

JIM E. RIGGS

Interview 270a

November 6, 2014, at The History Center, Diboll, Texas

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ABSTRACT: In this interview with Jonathan Gerland, Jim Riggs reminisces about his career working for Lufkin Industries. Starting out as a new college graduate in the Trailer Division in 1959 and continuing to when he retired as a vice president in Human Resources in the 1980's, Mr. Riggs describes the changes in the trailer business as the division moved from downtown Lufkin to the Buck Creek facility outside of town, as the trailer manufacturing process became more mechanized and efficient, as he moved to the Welding and Fabrication Department as Vice President and General Manager and then to Human Resources to finish his career. He talks about the competitiveness of the trailer industry and recalls some of the challenges Lufkn faced in this facet of their business. He also discusses the changes in manufacturing processes and materials, and well as the emphasis on safety.

Jonathan Gerland (hereafter JG): Okay today's date is November 6th, 2014 and my name is Jonathan Gerland. We are at The History Center today with Mr. Jim Riggs and we are going to do an oral history interview. Mr. Riggs maybe to begin, maybe if you could just tell us when and where you were born.

Jim Riggs (hereafter JR): I was born on April 18, 1936 in a town in Western Pennsylvania called Bedford. It is about seventy miles from Pittsburg. I was born when my dad lived on a farm, and after a few years he moved to Pittsburg and got a job in the steel mills and when I was nine years old, this was during the later part of World War II, he got a better job in a new steel mill in the Houston area. It was called Sheffield Steel and we lived in Galena Park, which was a suburb not far from the mill. I lived in Galena Park through the completion of my high school, went to Texas A&M College and...

JG: Which high school, Galena Park?

JR: Galena Park High School, Galena Park yellow jackets!

JG: All right!

JR: And...

JG: And your father continued to work for the steel?

JR: He did, he continued to work for Sheffield Steel and he retired from Sheffield in about 1968.

JG: And what was his name?

JR: Ralph Riggs.

JG: Ralph Riggs.

JR: And, being a farm boy he had always wanted to have some acreage, and about fifteen years before he retired he found a piece of property near Willis, which is just north of Conroe.

JG: Near Conroe, yes.

JR: Yes, and he bought that and built a home on it at the time and for about the last ten years before he moved there he commuted 135 miles a day back and forth from Willis to the mill.

JG: Wow!

JR: I graduated from Texas A&M College in 1959. My degree was in Industrial Technology. At that time the overall economy was kind of slow and we didn't get too many job interviews, and I think I got two, possibly three. And I was interviewed on campus by Bayo Hopper and Fred Griffin.

JG: How do you spell that first name?

JR: Bayo, B-a-y-o, Hopper

JG: Bayo Hopper, okay.

JR: I was invited to the company for a visit and I was hired. It was one of two interviews, two company visits I got and the one job offer I got, so I was very happy for that.

JG: Did your dad have a role in your decision for your major and that kind of thing or not necessarily?

JR: Not particularly. When I was growing up I had an interest in mechanical things and in electronics and actually worked for a TV service company the last few years I was in high school. I went to A&M thinking I was going to major in electronic engineering but the math proved too tough for me and I changed to industrial technology.

JG: Okay, okay. I think you were saying just before we began the interview that I think on one of the pieces of paper I saw you started in late May, maybe May 29th or something like that of '59 and you were saying it was right after you graduated. (laughing)

JR: It was the day after I graduated.

JG: The day after you graduated. (laughter)

JR: I think I checked in on a Saturday because back in those days Saturday mornings was a typical work day.

JG: So, what were you hired to do?

JR: I was hired to work in the Trailer Division doing jig and fixture work.

JG: To a layman, explain what that means jig and fixture.

JR: That means the equipment necessary to help build trailers, it might mean a device to hold parts while they were assembled or it might mean a larger fixture which would hold a complete trailer for assembly. It was just things necessary to help with the production process.

JG: What was that first year or so when you were hired, what was the market then? What was Lufkin, and I guess at that time it was still known as Lufkin Foundry and Machine Company or something like that?

JR: Yes.

JG: And it had a trailer division?

JR: Yes, it was the Trailer Division of Lufkin Foundry & Machine Company. Well, the company was only about 20 years old at that time because it had started in 1939 as Martin Wagon Company when the Lufkin Foundry bought Martin Wagon Company, which had been a company that built among other things log wagons, log skidding equipment for the timber industry. So, Lufkin Trailers was not a big player in the trailer business. The bigger players were Freuhauf and Trail Mobile companies out of the...

JG: Trail Mobile?

JR: Trail Mobile and Hobbs Trailers. Hobbs was a big competitor in the Southwest.

JG: And Freuhauf, that's the name we still see on the road today, F-r-e-u-

JR: H-a-u-f.

JG: H-a-u-f, yes. So, what was Lufkin's market? Who were some of the customers and what types of trailers were being built?

JR: They built vans, flatbed trailers and dump trailers.

JG: To a layman describe what you mean in the trailer world to what a van is.

JR: A van is a box trailer and it has two sides, a front and a top and it is used for hauling cargo that would need to be kept, protected, from the weather. A flatbed or a float trailer is just simply a flat trailer that would haul lumber or some commodities that could be open and then dump trailers were used for hauling gravel and sand and materials like bulk materials like that.

JG: Were they being hydraulically driven at that time, the dump trailers?

JR: They had just converted to hydraulic dumps.

JG: Okay.

JR: Only a few years earlier there had been a cable operating device which was pretty crude. You ask about the customers, one of the customers in that day that I remember was Red Ball Motor Freight. Red Ball was a freight line that started here in Lufkin and it moved, as they grew, they moved to Dallas. Their location in Lufkin was over on Abney across from Land O' Pines Dairy, but when I went to work for Lufkin Trailers they had only a few months earlier completed a large order for Red Ball, 210 trailers which was...

JG: Was it mostly vans?

JR: ...all vans. It was the largest order they had ever gotten. And I think they realized from that order, that to be competitive for large volume business they had to be more productive in their manufacturing equipment. So that was one of the areas that I was directed to.

JG: How many other, you were a young college graduate, how many others like yourself were there when you were hired?

JR: Well, in the department that I went to work in, it was the Trailer Division Industrial Engineering Department, there were only one other person and the plant shop superintendent. The Foundry Division, the Machinery Division and the sales department had other, they called them trainees at the time, who they had hired fresh out of college, usually out of Texas A&M and they would move from department to department and finally would be selected to settle down in one particular department. I didn't go through that particular program.

JG: Do you remember an approximate volume of how many trailers y'all were making a year? Was there ever any idle time, I mean was it...?

JR: Business was cyclical and yes there was idle time when there wasn't much to do, and some of those times there were layoffs among the hourly workforce. Production volume was not very great in those days, maybe two or three vans a day and one or two float trailers, flat bed trailers and a dump trailer maybe every two or three days.

JG: And that was as normal as you could get huh? As long as you had orders... I am assuming a big order would change things and no orders would change things?

JR: Certainly would.

JG: But if there was a typical or normal that would be it?

JR: That was about as normal as it got in those days.

JG: Okay, maybe just describe the process. What goes into, and I'm assuming it is probably different at different stages of your career, but we are still talking about the early years, what would have been a typical process of a customer coming to a trailer manufacturer and getting what that customer needs from design to manufacture, marketing or whatever? Or were you involved at that time in the know on that?

JR: Well, I wasn't involved too much, but we did a lot of customization. A lot of built to the customer's request. We didn't have a catalog that had a trailer that a customer could pick exactly what he wanted. They always wanted something a little longer or a little taller or a little wider.

JG: Was that a particular niche of Lufkin's, being able to do that, or was that kind of standard maybe for all trailer makers?

JR: That is kind of the way things were in those days and as trailers became more standardized they became more where they could order right out of a catalog or right off selection.

JG: The whole industry was pretty much specific to each customers needs.

JR: And Lufkin was a little, very eager to please the customer and would do just about anything the customer wanted, it sometimes to our disadvantage.

JG: I remember, I know in some of the publications that the company, the Line or the Roundup, oh I forget his name right now, but the TV western star, the Red Rider, I think Lufkin and that might have been, I think it was in the fifties, maybe prior to your time.

JR: A few years before I got there I think.

JG: Okay, that was before then, okay but, I remember it was a pretty big deal and that was the story line as I recall, but he needed...it is pretty much what a lot of the RV's have become now, not only the trailer for your horse and all your rodeo gear and stuff but it's the trailer in which you would live in, you know, a combination all in one type trailer and I know Lufkin was proud of that. That was a customization they were able to do. Did y'all have many more of those kinds of things?

JR: Not too many because a trailer like that took a lot of engineering time, new drawings were required and we probably didn't have the jigs and fixtures to expedite the manufacturing for that particular kind of trailer so it was very labor intensive.

JG: Just like anything else the price goes down per unit the more you make and if you are just making one or two...

JR: Certainly.

JG: Was that more so in the early days than later days?

JR: Lufkin got more towards standardization in trailer lengths, like we used to build trailers to almost any length the customer wanted, which might mean that he wanted a trailer that was thirty nine foot six and a half inches instead of forty feet. And, this made the stocking material difficult. It was a lot of waste involved many times and it meant special drawings to provide the shop the instructions they needed to build it.

JG: Were there any federal laws on trailer lengths back then?

JR: Yes, they were and I can't tell you exactly what the maximum lengths and weights were that over the years that has increased to now I think it is 53 feet length.

JG: Yes, I see that 53 on a lot of the big vans I guess.

JR: Overall length combination truck and trailer is something like 80 feet, and now trailers can be 102 inches wide and 13 foot 6 tall so, they have grown a lot over the years.

JG: Did that happen from time to time where a customer might want something beyond the limits? I mean was that allowable?

JR: There might be if they had a special permit to haul a particular product but normally we were building trailers within the federal and state limits.

JG: What were they made of? Y'all weren't really getting into aluminum or anything at that time were you?

JR: Flatbed trailers and dump trailers were all steel. Vans had a steel frame and aluminum skin and roof.

JG: So, they were already using aluminum before you came, on the vans?

JR: Yes, yes.

JG: Any particular challenges in your job in those early days? How did...I guess maybe describe the process as best you knew it or know of it now in those early days and maybe compare that to what it became when you were the manager, the process of a customer

coming and saying here is what I need, here is what I want, and then all the different processes like design and fabrication and that.

JR: Well the customer would come to sales and the salesman would try to accommodate the customer's needs, would pass that specifications onto the engineering department and quite often there would have to be special engineering required to satisfy that customers needs.

JG: Were y'all always able to handle it in-house? Would you have to consult or anything?

JR: We always did it within our engineering department, yes.

JG: Okay.

JR: Since many cases there would be something different about a particular trailer order it would require some different tooling, some different jigs and fixtures and apparatus to help manufacture that trailer to that customer's specifications.

JG: Then I guess it was a give and take on figuring out what it was going to cost you to build it verses what they were willing to pay.

JR: Well hopefully they had all that worked out before it got to manufacturing.

JG: Okay, well I guess I'm getting at when you were...I'm kind of leap frogging ahead a little bit, but like when you were manager, you know, that next process of somebody coming, the numbers people.

JR: Well since the Trailer Division was a division of a company that made industrial gears and pumping units, as it turned out the trailer industry was much more competitive. Lufkin did have competitors in the gear and pumping unit industry, but Lufkin was the big player and the profits were greater. So, the Trailer Division always had a tough time being profitable because of the competition we had and the margins that were typical in the trailer industry.

JG: Okay, I guess what I was getting at is how did y'all estimate cost and things, you know, you as a trailer plant manager approving a particular order I guess. Hey this customer wants X number of this type of trailer and I guess just how did you estimate if you were actually going to require something new or different than what y'all had done before?

JR: Well we had a group of estimators who worked in the office who pretty much handled that. Sometimes they would consult with the folks in the shop if it was something really unique, but we didn't do the estimating.

JG: I guess maybe what is getting me hung up here, I remember reading in one of the publications where y'all had a campaign at one time called the 300/100 or the 100/300 where y'all were trying to, if I understood right, in 300 days bring the days required to make a trailer from 160 to 100. That is pretty big!

JR: It was to reduce the number of man hours in a van from 160 to 100.

JG: Man hours okay, there you go!

JR: This was after we had moved to the Buck Creek location and had built a new plant, had acquired some modern equipment and were beginning to get the manufactured process improved. And so we knew we had to be competitive in the industry to build a trailer in about 100 man hours and we weren't there yet. So we set a goal to reduce the time required to build a trailer to 100 man hours in 300 days. This was right about a year and we did achieve that goal.

JG: How?

JR: How?

JG: Because that is a pretty big improvement in less than a year. (laughing)

JR: Well, we had a contest among employees for labor saving ideas and this was open to people in the shop, people in purchasing, people in...throughout the company. And we got a lot of ideas and applied most of them and eventually reduced the man hours to 100.

JG: Now from where I sit that seems like a big difference. Is it as big as what I might be thinking from 160 man hours to 100? That is a big percentage.

JR: Yes it is.

JG: It must mean it was costing y'all way too much to work.

JR: Well that is what it took to stay in business, yes. Because labor was the large percentage to the cost of a trailer and so we had to reduce that to be competitive.

JG: Was that as much the other industry was already doing those kinds of things? I mean not the other industry but the other competitors? Was everybody getting more efficient?

JR: Based on the feedback from the people out in the field like our sales department they seem to feel like that was the number required to be competitive.

JG: Did Lufkin, and again I'm kind of leap frogging into a bigger... bigger picture of questions, but how do you feel Lufkin's margin of profit was compared to its competitors? Essentially another way to ask it might be, did it cost Lufkin more to make

a product A than it might cost some of your other competitors to make that same trailer or not?

JR: Now that is pretty hard for me to say because the trailer pricing particularly in vans was very cut throat. And for a large order just a few dollars may make the difference in whether or not you got that order or not, just a few dollars per trailer, so...

JG: And then that had a huge impact.

JR: Yes, and of course we didn't have any inside track as to what the other competition was doing. We just had to rely on the feedback we would get from customers, from salesmen and customers.

JG: I just know from talking to some of the marketing people with Temple and this is even going back a decade or more, Temple was in a lot of different forest product lines that they aren't in today and basically what some of the marketing people told me is that Temple always wanted to make a good product so they wouldn't purposely, knowingly make inferior products and they could make as good as the competition but in a lot of these newer product lines to make it that good it cost Temple more money to do than it cost the competitors. Fiber cement boards was one, plastic lumber. If I understood right, so they got out of a lot of those ventures. So, that is what I was getting at and I know nothing about all the issues that were involved with Lufkin getting out of the trailer business. I understand that was way past your time. So, that is where I was coming from because Lufkin I am assuming was a high quality product.

JR: Exactly! Lufkin Trailers as a division of Lufkin Foundry & Machine Company was a quality conscious company, so often we put a little more into the product than was absolutely necessary. And in the early days Lufkin manufactured just about all the components. We learned that we could purchase particular components cheaper than we could make them and began to gradually utilize standardized components that were available through the industry. And of course to be competitive you had to be weight competitive and we had to learn ways to reduce the weight of our product.

JG: Without sacrificing anything structural or integrity or anything like that huh?

JR: Right, right. You also talked about satisfying the customers. We would in the early days take just about any kind of order that was offered us and one of the lines of trailers that we really had a tough time in was cattle trailers because they were so engineering intensive and everyone was a little bit different so it took probably more engineering hours than manufacturing hours to build a trailer like that. We finally learned to get out of that business and stay out.

JG: Who were some of the top personnel in the Trailer Division when you first came to work?

JR: Well the general manager was Dude Schuller – C.J. Schuller, the sales manager was Lefty Alexander, the shop superintendent was A. G. Colburn and the head of engineering was Frank Ragland, head of industrial engineering was Bill Woodward and the purchasing manager was Carl Leasy. Those are some of the names I can recall.

JG: Had they been there a good while when you came?

JR: Yes, yes, all of them had been there for several years before I got there.

JG: Okay,

JR: And most of them grew up in Lufkin.

JG: Just briefly describe, you know, you began at one job and I know eventually you became manager of the Trailer Division, just talk about yourself and that movement. Just some of the things that maybe in the context of managers leaving and changing and when did you become manager? Let's just start there, approximately.

JR: I think it was 1972.

JG: '72, okay so within 11 or 12 years, 13 years I guess, so talk about that maybe. I guess I'm just using that as a reference point. Maybe look at when you became manager of the Trailer Plant, what were some of the changes that you had witnessed comparing your time, okay now I'm the manager and you know, 13 years ago when I first started here.

JR: Well one of the big changes was when Mr. Trout, who was the president of the company, decided that the Trailer Division needed to move from its location on Jefferson Street. It was kind of bound on all four sides by other departments of the company and the rest of the company needed manufacturing space, so they bought 400 acres at Buck Creek, which is out between Huntington and Lufkin. And our group was given the task of laying out the plant and designing the plant and also acquiring manufacturing equipment to be utilized in that plant. Bill Woodward headed up that operation and I was his assistant and about...let's see this move started in 1967 I believe and so we designed a plant from the ground up and began to shop the market for what modern manufacturing equipment was available.

JG: How did you plan? I guess a two part question, one how much bigger capacity did the new plant have verses the old plant and how did you plan and what was the decision process of where we want to be, you know? The question is how big do you build it? What factored into answering that?

JR: Can I take a break?

JG: Sure. Okay we are back after a short pause. I forget the question I asked but basically what factors went into deciding how big to build this new plant and it looks like the company was putting some good capitol invested in that line.

JR: Well interestingly this was the first time Lufkin Industries ever took on any debt. They borrowed eight and a quarter million dollars. Part of that went to improve some of the gear manufacturing facilities, but primarily the most of it was for the purchase of the property and the building and the equipment of the new trailer division. I think the objective was to be able to manufacture eight vans in an eight hour shift and four to six flat bed trailers and one to two dump trailers per eight hour shift.

JG: Is that all at the same time?

JR: Yes, yes at the same time. There were sub-divisions within the company that manufactured each product line.

JG: So you could have all the types, each type of trailer could all be manufactured under one roof at the same time?

JR: Yes.

JG: Okay. And I guess it was successful? I mean.

JR: Yes, in fact when business really got good we added a second shift and were manufacturing twelve to sixteen trailers a day in two shifts.

JG: And that was an eight hour day?

JR: In two shifts, two eight hour shifts, and I'm speaking of vans.

JG: Vans okay. Any particular customers stand out in your memory starting out in the early days going through? I mean, customers who maybe kept coming back for more or who ordered huge amounts?

JR: Well one of the most well known customers was J. B. Hunt.

JG: Yes, that is the one I was thinking of.

JR: They were able to give us some very large orders in the hundreds of trailers each.

JG: How far back does that go? I mean when did they start being your customer?

JR: In the mid eighties.

JG: What about prior to that? Maybe not at that volume but somebody who stands out in your memory?

JR: Central Freight Lines, which was a company out of Waco, was a large van customer. Southern Pacific...

JG: Transportation or?

JR: Yes, they bought trailers that were used to haul flat cars and I can't think of any others. No others come to mind. I know there were others.

JG: What type of trailer did you maybe enjoy building the most or you thought was the best use of your resources? Was there a favorite or?

JR: Well it was always desirable to build a trailer where you had a large volume.

JG: Profit.

JR: Large volume

JG: Okay volume.

JR: Because you could get the bugs worked out of the system and it was worth the expense of maybe a little specialized tooling to reduce labor involved.

JG: And were those the vans?

JR: Yes, in most cases it was vans. It was pretty rare to have a flatbed trailer order for more than six to twelve trailers and dumps were even smaller than that.

JG: How far away were some of your customers, geographically?

JR: Well that was one of the competitive disadvantages Lufkin had because the center of the trailer world seemed to be in central U.S. around Indiana because the cost of delivering the trailer was part of your cost.

JG: Okay.

JR: If the manufacturer was closer to the customer, then naturally they would have a cost advantage. So, you ask what were some of the most distant customers we had?

JG: Yes, just curious.

JR: I think we had some customers in Iowa and that may have been about the furthest that I can recall.

JG: How, you mentioned transporting the product to the customer, how was that handled? I mean how do you transport 50 vans to a customer?

JR: There were hauling companies that would do that for hire and also in some cases we would load trailers on flat cars.

JG: Railroad cars?

JR: Railroad cars and...

JG: And that was right there from at Buck Creek? You had rail facilities?

JR: Well actually the loading was done in downtown Lufkin because that is where the equipment was to do that?

JG: Oh okay. But there is rail there right?

JR: There was when we built the plant.

JG: Yes, but you never shipped any trailers that way?

JR: No, no.

JG: You took them over roads to Lufkin and did it there?

JR: Yes, yes.

JG: That way you cut A&NR [Angelina & Neches River] out. (laughter) That wasn't the intention, I was just kidding.

JR: Well they may have been involved in the downtown Lufkin.

JG: I was just kidding, maybe they were, they still were.

JR: There was another means we had to cut the cost of delivery and that is if we could provide the customer a load and this would be in the case of flatbed trailers if we could give the customer a load of pumping units to deliver somewhere where that would reduce our delivery cost.

JG: Who coordinated all that? Making sure they got trailers as well as a pumping unit. (laughing) That seems kind of complicated.

JR: Well that had to be done by the traffic department of the machinery division.

JG: If you had 100 trailers with 100 pumping units with two here, three there and four over there that could be quit a chore. (laughing)

JR: Yes.

JG: We were looking at one of the companies here that made Tex-Lam, laminating beams and arches, and the challenges they had with shipping their products because they

would have to modify railroad gondola cars, cut the bottoms out of them and make sure that if they were sending something up to Massachusetts all the different clearances of all the railroads and anyway, yes it is quite a challenge to transport that stuff. I think I asked you about the, some of the competition. You mentioned Freuhauf and was there any...well let me back up, when did you leave the Trailer Division and I think you became vice-president of Structural and Fabrication or something?

JR: Yes.

JG: And then you went into H.R – Human Resources I guess at some point.

JR: Right, right.

JG: What year did you leave the trailers, approximately?

JR: Approximately '84.

JG: '84, okay '84 about '84, okay so you were there, and you were saying you thought you might have become manager in the late '70s?

JR: Around '79.

JG: Around '79 okay, okay. So, was there any differences in competition from '79 to '84 than versus the early years?

JR: Well in the later years we were able to accommodate the major freight lines who were placing orders in the fifties, hundreds, two hundreds. We couldn't do that when we started out. We just didn't have the capacity.

JG: Yes, but I mean were there any new competitors that were coming up during those times other than Freuhauf?

JR: Well I mentioned how the geographic center of the transportation industry seemed to be around Indiana. There was a company that started in Wabash, Indiana that has since come to be the largest trailer manufacturer in the United States.

JG: Who is that?

JR: I guess it is Wabash Trailers and many of the big competitors have gone out of business.

JG: What were some of the biggest challenges to the trailer making world? You've identified a few, certainly specific for Lufkin, your geographic location wasn't ideal and you've kind of eluded a little bit to having, you know, I guess some of the challenges of having a high quality, very high quality product in a very competitive market, but

anything else besides that? Or if you want to elaborate more on some of those – just trying to get all of your wisdom and knowledge and experience.

JR: I can't think of any other challenges. Occasionally when business was very good we would have labor shortages, but in general our labor force was very cooperative. They had a very can-do attitude, for example, when we talked about our contest reduced man hours from 300 to...

JG: From 160 to 100.

JR: ...to 100 in 300 days we got a lot of response from the hourly workforce. And in general, our hourly workforce was very supportive. The company had, I think it has had three strikes in its history and those were very long strikes, but aside from that our relationship with our hourly workforce was just great.

JG: Now those strikes was that, and I'm truly asking because I don't know anything much about it at all, was it just the trailers or did it affect the people in the foundry as well? I mean was it together or separate?

JR: No, it was company-wide.

JG: Company-wide okay. So, you didn't really have anything that affected the trailers that didn't affect everything else?

JR: No, no.

JG: Okay, was there much movement say between the foundry and the trailers? Maybe I could see, maybe a little more in management, maybe or not? I don't know. Did you have people that might work at the Foundry and then transfer over to Trailers or vice-versa?

JR: Occasionally when one segment of the business would change and we would get slow, another department might let them take on some of their employees but generally there wasn't much movement between foundry, machinery and trailer divisions.

JG: I guess I am just going to ask a few questions and they may not be the right ones, but address some of that, again more from a management level and these cycles. Or let me ask this question. Was it famine or feast or were you able to maintain something in the middle? Could you predict the cycles?

JR: Often it was famine and feast and the economy was a big factor and it seemed like when the economy was starting to pick up the transportation industry would be a leading indicator so our business would pick up.

JG: Just people buying more stuff regardless.

JR: Right, right and of course when the economy began to slow down well people would stop shipping stuff and that would affect our business.

JG: I've seen it a little bit with the railroads, you know, and of course now everything coming from China and so you've got lots of transportation from one coast to the next and railroads benefitted some. You mentioned the labor force and famine and feast and of course you mentioned lay-offs how was that handled? Was that something that you had a standard policy on or was each situation unique and you just handled it? You probably prayed that you wouldn't have to.

JR: Well it was each one was unique and, you know, we might have a slowdown in the vans and not in flatbed trailers or not in dump trailers but generally the layoffs were based upon the seniority in the department and the ones with the least seniority would have to go.

JG: Okay, and you were talking about that 100, I forget now what it was called, 300/100 or whatever, but reducing the number of man hours from 160 to 100, you kind of read between the lines in some of the publications, the company newsletters. There was an article that asked a hypothetical question. I remember one of them was: "Work harder? No work smarter," more efficient and all this kind of thing.

JR: That is right.

JG: And, you said overall the employees did take to that and there was incentives for being more efficient and that kind of thing, but was it truly that way? I mean surely there were some kind of backlash at some point, or not? Because again that is a pretty big jump from 160 to 100 in less than a year, like you said, if I was a manager looking at it from above the trailers they would say well why didn't y'all do this sooner?

JR: Well our people realized that if we wanted to stay in the business and be competitive that was what it was going to take so it was a matter of survival.

JG: Purely economics huh? Who were some of the top managers at that time of say that particular...?

JR: Of the Trailer Division?

JG: Well I guess whoever the Trailer Division would be reporting too.

JR: Bell Hopper was executive vice-president at that time and Bob Poland had become president. I think Frank Stevenson had become plant manager of the Machinery Division and those are some of the major changes I can think of.

JG: How many divisions were there at that time? You can probably just mention them.

JR: Well there was the Trailer Division, the Foundry Department, the Machinery Division, which was the machine shop and included the machine shop and the fabrication department and assembly and shipping department. And the...about 1975 or so industrial gears began to be more of a standalone department but they had their own engineering designers and began to have some facilities that were dedicated to industrial gears.

JG: How much bigger was the Trailer Division when you became manager than what it was when you first started there? Of course you've mentioned the move to Buck Creek and that improved your capabilities tremendously. Were there expansions to Buck Creek after the initial build?

JR: Yes, and to back up and try to answer that question, I can't remember the exact numbers of the early days versus the later days, but expansions at Buck Creek were an expansion of the paint facility, which allowed us to move a trailer straight through the paint shop. And to reduce the amount of handling a conveyor was put in, which would drag the trailer through the paint facility through the drying of and out into the prep area and that was a major expansion for that department from the initial design of it.

JG: Now I know the J. B. Hunt trailers that I remember seeing were pretty simple as far as graphics, it was just J. B. Hunt wasn't it? But did y'all do any really fancy graphics for customers? I mean did y'all handle all that, all that paint?

JR: The graphics evolved into decals. We didn't do much painting of graphics, particularly as time moved on. I remember there was one order, and I can't remember what the customer's name was, it might have been Roadway but they had huge decals that had to have holes punched in them to clear the rivet heads on the side of the trailer and they had be lined up just so and it was pretty time consuming.

JG: Done by hand, it all had to be done by hand?

JR: Done by hand, and that was one area where we utilized female workers because they were pretty dexterous with their hands.

JG: Now they had to be on scaffolding or something?

JR: Yes, yes.

JG: Now was that done...where was that done out in the parking lot or...?

JR: Some of it was done in the paint building but if it took very long it had to be done out in the parking lot and later on we began to get sub-contractors to do that kind of work.

JG: Okay. Were they local or not?

JR: No, I don't know where they were from.

JG: Oh okay. Talk about the tugs. That was the device that moved the trailers around right?

JR: Yes.

JG: I remember reading something in there and it quoted you I think as saying who designed those or something Stanley Beck?

JR: Yes, Stanley Beck, and Dude Shullard was the plant manager or division manager and it was kind of a combination of his idea and Stanley Beck's. Dude realized we needed a better way to move trailers around.

JG: Ya'll just called them tugs, like tug boat but...

JR: Right, right, and the thing that was unique about the trailer tug was that it was built very low to the ground where the operator could see under the trailer so he could see where the wheels were going and made it simpler to steer it around through the maze of other trailers and obstacles because we designed this when we were still downtown in the Jefferson street location.

JG: You were really cramped in there weren't you?

JR: It was very cramped.

JG: Okay, well keep going, I'm sorry, keep going. You were talking about the tugs and the efficiency. It was low to the ground and had like a glass cockpit, a lot of visibility.

JR: Yes, the operator did have a lot of visibility and it could turn the vehicle itself, could turn in its own length so it could swing around and make a ninety degree turn and could maneuver a trailer into a very tight spot.

JG: Did you ever have any mishaps, any notable ones?

JR: We did have one where the load shifted on a flatbed trailer that was being moved and it injured the operator.

JG: Was it like a pumping unit or something?

JR: No it was some kind of material I don't remember what it was.

JG: So when y'all would send a flatbed off with a unit I guess y'all would carry it up to the Foundry and load up?

JR: Up to the shipping department to be loaded there.

JG: Okay, and then after that the trailer division was out of it, huh?

JR: Yes, in a few years, see Trailer Division was moved out there in '67 and a few years later the Machinery Division was moving out there. They moved the welding shop and the shipping department they moved just west of where the Trailer Division was located.

JG: Okay, let's see here. I think I've already asked this, just trying to understand maybe Lufkin's niche in the market, again, made high quality products, eager to please the customer but was there any particular niche that Lufkin could fill better than anybody else?

JR: I will give an example. J. B. Hunt was very competitive in their industry in the transportation industry.

JG: And what did they do just for the record? Just describe what their business was, as best you can recall.

JR: Well it was general freight transportation, they were out of Arkansas but we were able to figure out a way and Lavonne Watts, our chief engineer at the time was responsible for this, to make the trailer a quarter of an inch taller than the...to have a quarter inch more volume on the inside than the competition and because they were able to do that they were able to get J. B. Hunt's business until the competition started copying us. But you know the competitiveness between manufacturers was that critical (**JG:** a quarter inch) that a quarter inch would make a difference in whether or not you got an order.

JG: Wow! And again y'all were all staying within the, I guess the...

JR: Overall height.

JG: ...height limits and clearances and all that, just how much could you give interior space and I guess that ¼ inch over the whole length and width of the trailer added up a little bit more...

JR: Well they felt like it was.

JG:...than just a quarter inch. They liked that huh? I guess like you said, when you are trying to fit as much in there as will go in there, every little bit helps I guess. Any other factors in the market or supplies of any parts that ya'll needed that stands out in your memory as being challenges or good things, not necessarily challenges, but 'boy that really helped your business out' or...?

JR: Well as time went on we would use more parts from other manufactures. For example, when I started we would make the cross-bearers for our trailers. This was what you might call the joist of a flatbed.

JG: Talking about cross-bearers like the weight?

JR: Yes, we would fabricate those and fabricate the tire carrier, we would fabricate...I'm trying to think of some other parts at that time. Oh we fabricated in our foundry department what we called the spring hangers, which is the part of the running gear where the suspension or the springs attaches to the running gear of the trailer. We would cast those in our own foundry. Later on we would buy those kind of things from people who would specialize in that, who were making them lighter and could also sell them cheaper than we could make them.

JG: What about the springs themselves?

JR: We never made springs we always purchased those, purchased springs, axles.

JG: What about wheels for the tires?

JR: Wheels were always specified by the customer and they were purchased outside because they wanted them to be compatible with other wheels in their fleet.

JG: Tires kind of the same thing, left up to the customer?

JR: Yes, yes.

JG: Did you ever have a time when the customer said just whatever?

JR: Well since I wasn't involved with sales I don't know.

JG: Oh okay.

JR: We did have a time when we had some customers that really liked re-treaded tires and so they would send in re-treaded tires for us to install.

JG: I wonder why?

JR: I don't know for sure.

JG: Are they outlawed today?

JR: Yes.

JG: I thought so. You still see pieces of them on the highway though.

JR: Yes.

JG: They are dangerous I know that.

JR: Well they were stiff and hard to mount. I know we had difficulty doing that.

JG: But that is what they wanted huh?

JR: Yes.

JG: What about, was aluminum, the use of aluminum how did it change over the course? You mentioned maybe like the skin of the vans and things.

JR: Well when we started in 1959 we would purchase the aluminum in sheets that were like 4x8 or 4x9, whatever the required size was. Later on we purchased a machine that would take a coil of aluminum and cut it down to length and this helped us reduce our cost.

JG: Did you ever get into making aluminum framed flatbeds?

JR: Not during my time. Later on after I left they did begin to incorporate some aluminum components in the trailer frame.

JG: Did y'all ever look at it during your time? I mean was that something that was a gradual process?

JR: I don't think it was as common in the industry while I was still there. They were just beginning to see it.

JG: Is it kind of common now?

JR: Based on my observation what is going up and down the road it seems to be.

JG: Well yes, that is what I was thinking, but I don't know anything other than what I'm seeing and I don't know if what I'm looking at is aluminum or not. It looks like aluminum, but okay. So that was just a process that took time to...I just heard the other day that Ford now on their pickup trucks are going to use aluminum bodies for next year's model. And they think they can save, I forget how many hundred pounds of weight and of course that is going to help fuel mileage and all that.

JR: Yes, that is right.

JG: But I imagine the cost is going to go up. Isn't aluminum pretty expensive?

JR: Yes, it is much more expensive than steel and not as durable.

JG: Yes.

JR: So there's a trade off there.

JG: Yes. Okay, talk about what ever happened when you left the trailers and then what did you do and where did you go?

JR: Well I moved next door to the welding shop, where the components for the pumping units were fabricated and right next to that was the shipping department, which was part of that complex where pumping units were assembled and shipped. The gears were still being manufactured in the downtown facility, the gears and some other components that had machining on them would be processed down there and then sent back to fabrication department for complete assembly.

JG: And what was your job?

JR: I was vice president and general manager of the welding fabrication department.

JG: Okay, and so what all was that again? Welding and fabrication, I mean what?

JR: That is the department in which the structural steel components of the pumping unit were made. They were processed, they were welded, they were assembled, painted, shipped.

JG: Okay, so how big a department did you have, employee wise?

JR: It was roughly the same size as the employees of the Trailer Division at that time.

JG: Okay, okay. Why did you move? Was it an advancement?

JR: A gentleman named Bill Pennington retired, and an interesting thing about Bill is when I was at Texas A&M he was a student lab instructor. He was working on his masters and he had come to Arkansas to Texas A&M to study to get his masters and he went to Lufkin and worked in the welding shop and later became vice president and I followed him.

JG: And then approximately how long were you there and then I think you wound up in Human Resources?

JR: Yes, the last four years of my employment with the company was in Human Resources. I really enjoyed that. I liked the training and I liked being able to place a greater emphasis on safety. We began to have some million man hour with no incident records in some of our departments and I was happy for that.

JG: Talk a little bit more about safety. I know again going through these company publications any business is the same with the Temple sawmills and whether it be anything heavy industrial safety is always there, you know. We've got company publications here in Diboll going back to the forties where there is all kinds of incentives, drawings, and somebody gets a prize for x number or time without a loss time accident and that kind of thing. Talk about some of the changes through that. I know there were

lots of different incentives and things and what maybe was different by the time you became head of it, of Human Resources anyways?

JR: Well even before that in the mid seventies I think the Occupational Health and Safety Act, OSHA, came into effect and it was passed. And we thought it was over reaching, we thought it was excessive and we began to realize that many of the things they required just made good sense and obviously would help reduce accidents and were to the manufacturer's advantage as well as to the employee's advantage.

JG: But I mean y'all were already doing things before OSHA...

JR: Certainly.

JG: ...so what was the difference other than just the feds telling you how to do it? Was there much of a difference?

JR: When my dad worked at Armco Steel, which was Sheffield Steel when he started, they had a lot of emphasis on safety and I was able to work there during the summers, (**JG:** yes I was going to ask you that) when I was going to college and I guess I just kind of became passionate about safety and tried to apply it everywhere I could when I was in a management position. And probably that is one of the reasons that I was offered the position in personnel because our department had a good safety record and I had a lot of passion about a good safety record. We had the first million man hours with no accidents at the structural shop when I was there.

JG: So, what did you do different maybe since that was the first time? What was your approach?

JR: Well obviously we began to get rid of any part of the manufacturing process that might have a safety hazard connected with it. But...

JG: Did you personally become involved with every facet of all that, or did you have a staff that would report?

JR: No the staff would seek to find those things and correct them.

JG: And report to you?

JR: But probably the biggest thing in, the biggest element in a safety program is getting the employees to be cognoscente of being more careful, you know. They may know that they shouldn't do something but if they still do it they stand a chance of being injured so.

JG: We've got those railroad motor cars out there built in the 1920's and certainly around the railroad industry back into the nineteenth century you see those slogans "think safety."

JR: That is right, that is exactly what it says.

JG: There was a man that worked at the mill pond here in Diboll in the '40s and he was quoted as saying something like, "the man who doesn't think about safety won't be thinking about much."

JR: That is true.

JG: If, you know, around the sawmill, around the mill pond, because that is where they let those logs come off of those inclined railroad cars into the mill pond, and believe it or not that was probably the most dangerous job around a mill outside of being right there by the saw blades, was the unloading of those logs.

JR: Into the pond?

JG: Yes, because they were just under tension on those chains and you had to take that tension off and let them come. You just had to get out of the way, but anyways. So, again that is what brought to mind you saying that the biggest challenge is making people cognoscente of it, you know. So what are some of the ways other than signage and pep talks and staff meetings?

JR: Competitions and awards, jackets and things like that...

JG: So that is pretty effective huh?

JR: ...recognitions, special dinners.

JG: Yes, talk...I had that on there, safety programs and of course feel free to comment on that anymore if you want but talk about some of the other types of programs just being an employee for Lufkin Foundry, Lufkin Industries. One I have here that you see a lot are the scholarship programs. How did that work the scholarships that were given?

JR: Well that started when I was still in the downtown location. Our department managers got their heads together and came up with that and it was funded originally through the revenue from the soft drink machines. I think they started out with maybe two scholarships per department and it gradually increased where any employee's child who graduates from high school is eligible for a scholarship.

JG: Now you say eligible?

JR: Yes!

JG: So does that mean everybody got one or was it competitively?

JR: Nope, just open to any graduate who goes to college.

JG: Right, so how was it funded? Surely the cokes weren't paying for all that by that time, Coca-Cola's I mean for the recording.

JR: The Company added to it but the fund grew and unfortunately every child who received a scholarship even initially didn't finish and didn't take advantage of the whole four year scholarship.

JG: Yes, I mean that continued on. Do they still do that?

JR: Yes, I assume GE [General Electric] does it.

JG: Okay, okay. Yes, something else I had here is the Emergency Relief Fund. There was a certain employee who, I forget now what happened, but they ended some extra money and I think it was when you were over Human Resources and I think you were the one that advised him to consult something, but anyway, there was a so called emergency relief fund that Lufkin Industries was able to pay his bills and all was well.

JR: I don't remember the particular incident you are talking about but there was a fund for hardship cases where somebody had a medical emergency or some really hardship case that the company would provide some assistance.

JG: Okay.

JR: That kind of goes back to the history of the East Texas sawmills that pervaded businesses in East Texas at the time, in the early days.

JG: Yes. Explain.

JR: Well companies were, I guess you would say, paternalistic and took a personal interest in the employees and were willing to help them out in times of hardship and that philosophy was not just in sawmills but other companies who were in East Texas in the surrounding areas.

JG: What did you see in human relations? Were you the vice president of Human Resources?

JR: Yes.

JG: Did you see any changes during your tenure? Did you retire from there?

JR: Yes.

JG: Okay. Did you see any changes just from that level in the company, the type of employees that you are trying to get?

JR: I was in that department about four years and I don't recall any significant changes. That is about the time Bob Poland our president retired and Frank Stevenson stepped up

to take his place. I can't think of any other, I may think of changes on the way home but I can't think of any right now.

JG: Yes, I can't think of any. I hate to ask leading questions but just trying to get you to comment from your experience there. If there was any, you know, the company was moving in a different direction, therefore we got to hire different kinds of people or we need this type of major versus that major. Any particular emphasis put on someone's experiences versus we've done it this way for awhile so let's look at this type of person or?

JR: Well I think...

JG: We've hired people from A&M so we need to hire from somewhere else.

JR: The greatest change was some of the early, or older directors of the company were passing on and they began taking on outside directors, which was a good thing, but they didn't have the family connection that the Wieners and the Henderson's and the Trout's had. And, I think it began to become a less family directed business and ultimately...

JG: Which is part of I guess going public, huh? When you become a public company.

JR: Yes, and also then they hired the first what you might say outsider, Doug Smith, as president of the company and then that kind of was culminated into purchased by GE.

JG: Yes, and of course we've seen that here in Diboll when, you know, someone explained to me one time pretty simplistically but sometimes you need that to try to wrap your mind around it, but it basically boils down to a management class and an ownership class and there is a difference.

JR: That is exactly right.

JG: You look at things differently and you operate without even knowing it. It is just inherent in who you are and when you become a management class run company you are going to do things differently than the ownership class.

JR: That is right.

JG: So, that is what you saw but that happened after you left or during the time?

JR: Well as I look back I see the trend beginning to shape up where the company would change dramatically from a family...

JG: I should know this but do you remember when the company went public?

JR: When the company went public? That was probably around 1980.

JG: Okay.

JR: That is when they changed their name from Lufkin Foundry and Machine Company to Lufkin Industries, Inc.

JG: Okay.

JR: And it could have been earlier than that.

JG: Okay, well you didn't comment much on your years at HR. Carol told me a question to ask you. (laughter) Something about that you had offered a job to somebody or maybe hired them and then you couldn't hire them if I understood her right.

JR: I don't know the specific instance you are talking about. (laughter)

JG: Okay.

JR: I'll have to ask her.

JG: Okay, alright, well.

JR: I think we have pretty well covered it.

JG: Yes, we've covered most everything. I will just give you another opportunity, a last opportunity just to kind of sum up your time there. I guess it is obvious that has really been your only professional job you have ever had. It is a unique perspective I guess but how would you sum up your years with Lufkin Industries and since you left. Just feel free.

JR: Well, I'm from a generation where a person went to work for a company and usually didn't have any intention of changing jobs. And we had intense loyalty to our employer and it is not exactly like that today where employers don't have the loyalty to the employees and the employees don't have the loyalty to employers. And I enjoyed my tenure with Lufkin Industries. I kind of feel a little bit sorry for folks nowadays that don't have that opportunity.

JG: The same opportunity that you had to experience it that way.

JR: Yes, I'm sure a lot of folks here in Diboll feel the same way about their relationship with Temple.

JG: Yes, it is just I guess modern business catching up.

JR: Just the times.

JG: Well Jim again I thank you very much!

JR: Well, thanks for asking me Jonathan.

JG: We will stop it.

END OF INTERVIEW