labor cost savings on the levers. Spring guides on injection pumps had always been turned in a very time consuming series of machining operations out of bar stock. Value analysis determined the springs could be made out of molded plastic at 33 percent of the original labor and material costs. With over 250 components in a typical fuel injection system, and close to 200 different systems built, savings possibilities were significant. In 1964 the company claimed it was generating \$200,000 annually in savings.<sup>35</sup>

At the end of the decade it appeared that the investments were paying-off: Record sales and profits were now recorded. Total sales reached almost \$170 million by 1970. The Springfield plant was now the single largest supplier of fuel injection assemblies to Mack Truck and the General Motors Truck and Coach Division.<sup>36</sup>

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<sup>34</sup> *SMU*, December 10, 1963, p. 17. The saved time translated to a gain of almost 4,000 additional production hours in the plant. The system had another, more subtle advantage. Stations in each department helped foremen reduce the numbers of workers walking the aisles to report their work and get coffee, gossip about sports, discuss union politics, and complain about the company.

<sup>35</sup> *SMU*, February 14, 1964, p. 11. The head of engineering told the local newspapers "every material, design feature and manufacturing operation will be analyzed to determine if parts are over-designed for their intended purpose."

<sup>36</sup> On Mack Truck and General Motors, *SDN*, May 9, 1966, p. 21.

It is likely that workers viewed these developments favorably and assumed their employment was secure. However, closer scrutiny would have revealed the investments were mainly in the engineering and product design area. Once developed, new products could be manufactured in a number of the corporation's production facilities. Workers would have noticed, as well, that the overwhelming number of machine tools in the three football field-long factory were not upgraded. The purchase of 25 to 30 technically sophisticated machines was dramatic, but hardly sufficient, when there were 1,600 machines in the plant. Islands of efficiency in a sea of production confusion were no match for the new plants being built elsewhere by the corporation.

Finally, and perhaps most important, the rapid expansion of production capacity should have greatly troubled union leaders. The major source of employment growth in the 1960s was defense orders: What would fill the void created when weapons procurement wound down?<sup>37</sup>

### A Long, Hard Struggle: Local 206 in the 1960s

#### Background

In the 1950s and early 1960s organized labor in the United States enjoyed its greatest gains. Higher productivity and profits in large corporations in auto and steel led to higher wages, shorter work weeks, and an increased standard of living for workers fortunate enough to be employed in such sectors. And as has been seen already, spending by the

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<sup>37</sup> SMU, March 5, 1968; February 7, 1969; SDN, May 9, 1966, p. 21.



military-industrial complex meant that unions in aerospace, electronics, steel, and weapons production were able to win wage and benefit improvements for their members. Historian Patrick Renshaw noted in *American Labour and Consensus Capitalism* that "At the start of the 1960s American labour appeared to be in a powerful position. After eight years of Eisenhower the Democrats won the White House." Defense spending accelerated and unemployment dropped as the Vietnam War escalated. But by decade's end labor's position had been eroded. Automation was reducing the need for workers in several basic industries. Renshaw cites GM president Harlow Curtice's remark to the UAW's Walter Reuther while touring a highly automated car plant: "Walter, in the future the UAW will not be able to call the machines out on strike." Relocation strategies and foreign investments had curtailed production. Union membership in basic industry began to drop. On U.S. factory floors, as Harvey Swados in "The Myth of the Happy Worker," and Eli Chinoy in *Automobile Workers and the American Dream* pointed out in the 1950s, workers were increasingly alienated from their work.<sup>38</sup>

#### 1962 - 1968: Things Are Good For a While, But Quickly Go Bad

The 1962 contract was ratified without controversy, attributable in large measure to the steady growth in defense work. The company did not want to risk a walk-out that might cause defense prime contractors to question the reliability of the plant and jeopardize the cost-plus contracts

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<sup>38</sup> Patrick Renshaw, *American Labour and Consensus Capitalism, 1935 - 1990* (Jackson, 1991) p. 152, p. 170. On the 1960s see James R. Green, *The World of the Worker: Labor in Twentieth Century America* (New York, 1980) esp. ch. 7. Green points out that by 1970 skilled workers had decreased as a proportion of the working class, while between 1950 and 1970 the number of service workers doubled to 9.0 million from 4.5 million (p. 226 - 227).

the plant now had. Union negotiators were well aware of the leverage they had. Bolstered by the rank and file's authorization to call a strike, the committee achieved significant wage and benefit improvements for the first time in ten years.<sup>39</sup>

The cost-plus arrangement meant that Bosch passed on to its prime contractors all production costs that acceded initially agreed upon estimates. For example, if a single pump was priced at \$475 and Bosch claimed the pump ultimately cost \$560 to manufacture, the prime contractor paid this amount and in turn charged the government because the overall cost of the truck increased accordingly. In *Dismantling the Cold War Economy*, economist Ann Markusen cites a study that found for twelve large defense projects in the 1950s and early 1960s final costs were on average 320 percent of original estimates. According to Markusen defense contractors benefited as well because they were often the sole source for the weapons system or components being produced. This was in fact the case with the Bosch multi-fuel pumps. Finally, Markusen states, government demand was relatively "inelastic." It was quite unlikely, Markusen contends, for the government "to cancel orders or buy fewer weapons if unit costs escalate. Oligopolistic companies dealing with a client with relatively inelastic demand can raise prices considerably above costs without losing business." Unionists now took advantage of this and obtained long sought wage increases as sales climbed in the Diesel Division to \$48.1 million in 1968 from \$27.7 million in 1964.<sup>40</sup>

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<sup>39</sup> LB, June, 1962, p. 1.

<sup>40</sup> Ann Markusen and Joel Yudken, *Dismantling the Cold War Economy* (New York, 1992) p. 94. The authors cite studies that conclude that costs in the absence of competition were usually 25 percent higher. Sales figures in *AMBAC 1971 Annual Report*.

While the corporation continued its parallel strategies of investing locally and securing production partners abroad, in-plant relations did not improve even though wages increased. Union officers challenged management to improve its relations with the local. Why risk a multi-million dollar investment, they asked, by turning shop floor workers against you? The ARMA Long Island plant dropped to under 1,000 workers in 1965, from 4,800 two years earlier. Even though Springfield employment was still up, the rapid growth of the early 1960s ceased. Workers now wondered, and with good reason, what might happen if defense orders were cut, when a 1965 contraction of military work resulted in 125 workers losing their jobs. This was followed by a lay-off of 500 in 1966. The union complained that subcontracting to local machine shops added to these reductions. The union was also angry over the suspensions of six workers from department 300 for refusing to work overtime while the layoffs were in progress. Two of the six were active unionists, and officers indicated in the *Bulletin* that a full-scale walk out almost followed news of the suspensions.<sup>41</sup>

By mid-1964 management expressed its unhappiness with the union newspaper's repeated attacks on company policies and supervision. The paper carried a front page article explaining that management had met with union officers and asked them to tone down the paper's rhetoric. Union president Al LeBeau seized the opportunity to once again criticize management for not living up to the contract. He blamed a decision to subcontract large amounts of work from departments, 110, 120, 160, and 300 for large numbers of layoffs and charged that the company's recent elimination of floor inspectors led to an increased scrap rate.

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<sup>41</sup> LB, May, 1964, p. 3.



Finally, he turned the tables on management and compared Bosch supervisory staffing patterns to those in foreign companies. While it is true that management needs to find ways to cut costs in order to compete and stay in business, LeBeau suggested there was:

... another way to compete with foreign competition, let's bring the level of "Top Management" down to what most foreign companies have, not a heavy overloaded drain on the profits of the company with high salaries but competitive in the same sense as the average worker is informed he must be. Seventeen high level management personnel drew salaries and remuneration totaling \$837, 171 as per last year's annual report to the stockholders.<sup>42</sup>

He concluded by warning unionists, "This is only the beginning of a long hard struggle in which everyone must do his or her part in order to survive the viciousness of management in protecting our jobs and security."<sup>43</sup> By the end of the summer the union escalated their rhetoric. "Remember one thing management," a front page editorial read, "we are people of what you consider the lower class, but we are still the people that make all those fantastic profits for the stockholders."<sup>44</sup>

However, in 1965 the rank and file set aside their anger and voted 671 - 310 against the strike recommendation of their negotiating committee and executive board, accepting a three-year contract with a 26 cents an hour wage increase. The contract contained long sought benefits, including upward wage adjustments for the skilled trades, early

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<sup>42</sup> LB, June, 1964, p. 1. LeBeau added, "You cannot keep giving your customers excuses for no delivery of parts or bad parts without eventually losing them."

<sup>43</sup> LB, June, 1964, p. 1. There is no actual proof, but it seems likely that the refusal to work overtime was at least in part a protest against subcontracting.

<sup>44</sup> LB, September, 1964, p. 1.

retirement language allowing a worker 55 or older with at least 10 years in the plant to retire without any reduction in pension benefits, and an additional fifth week of vacation for those with 30 years or more service. The wide margin of acceptance was a rebuke to union leaders, especially business agent and negotiating committee chairman Jim Manning. Manning was defeated for business agent after the 1959 strike but returned to office in 1962. However, soon after this he decided not to run for another term. The easy ratification indicates that management correctly determined what was important to a majority of workers. The raises, ten cents in the first year, were not high. However, the high seniority workforce received improved pension language and extra vacation time, while the skilled trades, still a substantial group, received raises above the gains others made.<sup>45</sup>

Large layoffs in 1966 disrupted the momentary calm. A poem in the *Bulletin*, entitled "My Boss" summarized the changed mood.

He's my boss, tho' he looks down  
As if I crawled out of the ground  
When I make a little mistake  
He jumps on me, there is no break.  
Why can't he learn I'm not a machine.  
I have faults, if you know what I mean  
Even an automatic breaks down,  
I'm not the one wearing a frown.

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<sup>45</sup> SMU, August 21, 1965, p. 1. The pension gains were no small matter. Before the new language was added high seniority workers could lose three percent from their monthly pension check for every year they retired before age 65. For example under the old contract, a worker with 40 years service who retired at age 65 would receive \$10 multiplied by each year of service for a \$400 a month pension check. If the same worker decided to retire at age 62 he would now receive 37 years times the \$10 for \$370 but be penalized 9 percent for retiring three years before age 65. His check would be approximately \$337. Under the new language he would be able to retire early and get a monthly check of \$370, a significant difference, and one that made early retirement more attractive to many.

We are people, human beings,  
Do you know just what that means.  
Children, problems, bills and such  
Things that get us into dutch  
We are working hard and true  
Why do they just make us blue?<sup>46</sup>

### The 1968 Strike

The five week 1968 strike and fifteen week 1971 strike were turning points in the history of the plant. In 1968, for the first time, police used their night sticks on picketing workers and forcefully escorted supervisory personnel through picket lines in an effort to keep production going. The company made direct appeals to the rank and file to break with their leaders. Letters were also sent to strikers homes warning them that pay increases were impossible, and that the plant might have to close. These strikes marked a watershed for labor solidarity in the region as well.

Events leading up 1968 negotiations made a strike all but a certainty. Throughout the year the company's appeals for wage relief from foreign competitors were met with derision, as was management's argument that Bosch wages were higher than those in surrounding factories. Workers were well aware of the large investments being made in Springfield and elsewhere because the company newspaper profiled them. Union negotiators believed money was available and had been saying so for several months. In union elections a new business agent, Steve Jaross, was elected 318 - 300 over longtime officer Ralph Chicketti. Jaross claimed during his campaign that if elected he would achieve a

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<sup>46</sup> LB, June, 1966, p. 3.



contract settlement that included wage improvements. For the first time ever, representatives from seven Bosch unionized plants met together to compare contracts and negotiating experiences.

The union now reacted negatively to each company effort to improve quality, arguing that as long as rates were cut and foremen were attempting to speed up workers quality work was out of the question. "You keep cutting the rates until a machine operator has to beat his shadow to make a buck," one *Bulletin* article charged. "Some jobs have thirty gages on them yet your time study men never time the checking." A second article challenged management and issued a warning: "You're wheeling and dealing and cutting and down right cheapness is going to make your industrial grave."<sup>47</sup>

The showdown came when the company failed to offer a wage package until one hour before the midnight April 15 contract expiration.<sup>48</sup> The union wanted a cost of living clause, extra wage increases for the skilled trades, and additional vacation time for workers with 10-20 years in the shop. Union leaders did not anticipate a quick settlement and started to organize collections at area factories to bolster their strike fund and rally union members. Surviving records of the strike contained a listing of the 19 plants visited. In one week \$12,330 was dropped in collection cans. The money was used to run a soup kitchen for picketers in the basement of the union hall.<sup>49</sup>

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<sup>47</sup> *LB*, November, 1967, p. 3.

<sup>48</sup> *LB*, August, 1967, p. 1. Two of the plants were in Penn., 3 in N.Y., 1 in Miss., and 1 in Ma. *SMU*, April 15, 1968, p. 1. The unionized engineers refused to cross Local 206 picket lines just as the IUE had not crossed their strike lines ten years earlier.

<sup>49</sup> *1968 Plant Gate Collection List*, Local 206 archives, Series III, Box 8, ff 83. Plant gate collections have historically been a way for union locals to gain some financial support and help publicize their strike issues. One effect of such collections was to build a sense of a labor movement in a region. When walking the picket line it was nice to know you were not alone. This sense of solidarity is a casualty of the spate of metalworking closings that is

For 24 days the plant was shut tight. Then supervisory and other non-striking personnel were ushered across picket lines by police to resume production in an effort to complete and ship orders. No negotiations had been held since the strike began and the company continued to claim that its financial offer of 50 cents over three years was "fair and equitable, while allowing the company to price products competitively."<sup>50</sup> Management attempted an end-run around the union's leadership with a letter to every striker. In it they claimed they had been very fair with their offer. The original wage and benefit proposal of 44 cents over three years had now been increased to 50 cents. "Why," the letter asked, "have your union leaders not allowed you to vote on our offer?" E.F. Shannon, Bosch vice-president, concluded the letter by asking workers to "urge the union committee to call a membership meeting so you can express your opinion of our final offer."

The union response was swift and took the form of a leaflet distributed at all plant gates. Shannon was castigated for attempting to divide households with the letter, and for being incompetent. Top corporate officials seem to have concurred, for on May 10, almost a month into the strike, Shannon was sent on a trip to Europe. Charles Beck met on May 16 with the union's executive board, steward's council and negotiating committee, and four days later the strike was over. The final package, valued at 56 cents an hour, was 12 cents above the company's original offer. Once again skilled workers, including all electricians,

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not often considered when historians and economists discuss the decline of manufacturing in a region. For example, of the 19 plants on the Local 206 collection list 13 are now closed.

<sup>50</sup> *SDN*, May 15, 1968, p. 1; *SMU*, April 25, 1968.

mechanics, tool and die makers, and experimental machinists received additional increases averaging 20 cents an hour over three years.<sup>51</sup>

### The 1971 Fifteen Week Strike

Diesel No Longer Number One. Information contained in the 1971 corporate *Prospectus* and the AMBAC Annual Report provide a context for the April 1971 contract negotiations. The *Prospectus* described two new production facilities under construction in Italy and the Netherlands. The \$4 million Brescia, Italy plant, 80 percent AMBAC-owned, was a 65,000 square foot facility set up to build diesel fuel injection systems and components ostensibly for the European market. However, the first pumps actually produced in the plant were for U.S. agricultural equipment maker International Harvester. The development and all prototype machining for the new pump had occurred in Springfield. The \$3 million Breda, Netherlands factory was a wholly owned subsidiary of AMBAC constructed in 1967 and twice the size of the Italian plant. It, too, built pumps mainly for International Harvester during its first year of operation.<sup>52</sup>

By 1970 the corporation had six divisions: diesel and fluid power, electrical products, scientific and medical instruments, aerospace, industrial products, and ordnance. With a continued over-reliance on defense contracts - in 1970 the corporation still amassed 35 percent of its total sales from the U.S. government - every division felt the affects of the

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<sup>51</sup> 1968 Strike Letter, and Local 206 Response, Local 206 archives Series III, Company-Union Relations, Box 8, ff 82; SMU, May 20, 1968, p. 1; LB, June, 1968. The union article dubbed the Beck discussions "the family meeting."

<sup>52</sup> AMBAC, 1971 Annual Report; AMBAC Industries, Securities and Exchange Commission Prospectus, April, 1971.



decline in Vietnam War spending. Sales slumped slightly between 1969 and 1970, falling to \$155 million from \$160 million. But net income plummeted to \$1.6 million in 1970 from \$6.4 million a year earlier. Remarkably the \$1.6 million was only slightly better than figures at the start of the decade, before the reorganization and investment programs were implemented. Diesel sales fell to \$30 million in 1971 from \$48 million in 1968 (Table 8.2). Aerospace dropped to \$15 million from \$25 million. Only two divisions had strong sales gains between 1968 and 1971. Scientific and medical instruments climbed to \$36.6 million from \$22.6 million while electronics went up to \$26 million from \$20 million.

Table 8.2: AMBAC Net Sales in millions by Division 1964 - 1971.

	1964	1965	1966	1967	1968	1969	1970	1971
Diesel Systems	27.7	33.9	40.6	43.6	48.1	47.9	34.0	30.0
Electrical Products	13.4	14.9	17.4	16.4	19.9	21.6	21.7	26.0
Scien/Med. Inst.	11.6	13.7	18.1	22.5	22.6	26.4	32.3	36.6
Aerospace	31.2	25.4	32.0	28.5	25.6	20.7	20.5	14.8
Industrial Products	3.6	3.8	4.7	8.2	12.3	12.2	16.9	10.6
Ordnance					22.5	31.2	30.4	16.8

For 1971, the *Annual Report* pointed out, "27 percent of total sales and 40 percent of total profits came from scientific, medical, environmental, and industrial instruments, products all acquired or developed in the last five years."<sup>53</sup>

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<sup>53</sup> AMBAC 1971 *Annual Report*, p. 3. The corporation's name was changed to AMBAC Industries by a vote of the stockholders in 1968 to reflect the expansion, acquisition and added divisions of the company. Divisions were now headquartered in eight U.S. and three European cities. In the early 1950s there were just two divisions, one in Springfield, and the other in New York.

Between 1966 and 1968 diesel sales had far outdistanced any other division: This was no longer the case. After tremendous growth through acquisitions and joint ventures, and the investment of millions of dollars in machine tools and plant modernization efforts, management was unhappy with the corporate bottom line, and the diesel slump focused attention on Springfield, especially with contract negotiations pending.<sup>54</sup> The wage differential issue promised to again be a key stumbling block in the 1971 contract talks. The corporation was making a large investment in new plants and outfitting them with the most modern production equipment. While the facilities were built for specific product lines there was no reason why other components could not be manufactured in them. With several years of production experience in Europe, and an established joint venture with world-class diesel manufacturer Robert Bosch, technical expertise was available. In the past, Springfield's skilled workforce had been hard to duplicate. This may have been the reason why Charles Perelle decided to remain in the city in 1960 when sales slumped like they were in the late 1960s. But technology and joint production ventures were quickly rendering the one critical bargaining edge Local 206 members had moot.<sup>55</sup>

Issues of Concern. Between the 1968 and 1971 negotiations the blue collar workforce dropped by almost 450. When the slide began, union leaders offered what they felt was constructive criticism in an attempt to improve shop floor conditions. Business Agent Steve Jaross used his

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<sup>54</sup> Figures contained in AMBAC Industries, Securities and Exchange Commission *Prospectus*, April 20, 1971, p. 3. Division sales figures in *AMBAC 1971 Annual Report*, p. 1. Charles Beck's comments upon succeeding Perelle as president that the corporation's future was in electronics were born out by these figures.

<sup>55</sup> AMBAC Industries, Securities and Exchange Commission *Prospectus*, April 20, 1971, p. 8.

monthly column in the *Bulletin* to discuss the company's abortive effort to relocate the toolroom and make the case once again for worker involvement in production decisions. The company, according to Jaross, decided to move the tool room from the third floor to the main production area. However the choice of a new location was disastrous. "Now does it make any sense," Jaross wrote:

to take a department such as the toolroom, where all the tools, fixtures, and gages to be used throughout the plant are to be manufactured at close tolerances.... and place it in an area just recently vacated by a cast iron manufacturing department with the added inconveniences of poor lighting, uneven flooring for machines which must hold close tolerances, and dust from the nearby manufacturing departments which settles on plates and size blocks used in the daily performance of these tool room employees and makes their work of CLOSE tolerance almost guess work. There are some tool room grinders, whose skill in determining the precise amount to be ground from a tool, fixture, or gage is judged by the sound of their grinding wheel and this can no longer be done.

Had workers in the tool room been consulted, Jaross concluded, they would have known the location was incorrect and saved the company a great deal of time, the expense of the move, and the subsequent derision from workers.<sup>56</sup>

Nine months later, in an essay titled "The Lost Horizon" union president Al LeBeau urged the company to utilize the grievance procedure to settle cases quickly and fairly, and requested regular meetings with top

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<sup>56</sup> LB, February, 1968, p. 1.



management through the re-establishment of the management - labor problem-solving committee. The company failed to respond to the request, nor did it comment on the union's analysis of what it termed the five critical problems on the shop floor. The five were: the consistent failure to repair defective equipment, resulting in excessive lost production time and scheduling problems; a lack of proper tooling when needed to complete set-ups and keep production jobs running; incomplete data on job processing sheets and work orders leading to inventory and planning problems; the generally dirty conditions in the plant; and poor work flow and production bottlenecks, resulting in lack of work for some departments and excessive overtime for others.

The same issue featured a cartoon entitled 'Chain of Command'. From left to right in the cartoon stood first the stockholder, fist full of money in one hand and the other hand out looking for more, smoking a big cigar. Next to him was the plant manager, with formulas swirling around in his head, eyes crossed, and a vacant stare on his face. Then came four foremen, called the pinheads. Last in line was a machine operator with a chain fastening him to his drill press.<sup>57</sup>

Rather than deal with the substantive issues LeBeau raised, Beck now met with union officers to discuss the future of Springfield. He reassured everyone that the European plants were only going to produce for foreign sales. However, the stock prospectus and annual reports contradicted this. Beck added that should it become necessary to move production from Springfield, it would be replaced. Having heard such assurances in 1953 when plans to build a plant in Mississippi were

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<sup>57</sup> LB, February, 1968, p. 3.

announced, the meeting with Beck left union leaders with an uneasy feeling.<sup>58</sup>

The Strike. Even before the contract expired union and company negotiators were making appeals to the rank and file of Local 206. In an April 13 leaflet the union blasted the company's effort to change the piece work system as outright theft from workers. The company wanted to introduce a new system that would apply pre-determined times to all operations and movements in the plant. Every job could be given a time using such a system including those that up until now had no rates, like set-ups, basic machine repair, the building of a tool or fixture, and the movement of stock and parts from one department to another. First using cameras to establish base line times, management proposed to bring in an outside consulting firm to go through the entire plant and re-rate every job. The union leaflet charged the company wanted to "roll us back to the 1930s working condition era," when workers had no say over rates or rights to argue how they were set.<sup>59</sup>

Management responded with a letter from the vice-president of operations Ralph Hershfelt. The goal was to insure that the competitive position of the company deteriorated no further. Production changes were essential, Hershfelt told Local 206. He reminded them that since 1969 over 1,000 Springfield employees had lost their jobs, and wrote that the company needed "improved control over the organization of work, streamlined grievance handling, and an up-to-date incentive plan which

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<sup>58</sup> *LB*, October, 1969, p. 1; March, 1969, p. 1. It should be noted that the five points the union articulated read like a management text book for the 1990s in the area of shop floor reorganization. On the Beck meeting, *LB*, June, 1969, p. 1.

<sup>59</sup> *Union 1971 contract leaflet*, April 13, 1971, Local 206 archives, Series III, Box 8, ff 90.

will make possible increased productivity and reduce unit costs." His letter concluded:

We are in a difficult competitive position. We have been diligently reducing costs for more than a year. The Union must face the necessity for changes in the Agreement to enable to Company to maintain its competitive position and thus continue to provide and expand employment in Springfield.<sup>60</sup>

The strike began on April 22 and the war of words escalated. Hershfelt was particularly upset that the union never responded to the company proposal with a counter proposal. But the union did not want the company's incentive plan, and in their mind there was no reason to offer any counter to it: They wanted to maintain the status quo. The company took the initiative by offering a revised proposal. But through May the union held firm and refused to comment at all on the pre-determined time study proposal other than to reject it. Hershfelt tried during the strike's ninth week to get rank-and-file workers to pressure the negotiating committee. He informed union members that European production would not take jobs from Springfield, but that the chief source of Bosch growth, military work, was going to shrink by close to 80 percent in the next two years. "It is our responsibility," he said,

to plan a course of action for American Bosch that can insure the survival of the Division. At this time the improved technology and capabilities of European manufacturers, their advanced engineering, low import duties and the low cost of transportation bring new competition and new pressure to

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<sup>60</sup> *Company letter to workers*, April 16, 1971, Local 206 archives, Series III, Box 8, ff 86.



bear with our efforts to maintain a volume of business in the heavy-duty truck manufacturing industry of this country.<sup>61</sup>

Hershfelt then turned his attention to the piece-rate system itself, labeling it inaccurate, unfair, and impractical. "Some employees with less than a reasonable effort," he charged, "can attain higher than average earnings, and many employees have a limited earning opportunity in spite of their very best effort." Hershfelt concluded that the introduction of the new system would allow methods to be improved and costs controlled so that "we could earmark a reasonable amount for wage and pension increases in the years to come."<sup>62</sup>

For added emphasis he reminded workers of the many Springfield plants that already closed, including Sickles Electric, Wickwire and Spencer, the Springfield General Electric plant, Perkins Gear and Machine. "Some of these are substantial firms," Hershfelt wrote, "national in scope, and not really affected by a temporary set-back or recession. They left Springfield because of a limited future considering manufacturing costs in this area."<sup>63</sup>

Workers were not persuaded by the company letters. Finally after 15 weeks a settlement was reached on July 24, which included a 75 cents an hour improvement in wages and fringes over three years. This was a significant increase from the company's early June proposal of 41 cents an hour that had been contingent on union acceptance of the pre-determined time system, because in a bitter defeat for the corporation they failed to obtain the new incentive program. The stop watch system remained in

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<sup>61</sup> *Hershfelt to Employees*, June 8, 1971, Local 206 archives, Series III, Box 8, ff 86.

<sup>62</sup> *Hershfelt to Employees*, June 8, 1971, Local 206 archives, Series III, Box 8, ff 86.

<sup>63</sup> *Hershfelt to Employees*, June 8, 1971, Local 206 archives, Series III, Box 8, ff 86.

place and no attempts were made to change it until just before the plant closed in 1986. The management negotiating team badly miscalculated how long workers would be willing to hold out over the issue of changes in the piece work system. They also failed to comprehend the deep resentment toward management that had built-up on the shop floor. During the 1965 negotiations management knew, better than the union, what workers were willing to settle for, but not this time.<sup>64</sup>

### Conclusion: Management and Local 206 Remain at Odds

At the end of the decade and into the 1970s union and management remained contentious over three main issues: the timing of all set-ups so that management could establish uniform rates on machine changeovers; modification of the piece work incentive system to insure greater worker productivity; and utilization of the newly installed IBM system to bring order out of the excessive inventory and chaotic work flow in the factory. Management and the union also disagreed on the proper role for workers in resolving production-related problems. Management continued to confront workers with the argument that labor costs had to be lowered for the plant to be competitive.

Companies in competitor nations like Germany and Japan were actively seeking ways to improve their productivity by engaging workers on the shop floor. Toyota Motors and other Japanese corporations no longer argued about whether to time set-ups; instead they were devising techniques to alter the way set-ups were done. German companies were not attempting to organize their factory floors through the introduction of

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<sup>64</sup> SDN, July 24, 1971, p. 1.

computers. Instead, they were rearranging machines and developing entirely new shop-floor layouts to achieve better work flow and eliminate the need for expensive overhead items like stockrooms and inventory. In the final analysis the computer system let you know you had a problem: It did nothing to help you solve it.<sup>65</sup>

Finally, the 1971 strike over the incentive system demonstrated just how little workers believed management's pronouncements regarding labor costs. The union observed the corporate acquisitions, knew the plant was the recipient of millions of dollars in defense contracts, and was well aware of how much top executives were compensated. For the company's central bargaining argument to be effective, there had to be a shared sense that workers and managers were confronting a common problem, and together were going to shape solutions to it. As chapters 6 - 8 make clear, this was not the case.

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<sup>65</sup> For an example of what competitor firms were doing see Taiichi Ohno, *The Toyota Production System: Beyond Large Scale Production* (Tokyo, 1978). "In the Japanese system," Ohno writes, "operators acquire a broad spectrum of production skills and participate in building up a total system in the production plant. In this way, the individual can find value in working," (p. 14). The purpose here is not to debate Japanese-style management and its affect on unions and workers or to lightly treat the historical literature on the subject but to show what competitor countries were in doing on their factory floors to solve the same problems Bosch was struggling with. By-and-large U.S. companies took the approach Bosch utilized, mainly an overtly confrontational one, as opposed to the team-building and problem-solving orientation employed elsewhere.



## CHAPTER 9

### SKILL ALONE WAS NEVER ENOUGH

#### Introduction

In a May, 1994 award ceremony in Springfield the Danaher Tool Company received a prestigious Partners in Progress award from Sears and Roebuck Company for being in the top one percent of its 10,000 world wide suppliers for on-time delivery and quality. The firm's 175 machinists and operators, represented by the International Union of Electrical Workers, produce thousands of Craftsman wrench sets a week for Sears in a facility located in Springfield's North End. The plant is the last one in operation from a group of factories - including the American Bosch and Van Norman - that at one time employed over 20,000 workers in the heart of industrial Springfield.

Block after block of near-by triple decker wood frame apartment buildings, first home to many of the German, Scottish, Italian, and Irish immigrant workers who made their way to the city for the well-paying jobs these factories offered, have been torn down or are in disrepair. In a part of the neighborhood that formerly housed several bars and restaurants frequented by workers before and after their factory shifts, stands a low-rise office building housing the local cable television company. A state recycling center opened in 1990.

The Bosch Local 206 union hall has fallen into total disrepair. Once the scene of monthly membership meetings, union education classes, and strike rallies, the parking lot is now overgrown with weeds and littered

with broken glass. The main plant was purchased in early 1988 for \$250,000 by a real estate development group which resold it to a second developer for \$1.37 million several months later. The building contains an All-for-A-Dollar discount store warehouse, and provides storage space for several trucking companies. The near-by three-story Van Norman factory houses a small automobile motor repair facility and several light manufacturing companies. Near-by, the large and growing Puerto Rican community struggles to survive and find work in the absence of the thousands of jobs their predecessors found. The poverty rate for children living in the neighborhood stands at 30 percent, the highest in Massachusetts.<sup>1</sup>

### The Decline of Western Massachusetts Metalworking

#### Economic Restructuring

By spring 1994 the greater-Springfield economy had not rebounded from the closings of several metalworking companies during the 1980s. Referring to the sputtering job outlook, economist Paul Harrington noted, "For the first time, manufacturing is not the industry leading the region out of recession." In Western Massachusetts unemployment was higher, real personal income growth slower, and business incorporations lower than in greater-Boston. The slow turn-around parallels what transpired after the 1981-1982 recession. Then, too, greater-Springfield lagged behind the eastern part of the state, as job growth there was fueled by high technology and defense industry growth. When recovery came it was

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<sup>1</sup> SMU, October 11, 1988, p. 1.

based to a great extent on defense prime contractors like United Technologies Corporation, Raytheon, and General Electric providing smaller Springfield-area machining firms with lucrative subcontracts. During the early 1980s these primes had laid off thousands of union workers, including tool and die makers and experimental machinists. Now they utilized small non-union firms to get their work done more cheaply.

John Mullins, a professor of urban planning at the University of Massachusetts-Amherst describes this trend toward large firms closing and small firms becoming dependent on contracts from outside the region as the "colonization of Western Massachusetts." In a 1991 article University of Massachusetts-Amherst historian Jack Tager depicted the decline as part of a continuum stemming from the fact that much of Massachusetts industry growth in the 1970s was highly defense-related and subject to sharp boom and bust cycles. "It is worthwhile to keep in mind the long-term factors that constitute the Bay State's economic fabric," Tager argued. "Federal largesse in the form of defense spending sowed the seeds for the post-World War II Massachusetts economic miracle." The Bosch history certainly confirms this perspective.<sup>2</sup>

A 1993 study of the Massachusetts economy determined that manufacturing job loss has been steady since 1982 with whole industries,

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<sup>2</sup> Christopher Geehern, "Lagging Recovery Reflects Structural Economic Changes," *Springfield Sunday Republican*, June 19, 1994, p. A - 16. Textile mills, once the dominant industry in near-by Holyoke fled the area much sooner, and the paper mills had fallen on difficult times as well. On the decline of these labor-intensive mills see William Hartford, *Working People of Holyoke: Class and Ethnicity in a Massachusetts Mill Town, 1850 - 1960* (New Brunswick, 1990) esp. ch 8; Jack Tager, "The Massachusetts Miracle," *Historical Journal of Massachusetts*, 19 (Summer, 1991) p. 132; Robert Forrant and Elyse Cann, *The Demise of the Massachusetts Defense Connection: Lost Manufacturing Jobs, Shrinking Markets, and the Future* (March, 1993).



including shoes, textiles, furniture, and machine tool building, virtually disappearing. Across New England 86,000 durable goods manufacturing jobs were lost between 1984 and 1988. One thousand Massachusetts manufacturers closed their doors between 1977 and 1992. Remaining metalworking firms are smaller, dependent on subcontracts from large companies, and non-union.<sup>3</sup>

### Large Metal Working Companies: An Endangered Species?

At the Danaher Tool ceremony Springfield Mayor Robert Markle remarked: "This shows that people in this revered manufacturing center can do it - they can compete worldwide."<sup>4</sup> Is there cause to join with the mayor in such optimism? Should anyone anticipate a return to a metalworking 'hay day', complete with a late-20th century version of Rolls Royce locating on the banks of the Connecticut River?

Nineteenth and twentieth century metalworking growth stemmed from three related factors: continual innovation in product design and development stimulated initially by the Springfield Armory; a diverse nucleus of locally owned machine tool builders whose expertise provided the region with the benefits of their technological break-throughs first; and

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<sup>3</sup> Forrant and Cann, *The Demise of the Massachusetts Defense Connection*, p. 1 - 2. The study noted that the region's dependence on a few dominant companies in the slow growth defense and mini-computer industries meant that "the links in the chain that supplied high skill - high wage work to small manufacturing firms have been weakened and in some cases broken," p. 3.

<sup>4</sup> The award article appeared in the Springfield Union, May 2, 1994. The working agreement between IUE Local 228 and plant management is similar to the labor-management production committee that flourished in many Springfield metal working plants during and immediately after World War II. See chapter 4 for a discussion of the Westinghouse committee. Bosch Local 206 was certainly calling for the formation of problem-solving committees through the 1960s and early 1970s although the union never suggested the elimination of classifications and vigorously resisted any changes in the incentive system.

a base of skilled workers, many of them German, Scottish, and British immigrants, capable of performing the precision machining required to turn out world-class products. Historian David Hounshell determined that the region's strength was embodied in the rich problem-solving capabilities shared by firms and their workers. When Springfield earned its nickname - *the Industrial Beehive* - it was a diversified manufacturing center with over 300 firms and thousands of skilled workers producing a variety of products. This was no longer the case. After a slow, steady decline from 1970 - 1980, in a five year period during the mid-1980s eighteen metalworking firms closed or permanently laid-off thousands of workers (Table 9.1, p. 273).

#### Springfield Closings: Ownership Changes and Finance Capital in Control

Wico Prestolite. Wico was founded in Brooklyn in 1897 by Thomas Witherbee, the inventor of the portable storage battery. The firm moved to Springfield in 1904 and moved across the Connecticut River to West Springfield in 1925. It was bought and sold three times between 1956 and 1967 before becoming part of the Prestolite division of the Toledo, Ohio-based Eltra Corporation. In 1974 the plant employed 530 workers, 10 percent of West Springfield's industrial workforce, producing electrical and electronic components for small engine ignition systems and power controls. Layoffs starting in 1980 cut the workforce in half and in late 1981 management announced the plant was closing, with all remaining work

shifted to "support a marginally profitable operation in the Sunbelt that is located in a modern building with more modern equipment."<sup>5</sup>

Van Norman. Charles E. and Fred. D. Van Norman, brothers from Hamilton, Ontario, founded the Waltham Watch Tool Company in Watertown, Massachusetts, in 1888. Two years later they moved their business to Springfield and incorporated as the Van Norman Machine Tool Company. The firm's engineering department helped it develop a variety of innovative machine tools and attachments that resulted in rapid growth in the 1920s and 1930s producing machine tools for the automobile industry.

This success caught the attention of New York industrialist Herbert Segal in the early 1950s. At the time Segal wanted to acquire Van Norman and establish it as the nucleus of what he hoped would become the 'General Motors of the machine tool industry'. Through the purchase of 35 percent of Van Norman shares, Segal was able to acquire sufficient power to force several directors off the company board, including surviving co-founder Fred Van Norman. Corporate headquarters shifted to New York City, and Segal began acquiring several smaller machine tool companies. However, the recession of the late 1950s and continued lackluster sales in the early 1960s led to a merger with the Universal American Corporation in 1962 and a second merger in 1967 into the Gulf and Western Corporation. Over this period Springfield employment fell to 300 from 1,100 in 1958. Finally in 1979 Gulf and Western sold Van Norman to Winona Tool Manufacturing of Winona, Minnesota. For a

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<sup>5</sup> Forrant, *Metalworking Plant Closings. and Major Layoffs in Hampden County, 1967 - 1986* (Springfield, 1987).



time, Winona did some work in Springfield, but it acquired the company primarily to utilize Van Norman's reputation as a premier machine tool builder. The plant was closed in 1983 and Winona began attaching the Van Norman nameplate to imported Italian machines.<sup>6</sup>

Chapman Valve. Chapman Valve was founded in the 1870s and quickly became one of the leading producers of custom-made valves for large construction projects in the world. By World War II the company was one of only two U.S. firms building precision valves for submarines. It employed 3,600 in its foundry, pattern, mold making, and machine shops. When Chapman's chief executive died suddenly in 1958 a power struggle ensued, and after two years of behind the scenes machinations Chapman became part of the world-wide conglomerate Crane Corporation.

Crane owned a non-union valve plant in Chattanooga, Tennessee and almost immediately shifted work out of the unionized Chapman to it. At the time of the acquisition Chapman had 2,700 employees, but layoffs, including the closing of the foundry, resulted in there being just 200 workers in the facility mainly doing repair work on valves when it closed in 1986. The Springfield plant had earned the corporation's ire in 1982

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<sup>6</sup> Forrant, *Metalworking Plant Closings*. Van Norman's demise is similar to that of another U.S. machine tool builder, Burgmaster, richly described in Max Holland's *When the Machine Stopped: A Cautionary Tale from Industrial America* (Cambridge, 1989). Holland writes that in the 1960s, because of their profits and seeming hold over the market, U.S. tool builders became enticing targets for conglomerates. He estimates that two-thirds of the industry was affected. The end result of this process was that "A distant managerial capitalism replaced entrepreneurial capitalism..." (p. 266).

when it became the conglomerate's only union plant not to negotiate wage and benefit givebacks.<sup>7</sup>

Which Plants Were Likely to Close? While the plant closing list in Table 9.1 is not exhaustive, trends are discernible which indicate the

Table 9.1: Permanent layoffs and closings of Springfield-area metalworking companies in the mid-1980s.

Company	Status	# Jobs eliminated	Closure date	O'ship	Yrs. indy.	Peak emp. since 1960	Buyout since 1979
Am Bosch	closed	1,000	2/86	N;Pb	80	1,800	Yes
Chapman Valve	closed	250	6/86	N;Pb	100+	2,700	(1959)
Sp'fld Foundry	closed	75	4/86	L;Pr	100+	--	Yes
Portage Casting	closed	60	8/86	N;Pr	36	100	Yes
Van Valkenberg	closed	40	7/86	N;Pr	100+	135	Yes
Wico Prestolite	closed	250	3/82	N;Pb	80	675	Yes
Rafferty Steel	closed	50	11/85	N;F	40	--	Yes
Van Norman	closed	275	10/83	N;Pb	90	1,200	Yes
Plainville Cast	closed	65	4/87	N;Pr	65	75	No
Oxford Precision	closed	60	9/86	N;Pb	40	120	Yes
Easco Hand Tool	downsized	2,000	1980s	N;Pb	75	2,200	Yes
Columbia Bicycle	closed	250	6./88	N;Pb	80+	800	(1968)
Package Mach.	closed	400	9./88	L;Pb	100+	950	No
Atlas Copco	downsized	565	1980s	N;F	70+	800	Yes
Kidder Stacy	closed	90	9/89	N;Pb	100+	250	Yes
Rexnord C belt	closed	200	6/89	N;Pb	100+	575	Yes
Northeast Wire	closed	35	1990	N;Pr	22	110	No
Storm Drop Forge	layoffs	125	1980s	N;Pr	60+	250	Yes

Notes: On ownership: L - local; N - non-local; Pr - private; Pb - public; F - foreign. Buy-Out since 1979: Plant changed ownership prior to closing. With the exception of Plainville Casting, Rafferty Brown, and Oxford Precision all plants were unionized.

difficult position unions were in the 1970s and 1980s. With just two exceptions, none of the closed plants were locally owned, though all plants

<sup>7</sup> Forrant, *Metalworking Plant Closings*. By the late 1970s Crane was getting large valves cast in overseas foundries at a fraction of the Springfield cost, using patterns designed and built in the Springfield pattern shop by highly skilled machinists and designers.

on the list had been at one time. Most had undergone an ownership change just a few years prior to their closing. In addition, outside owners shifted work out of Western Massachusetts: The closings were never just a case of lack of work. Capital control was an important factor here. Finally, in most cases the closed plants were the oldest in the corporation they had become part of. They were, thus, no match for modern, better capitalized facilities.<sup>8</sup> The cumulative affect of these closings created a breach in the historical continuity of the Connecticut River Valley as a world leader in precision metalworking that appears irreparable. The loss of the creative and dynamic aspects of the metalworking manufacturing base is now all but complete.<sup>9</sup>

### The Bosch Closes

Shortly after the lengthy 1971 strike AMBAC put the entire diesel division up for sale so that it could concentrate on more profitable parts of the business. In 1978, Hartford, Connecticut-based aerospace and defense giant United Technologies Corporation (UTC) purchased it. UTC owned Pratt and Whitney Aircraft, Sikorsky Aircraft, and Hamilton Standard

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<sup>8</sup> Forrant, *Metalworking Plant Closings*. For a detailed discussion of a series of shut-downs in another community with a rich manufacturing tradition see John Cumbler, *A Social History of Economic Decline: Business, Politics and Work in Trenton* (New Brunswick: 1989).

<sup>9</sup> See Robert Forrant, Elyse Cann, Kathleen McGraw, *Industrial District or Industrial Decline? A Survey of Western Massachusetts Metalworking* (Springfield, 1991). There are currently less than 25 unionized metalworking firms in the region, each much smaller than it was in the 1950s. Each has engaged in concession bargaining and made numerous changes in such things as their incentive system, and seniority and classification language, areas that produced the greatest conflicts in the Bosch. There are now various efforts underway to work with the remaining small firms to help them find markets to replace the loss of defense work. There are also several programs to improve training to preserve the dwindling skill base. It should be noted that the average age of a skilled machinist in Western Massachusetts is now 55.



Technologies, all heavily defense-dependent. In 1978 UTC also acquired Carrier Air Conditioner and Otis Elevator as part of a reorganization designed to decrease their reliance on defense and aerospace. UTC had a reputation for being anti-union, and had fought the establishment of union shops in its many Connecticut plants for years. Problems in Springfield now intensified.<sup>10</sup>

### New Standards Plan

Between 1978 and 1981 41 percent of the Springfield workforce was laid off. UTC forced the union to arbitration on several issues in an effort to weaken long-standing seniority, job bidding, and job classification language. Finally, in May, 1981, ten years after the former owners failed in their attempt to change the incentive system, UTC gave the local an ultimatum. The entire piece work incentive system had to be scrapped at once and a new one installed. If changes were made a \$20- \$30 million modernization program would be instituted. If changes were rejected no further investments would be made in Springfield.

A corporate memo mailed to each worker's home read in part: "We are mindful of our obligations to the many loyal and hard-working employees still a part of the company whose past and present contributions cannot be minimized. They deserve a work climate conducive to improved efficiency and output in order to preserve their job security." Reluctantly, the union negotiating committee agreed to discuss

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<sup>10</sup> SMU, October 10, 1980, p. 52.

a new incentive system at the direction of the membership even though they were in the middle of a three-year labor agreement.<sup>11</sup>

As negotiations on management's New Standards Plan (NSP) commenced, a second letter was sent. Vice-President Henry Fuller reminded unionists that cost competitiveness and product quality were critical determining factors in any effort to remain viable in the face of aggressive Japanese, German, and British competitors. "The competitive position of the Springfield facility has deteriorated in recent years," he wrote.

Productivity has declined while our operating costs have skyrocketed. Some of our machines and processes have become outdated. Our options are clear. We must modernize our Springfield facilities, introduce advanced machining concepts and develop new processes and systems. Or, we must develop another modern manufacturing facility in addition to the South Carolina plant. Either option will require a major investment on the part of the Company. The main obstacle we face in modernizing Springfield is the deteriorated piecework system... . In order to be competitive, we must restructure our incentive system in addition to modernizing the facility.<sup>12</sup>

Fuller concluded by warning that investments would be made elsewhere "unless we can secure an agreement by the union to cooperate by modifying the wage incentive system."<sup>13</sup>

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<sup>11</sup> Henry Fuller *memo*, May , 1981.

<sup>12</sup> Henry Fuller *memo*, June 9, 1981.

<sup>13</sup> Henry Fuller *memo*, June 9, 1981.

While negotiations dragged on UTC rushed to complete a new pump manufacturing facility in Columbia, South Carolina. The 322,000 square foot state-of-the-art plant was designed to produce every remaining Springfield product line. However, the union was repeatedly assured that there was sufficient work for both facilities. "This is only an expansion of Bosch's activities and is not intended to replace it," a company press release informed.<sup>14</sup>

Several stewards and officers actively opposed the NSP, claiming it was a management effort to study and reengineer jobs in preparation for shifting all work to South Carolina and abroad. They argued that the union had signed a three-year contract in April, 1980, and that efforts to revise the incentive system should only be undertaken during negotiations. Then the local would have an opportunity to make its own demands for such things as plant closing language and limitations on subcontracting. Importantly, they contended, only then could the rank and file have vote to strike if they were dissatisfied with the proposal.

The negotiating committee remained divided throughout the five months of talks and made no recommendation to the membership. All they agreed on was that the rank and file had a right to vote for or against the plan. In an October, 1981 secret ballot workers voted 531-453 to accept the NSP. Just a month later a new business agent and slate of officers openly opposed to the plan were elected. They pledged to fight to save the plant they now believed United Technologies had already decided to close.<sup>15</sup> Less than a year after the affirmative vote, these officers were

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<sup>14</sup> United Technologies Corporation press release, March, 1980.

<sup>15</sup> Leaflets and campaign fliers in Local 206 holdings, UMass, Amherst Archives and Manuscripts. The *Springfield Union* hailed the vote as proof-positive that American



leading protests against a two-week shutdown of the plant caused by a lack of work. A union press release read in part:

No more crawling - no more concessions. We are opposed to this company shipping out work to other plants in this country and overseas. And we are opposed to the politicians - who come to the plant gates looking for votes, but are nowhere to be found when their help is needed to pass plant closing legislation.<sup>16</sup>

Between 1980 and 1983 there was a sharp drop in demand for heavy duty trucks and major customers cut their orders sharply. With the additional production space in South Carolina, the division had excess manufacturing capacity and a decision was made to shift several product lines to South Carolina and Europe. Management decided, as well, to limit production in Springfield to military contracts. The planned modernization and diversification of production did not occur. Subcontracting to local shops increased. Between 1982 and 1984 close to 400 workers were laid off, and at the end of 1984 the company informed the union that an additional 100 to 150 workers would lose their jobs during the first half of 1985 as part of its 'redirection program'.<sup>17</sup> From a single German-built plant in 1911, Bosch had grown to be the leading plant in the ARMA Corporation, eventually became part of the most profitable division in world-wide AMBAC Industries, and now was a small and

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Bosch was in Springfield to stay and quoted company spokesperson Frank Guisti who stated "investments will now be made" (*SMU*, October 23, 1981).

<sup>16</sup> *SDN*, September 4, 1982, p. 3.

<sup>17</sup> Judith Leff, "United Technologies and the Closing of American Bosch," *Harvard Business School Case Study* 386-174 (May, 1986) p. 3.

aging plant owned by a Fortune 100 corporation that employed 205,000 workers world-wide.

### In-plant Conflicts Escalate

Union-company conflict escalated. On average 15 grievances were heard a week at the second step of the grievance procedure in a plant of approximately 750. There was always a backlog of 50 - 75 cases to be heard. The company tried to weaken seniority by denying workers with high seniority jobs they successfully bid on. Put on the defensive by UTC, the union won every arbitration case on the issue, but at great financial expense. UTC was also determined to limit union rights on the factory floor. During 1983 negotiations they sought, but failed, to limit the number of workers who could attend a group or department grievance hearing, tried to end the company practice of paying for worker and steward lost time during grievance hearings, and attempted to limit the time a steward could spend a week engaged in union activity.<sup>18</sup>

Between 1984 and 1986 UTC moved product lines to the diesel division's Italian and Dutch facilities. Joint ventures were entered into with Toshiba Corporation of Japan, Renault of France, Westland PLC of

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<sup>18</sup> *Local 206 Grievance files*, UMass-Amherst Labor Archives, Series II. For a discussion of the escalation of grievances at General Motors after 1960 see Nelson Lichtenstein, "Reutherism on the Shop Floor: Union Strategy and Shop-Floor Conflict in the USA 1946 - 1970," in Steven Tolliday and Jonathan Zeitlin, eds., *Between Fordism and Flexibility: The Automobile Industry and Its Workers* (New York, 1992) p. 134 - 138. Lichtenstein contends that the rise in grievances was a consequence, at least in part, of workers' concerns for such in-plant issues as speed-up, automation, health and safety, and production standards. Wildcat strikes, for example, dramatically increased at Chrysler and GM in the late 1960s in response to what GM Department Director Leonard Woodcock called the industry's gold-plated sweatshops. Nationally publicized strikes at GM's Lordstown and Norwood assembly plants in the early 1970s centered on similar issues related to how production was done on the shop floor.

England, and Fiat of Italy. Start-up companies were built in Spain, Portugal, and Taiwan. UTC President Robert Daniell commented that "Our markets are increasingly global. And over the next five years international sales are likely to grow faster than domestic sales." According to *Business Week* the key motivation was the fact that "UTC earns a higher profit on foreign sales than on domestic sales."<sup>19</sup>

### The Case of the Laid Off Inspectors: Resisting Management One Last Time

In the summer and fall of 1985 the two sides engaged in one final group grievance that rivaled the 1970s fight over the timing of set-ups and most likely hastened the corporation's decision to close the factory. The incident began when Personnel Manager Michael Patulak laid off 33 inspectors in the plant and on the same day sought to fill the positions with new inspectors at lower pay grades. The union first sought injunctive relief through the federal courts to block the move, but failed. The local argued that because of the complex layoff system close to 100 workers could be affected and that these personnel moves would cause undue financial hardships to all affected workers, particularly those who would be permanently laid off.

During the fall arbitration case the union contended that layoffs were only to be made when there was a demonstrated lack of work: Since in this situation the company hired an identical number of inspectors, albeit at lower rates of pay, there was no such lack of work. Union officials

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<sup>19</sup> *United Technologies Corporation Annual Report*, April, 1985; "UTC Adds Westland to Its Growing Foreign Arsenal," *Business Week*, February 24, 1985, p. 88 - 89.



charged this was an attempt to slash wages and weaken the seniority provisions of the contract. UTC lawyers countered that the lower inspector's classifications were in the contract to be utilized, and that management had the absolute right to staff the plant as it saw fit for the good of their business. The union's viewpoint was upheld, with the arbitrator dismissing the company's maneuvers as an attempt to circumvent clear contract language. The company was ordered to pay all lost wages, close to \$125,000, and reinstate all workers to the jobs they held prior to the layoffs.<sup>20</sup>

### February 1986: The Closing Is Officially Announced

The victory proved to be hollow for on February 4, 1986, at the start of scheduled contract negotiations, in a terse twenty line memo UTC informed the negotiating committee of there decision to close the plant. Vice President of Operations Jon Adamson told negotiators that:

We are unable to continue operating four facilities with this continuing over-capacity situation. I, therefore, regret to inform you that a very difficult business decision has been made to close the Springfield manufacturing operation by the end of August of this year. The military products will be moved to Columbia, South Carolina; injectors to Brescia, Italy; and industrial products to Fluid Power of the Components Division.<sup>21</sup>

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<sup>20</sup> SDN, August 22, 1985, p. 8. The federal judge ordered that the union exhaust its grievance and arbitration rights first. National Labor Relations Board charges were also filed and the Board essentially mimicked the court and told the local to arbitrate the case. The company's financial liability totaled close to \$100,000 and over 150 workers were affected in some way through the lay-offs and subsequent shuffling of personnel.

<sup>21</sup> Jon Adamson to all employees, *Plant Closing Memorandum*, February 4, 1986.

Three weeks later in an interview with a local newspaper, UTC spokesperson Alan Muncaster stated, "We have to do something or we're not a viable company anymore. We're stuck with manufacturing space and nothing to fill it and no hope of filling it." The Columbia, South Carolina plant represented a \$140 million investment for UTC and the 900 who would lose their jobs in Springfield were 0.5 percent of the corporation's world-wide payroll. All alone, Local 206 was no match for this.<sup>22</sup>

Springfield Mayor Richard Neal said: "I feel betrayed, because the city of Springfield, in good faith, held a series of meetings, that began eight to ten months ago, in which we offered all kinds of assistance. And I never knew until today what was going to happen. Each step of the way we were told not to worry, that they were not going to close.... To tell me at 2:00 p.m. that the eventual phase out was imminent does not, to my mind, demonstrate high regard by that corporation for this community." State Secretary of Labor Paul Eustace called the corporation's previous assurances that they would remain in the city "bold-faced lies". Sixty-one year old Donald Staples, a 36-year veteran in the Bosch, summed it up best for workers when he remarked, "It's not like they pulled the rug out from under us. It's more like they pulled the trap door out from under the hangman's noose."<sup>23</sup>

The announcement confirmed predictions union leaders made months before. After watching 300 workers lose their jobs in the spring of 1985 the union issued a scathing memorandum to city, state, and federal officials. "If all that were involved here was the loss of 300 or more well-

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<sup>22</sup> Holyoke Transcript-Telegram, March 1, 1986, p. 1.

<sup>23</sup> SMU, February 5, p. 1; February 7, 1986, p. 1.



paid jobs, there would be enough cause for very serious concern," they wrote.

But these job losses are only the beginning. A clear pattern of mismanagement and disinvestment on the part of United Technologies, the parent corporation of American Bosch, point toward a phase-out of all operations at American Bosch's Springfield plant. Repeated management assurances that American Bosch and UTC have a strong commitment to continuing operations are contradicted by management actions.... All of this occurs while the markets for AB's traditional product lines are booming. Other firms are becoming more cost competitive and investing heavily. Meanwhile we see UTC milking this plant for whatever remains here to be taken in profit and moving all its jobs, all its commercial product lines and much of its machinery elsewhere.

The local's memorandum added that management turnover was close to 100 percent since 1981 and that ten top production managers had been fired or resigned since November, 1984. It concluded with the somber warning: "The union has cooperated fully in trying to stem absenteeism, in trying to increase production. We've shown results. Such cooperation has been repaid with layoffs and the promise of more layoffs. We see clearly the impending closing of this plant."<sup>24</sup>

The company response to the memorandum came from Alan Muncaster, vice president for communications.

We want to maintain all four of our plants, including the two in Europe, but we have to redirect a number of product lines to better utilize our manufacturing capacity. Nothing

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<sup>24</sup> Local 206, *UTC Disinvestment Points Toward American Bosch Closing*, Summer, 1985.



has changed since we announced those 80 layoffs. We've done exactly what we said we'd do. There are no plans to shut the plant down.<sup>25</sup>

Just seven months later the closing was announced. Between February and October, 1986 a total of 1,200 people were terminated, including all engineering and office personnel. Machine tools were moved to other UTC facilities or sold to local machine shops. All remaining diesel truck work was relocated to South Carolina, and the building was locked up tight.<sup>26</sup>

### How Did Danaher Do It?

How, then, did Danaher manage to survive? Could other North End plants have made the kind of recovery? Is the story instructive or unique? Originally Moore Drop Forging Company, and then Easco Hand Tool in the 1970s and 1980s, the facility employed close to 4,000 workers engaged in the production of a variety of hand tools during World War II. Incorporated in the city in 1900, the complex had its own foundry, forge shop, heat treating furnaces, tool and die shop, and several departments of production machinery. The drop forging department was utilized extensively by Rolls Royce in the 1920s. However, a lack of investment in the 1960s and intense foreign competition from Pacific Rim companies for

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<sup>25</sup> Holyoke *Transcript-Telegram*, June 27, 1985, p. 10.

<sup>26</sup> The financial costs of the closing were staggering. Over two years the 1,000 lost jobs resulted in \$31.1 million in lost income to the area, the additional expenditure of \$9.1 million in unemployment insurance, welfare, and other benefits, and \$8.6 million lost in federal and state taxes (Forrant, *Metalworking Plant Closings and Major Layoffs*, July, 1987, p. 13).

low and mid-priced wrenches and socket sets resulted in the firm permanently laying off thousands of workers through the 1980s. The company remained open because its biggest customer, Sears, had a commitment to purchasing its top of the line Craftsman wrenches from U.S. producers.<sup>27</sup>

Now part of the world-wide Danaher Corporation, employment has grown slowly over the past two years and stands at 300. Close to \$9 million has been spent on plant modernization and several product lines are now manufactured using the fastest computer controlled machine tool technology available. The plant is in direct competition with an Arkansas non-union facility to maintain the work it has. In order to stay price competitive and maintain a wage scale roughly 20 percent higher than the southern factory the union and company negotiated a labor agreement that eliminated labor grades and job classifications. A management commitment was made to cross-train all workers to perform multiple jobs. Teams comprised of machine operators, engineers, and managers convene weekly to tackle production and quality problems. Each team member has undergone several hours of training to insure a high level of participation from every worker.

The contract guarantees workers will share in productivity gains through quarterly bonuses. Union officials have access to all production records and profit and loss statements and participate in meetings to determine bonuses. There are also assurances that workers will not lose employment as a consequence of productivity improvements. Instead, they will be shifted to other occupations, with earnings protected during a

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<sup>27</sup> Information on Danaher based on interviews with plant manager Bruce Graham.



training period for the new job. Finally, the piece work system was eliminated in favor of hourly pay rates based on the levels of cross-training workers have mastered.<sup>28</sup>

### The Production Conundrum and Post-World War II Labor History

It is now possible to turn again to David Brody's search for common threads capable of pulling American labor history together. In his 1978 paper before the Organization of American Historians, it will be recalled, he put forward the notion that an economic approach that centered on work and jobs and broadened out from there could possibly provide a useful framework for understanding particularly post-World War II labor history.<sup>29</sup> Certainly the history of the Bosch and its workers can be understood utilizing this approach. It is also possible to generalize from this history to understand a good deal about what happened to thousands of metalworkers in the Connecticut River Valley.

The ways in which the union attempted to interject itself on the factory floor to secure a role in improving the plant are brought to light, as is the cogent analysis the rank and file and union officers provided on the shortcomings of management. A work-centered history tells the story in

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<sup>28</sup> The award article appeared in the *Springfield Union*, May 2, 1994. The working agreement between IUE Local 228 and plant management is similar to the labor-management production committee that flourished in many Springfield metal working plants during and immediately after World War II. See chapter 4 for a discussion of the Westinghouse committee. Bosch Local 206 was certainly calling for the formation of problem-solving committees through the 1960s and early 1970s although the union never suggested the elimination of classifications and vigorously resisted any changes in the incentive system.

<sup>29</sup> David Brody, "Labor History in the 1970s: Toward a History of the American Worker," in Michael Kammen, ed., *The Past Before Us: Contemporary Historical Writing in the United States* (Ithaca, 1980) p. 268.



a way that an institutional approach could not. Workers realized that the plant's problems were not going to be resolved with the acquisition of an IBM computer to track work, or a handful of automatic machine tools. Management persevered, however, disregarded union efforts to develop joint strategies to solve shop-floor problems, and in the end compiled computer print-outs informing them of their problems, and little else.

The union did, in fact, articulate strategies to get at the causes of many in-plant problems. For example, unionists called for the establishment of a consistent approach to the repair of machine tools to prevent costly break-downs during production runs. Such disruptions played havoc with delivery schedules and alienated customers counting on deliveries to keep their own plants running. Union leaders never shied from urging workers to produce quality products, and several times issued detailed statements on how to improve quality. It is ironic to note that the union's 1960s perspective on several of these issues closely approximates underlying management principles guiding world-class manufacturers today. But in the face of an intransigent management and their drive for bureaucratic control, and aggressive international expansion, the local's single plant production strategy, no matter how well conceived, could never prevail. Danaher survived because as it downsized a decision was never made to close. Local management was able to persuade union leaders to agree to the various changes needed to gain greater flexibility on the shop floor. They were also able to introduce factory problem-solving teams and assure a measure of job security, with the realization that many of their international competitors relied extensively on the same approach. Bosch workers sought little more than

this through the 1950s and 1960s when they argued for the return of the joint production committee Charles Perelle had disbanded.

Martin Kenney and Richard Florida in their study of Japanese transplant companies in the U.S state that "Perhaps the key element of the Japanese industrial system lies in its ability to harness workers' knowledge as a source of value directly at the point of production."<sup>30</sup> According to business historian William Lazonick the Japanese were putting ideas in practice originated in the United States through the work of management and quality experts like Edward Deming and J.M. Juran. However, U.S. managers' drive for shop-floor control did not provide a receptive environment for these concepts to take root. While skilled workers, like those at the Bosch, represented a threat to U.S. managers, in Japan and elsewhere they were mainly viewed in Lazonick's words as "a source of enhanced value creation."<sup>31</sup>

Japanese and German firms gained organizational advantages over U.S. firms because workers played an integral role in designing quality control and shop-floor production systems. By comparison, in the Bosch the company and union fought over whether or not rates included sufficient time to check work, and how many floor inspectors were needed to cover the plant. These were the wrong arguments to be having. U.S.

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<sup>30</sup> Martin Kenney and Richard Florida, *Beyond Mass Production: The Japanese System and its Transfer to the U.S.* (New York, 1993) p. 39.

<sup>31</sup> For examples of this see Ira Magaziner and Mark Patinkin, *The Silent War: Inside the Global Business Battles Shaping America's Future* (New York, 1989) esp. ch. 4 on West Germany; Michael Best, *The New Competition: Institutions of Industrial Restructuring* (Cambridge, 1990) esp. ch. 7 on the Third Italy; Michael Cusumano, *The Japanese Automobile Industry: Technology and Management at Nissan and Toyota* (Cambridge, 1989); Michael Dertouzos, *Made in America: Regaining the Productive Edge* (Cambridge, 1989); William Lazonick, *Competitive Advantage on the Shop Floor* (Cambridge, 1990) esp. chs. 9 - 10.



management, Lazonick points out, "was not about to grant workers skills and authority that they might use to exercise control over the flow of work." But since Bosch unionists were not allowed a positive role they used the various means at their disposal, including the grievance and arbitration procedure, articles in their newspaper, strikes, and both individual and well-organized shop-floor resistance to blunt attempts to cut piece rates, change the incentive system, alter inspection techniques, and change job descriptions, and the flow of work was negatively affected.<sup>32</sup>

Whether or not shop-floor participation programs lead to speed-up and ever more repressive shop floor regimes, as some critics contend, the fact remains that current management rhetoric aimed at inclusion and worker input resonates with workers and can not be ignored by trade unions.<sup>33</sup> Bosch workers thirsted for it and were resisted. Now, ironically, it is management that wants to introduce these changes, as the Danaher story bears out. Finally, the Bosch story supports an observation made by historian Philip Scranton that "top-down attempts to by-pass workers' knowledgeability by creating 'smart' machines create as many problems as achievements." In fact, the continuous improvement of U.S.

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<sup>32</sup> William Lazonick, *Competitive Advantage on the Shop Floor*, p. 290 - 292.

<sup>33</sup> For recent discussions on this see Mike Parker, "Industrial Relations Myth and Shop Floor Reality: The Team Concept in the Auto Industry," in Nelson Lichtenstein and Howell John Harris, *Industrial Democracy in America: The Ambiguous Promise* (New York, 1993) p. 249 - 274; Koichi Shimokawa, "Product and Labour Strategies in Japan," and Ulrich Jurgens, Knuth Dohse and Thomas Malsch, "New Production Strategies in West German Car Plants," in Stephen Tolliday and Jonathan Zeitlin, *Between Fordism and Flexibility* (New York, 1992); Tom Rankin, *New Forms of Work Organization: The Challenge for North American Unions* (Toronto, 1990); Lowell Turner, *Democracy at Work: Changing World Markets and the Future of Labor Unions* (Ithaca, 1991); Christian Berggren, *Alternatives to Lean Production: Work Organization in the Swedish Auto Industry* (Ithaca, 1992).



manufacturing firms is only possible when well thought out shop-floor strategies are conceived that have workers and their skills as the centerpiece. Short of this, histories of decline, like the one told here, will sadly remain the rule, with the Danaher story the exception.<sup>34</sup>

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<sup>34</sup> Philip Scranton, "The Workplace, Technology, and Theory in American Labor History," *International Labour and Working-Class History*, 35 (Spring, 1989) p. 10.

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## Newspapers

*United Electrical Workers News*

*Springfield Morning Union*

*Springfield Daily News*

*Holyoke Transcript Telegram*

*Progress*

*Bosch Craftsman*

*Local 206 Labor Bulletin*

## Archives and Manuscript Collections

The largest collection of papers on the history of the United Electrical, Radio and Machine Workers Union is located at the University of Pittsburgh Library. There are hundreds of documents on the history of the union in New England, with several documents detailing organizing efforts in the Connecticut River Valley.

For Springfield, the Pioneer Valley Historical Society's library contains well-indexed business history files on many of the city's largest companies and newspaper holdings dating back to the Civil War that are also well-indexed by firm. City Directories date back to approximately 1830 and are very useful in determining such things as worker occupations and numbers of firms in the city. Various state and federal census documents

are also in the library and are an important source in understanding the workforce structure.

For Bosch and Local 206 the single best source is the extensive holdings at the University of Massachusetts, Amherst. The union donated all of its records to the library in the Summer of 1986 when the plant closed. There are thousands of well-organized files with an excellent index covering the history of the local from 1942 forward. The papers are organized in five broad categories, administration, correspondence, company-union relations, publications, and membership. Included in the holdings are individual grievance and arbitration files, membership and dues check-off lists, correspondence with various local and national unions, an almost complete set of union newspapers dating from 1951 to 1970, minutes of various union meetings, and several contracts.





