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WE SEE THE WORLD

I STAYED CLOSE to home in the last chapter. That is where the heart is. Henkels & McCoy started in and around Philadelphia where we still do a large business, but it is a long time since we have operated solely in home territory. Our jobs range the continental United States from Puget Sound to Florida, all kinds of jobs in all kinds of places, and for some years now, we have gone far beyond our own country's borders.

In our business, or odds and ends, a number of opportunities for foreign work have presented themselves. The first one was sprigging a barren area on the east or dry coast of Cuba. Sprigging is planting small clumps of grass; in this case drought-resistant. On all the Caribbean Islands where I have been (nine of ten) the effect of the trade winds which always blow from approximately the same direction, makes one side lush, the other a desert. St. Croix, where we had an extended stay last year, has a lush, tropical west coast and nothing but cactus at the eastern end. Though there are mountains in the northwest, I do not think these are influential. St. Croix is a tiny island, about 20

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miles long. I have not had the chance or inclination to inspect our east Cuban planting.

We did a small telephone job in Morocco, where the Arabs stole the cable almost as fast as we could put it up.

In Panama we bid on the lighting of the Gaillard Cut (Culebra to old timers) in combination with our friend, Emanuel Lyon, but lost it to a price below the cost of our materials.

A large job was the installation of central office and outside facilities for the U.S. air base on Terceira in the Azores. Our cable was furnished by the Standard Electric Company of London. When I stopped in their office to check up on cable delivery I was told it was being manufactured in Lisbon, and London had no records. As our schedule was tight, we saw Mr. Hall in Lisbon and arranged satisfactory delivery dates. Drew Lewis was in charge of the work in the Azores, together with Frank and Gene Henderson. The terrain was so difficult that trenchers were impossible, and we dug thirty-two miles of trench by hand, set the poles with pikes, and rebuilt the innumerable stone walls we destroyed in our cross country operations. The inside work was simply additions to the frames and switching equipment. After installation exactly according to specifications, the inspector who had approved it thought we should raise the equipment six inches. With great difficulty this was done. In the interest of neatness and symmetry, the slack in a cable is left only to facilitate splicing.

Our banking arrangements were a real Goldberg. We sent a certified check on the Fidelity Philadelphia Trust Company, who forwarded it to their correspondent, the Chase National Bank. They forwarded it, or their own, I don't recall which, to the U. S. PX in the Azores. If we wished to draw any money, we were compelled to withdraw the entire amount and redeposit what we didn't use. In addition to all this, the delays were interminable.

We were using the most reliable entrepreneur in the archipelago for a labor force. Peter Rabbit – this is a literal translation of his name from Italian to English – (he always referred to himself in the third person) was an Italian. He had heard rumors that the United States was negotiating for bases. He emigrated from Italy at once, perfected himself in Portuguese and English and was ready as a boss of a labor force. He was as good as he

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sounds. Labor was in short supply and when I arrived on the job we were back six weeks in our payments to Peter Rabbit. Recall that he could use his men for several other contractors.

Peter met me and remarked that it was none of his business but that our banking affairs were mixed up. I told him that as we owed him for six weeks, it was very much his business and what was his idea. Simplicity itself. Make out a Henkels & McCoy check to our supervisor, have him deposit it in the Bank of Portugal and draw against it immediately. Following his procedure, we paid Peter our back board at once and continued our mutually happy and profitable collaboration. Every year I get a Christmas card from him and when later we had a small job in the Azores he again supplied our labor.

Our inspector for one reason or another was difficult to live with. All the thirty-two miles of trench were through volcanic ash. The Azores are completely volcanic. In fact, coming home from Europe in 1958, we saw one violent eruption in the sea off Pico. It had already built a small crater that was above water. Immense clouds, molten lava and bright flames made a display night and day.

The inspector told us to dig up the entire thirty-two miles of trench to be sure no stones were touching the cable. We appealed, and his boss came on from the United States. Drew, the two inspectors and a laborer started out to dig test holes where designated. After five or six were perfect, the inspector general instructed that holes be dug where our troublesome man demanded. If no stones appeared, the inspector himself was to fill the holes; if any stones showed, Drew was to pick them out and backfill. A day of this ended the matter with complete approval of the job.

It was remarkable the number of Portuguese natives of the Azores who had worked in the commercial fishing fleets of New England, saved their money and returned to the benign climate of the Azores. The only drawback was the prevalence of high winds. When I talk about high winds, I mean fifty miles an hour or higher.

The grape harvest was in progress while we were there. The grapes looked familiar to me, and I inquired their variety. The answer was American grapes. They were our old friends, the Concords, natives of Concord, Massachusetts, imported to replace blighted Eu-

ropean varieties and esteemed because of their higher sugar content.

I'll let Frank Henderson tell his story of our job on Kindley Field.

"In 1957, Henkels & McCoy was awarded several contracts on Kindley Field in Bermuda. Two of these started in September. The Hydrant Fueling System was the one I was assigned to. My brother Gene was responsible for a Telephone Expansion and Modification.

"The Air Force needed high speed methods to load the KB47 tankers that it was using for mid-air refueling of aircraft flying to the Azores and on to Africa. We were to install four separate systems, each handling jet fuel and Av-Gas at the same time. The system was largely explosion proof; the only areas excluded were the power rooms and the control rooms. Operators in the plane and on the apron were able to control the system from any location along either side of the two thousand foot apron.

"When Gene and I arrived on the island, we met Roy Hutchinson whom we had previously contacted and hired as a foreman. Roy had been on the Island for several years and knew supply problems, custom requirements and labor sources. Hardly were we settled in the St. George's Hotel when we found out that the base had posted the first stage of a hurricane alert.

"Our problem of securing all material before the storm broke was quite tough because material had been arriving for several months and was stockpiled in several places. One of these was on the peninsula where the fueling system was to go. This jutted out into Castle Harbor Bay some 1800 feet. The second area was along the shore of Annie's Bay about one hundred feet from the water's edge. Roy had made a deal with another contractor for seventy-five dollars rental for a shanty in which we could set up headquarters.

"Gene, Roy and I worked Saturday and Sunday to finish our job of securing things. We tied down all our storage in the open, braced the lean-to's and covered everything possible. We closed the storm shutters and locked the doors, and Sunday evening, with high winds and squalls pounding against the office, we decided to call it quits and a job well done.

"As we started for St. George's, someone said, What the hell! Here we have worked like dogs for several days and what is to

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stop the storm from blowing away our office and sheds where most of the valuable equipment is stored?

“After a few suggestions from everyone, we were back in business. The General Contractor had moved about nine concrete trucks onto the Island and parked them nearby. After a phone call to their super for permission, we started to move all their trucks. One by one we formed a circle around our shanty like a covered wagon camp. It looked odd but worked-trucks, bumper to bumper in a circle, with our prized \$75 shanty with \$75,000 worth of equipment safe inside. Two days later we were back at work none the worse for it.

“The liner, Queen of Bermuda, was signalled to stay away until after the storm passed on. We did not know it at the time but the Henkels were on board. They were due in to set up financial arrangements for me with the Bank of Butterfield, Ltd. but I had understood they were flying. When the “Queen” did arrive, I received a call from Mr. Henkels, so Roy and I went to Hamilton to pick him up. We tried to get him to admit he’d been seasick but he’d only say, ‘It was rough as hell, rough as hell.’”

“Later he said it wasn’t the height of the waves that was awe inspiring. It was the troughs which looked as if they extended to the center of the earth.

“Our labor consisted mainly of Bermudians. Some were of Portuguese descent, some of Negro, and some English. Many of the older men had taken their living from the sea – rum running. Since the repeal of Prohibition, this became less profitable. Many settled down to work on the base at whatever trade was in demand.

By November the telephone job was finished and I was alone. Gene and the stateside people we had were scattered from Maine to Florida. The Hydrant Fueling job was now in high gear. We had most of the underground phase well underway by Christmas. I went home for the holidays and returned on January 2, 1958. This year proved to be one of the hardest and yet most rewarding ones of all my travels.

“By the end of January, I could see there would be no let up and I would not be able to job visit as had been planned. One Friday I flew home. Arriving home about midnight, I informed my wife we would be moving to Bermuda. She asked when, of

course. So I told her the truth – NEXT FRIDAY. Why she didn't throw a fit I'll never know. We went right to work, took the kids out of school, stopped all deliveries, closed up the house and packed for housekeeping. Somehow we made it. Friday morning we were in Idlewild waiting for our plane.

“We placed the kids in the local school and settled down to try to adjust to Bermudian ways. My wife's housekeeping problems were many – termites, roaches, lack of water, inadequate electric service, high food prices, leaky roof, and trying to hold down three inquisitive children.

“One morning about eight my office phone rang. The colonel in charge for the Corps of Engineers asked how I was fixed to install a duct line along the main runway. I informed him it was not in our contract but I'd be glad to give him a price. He promptly informed me that if I knew what he knew we'd be out there starting now. I couldn't grasp why the urgency but sure got the message. Within a few minutes we had moved in and were laying duct. All that day, planes were landing and taking off every five minutes. We were working – literally under their wing tips as they passed by. The tower posted a guard to warn us of any known aircraft in trouble as a safety precaution. By night we found out what was up. It was the invasion of Lebanon and we were on the main flyway. The next day the colonel congratulated us and okayed the change order without question. Our effort saved many days of delay and except for that day cleared the active runway of construction during all the days of follow up.

“Lou McCloskey had bid a seeding job in conjunction with our job and I was to take care of it. The problem that developed from this was unique. SAC had a large apron next to this area ready for seed. We had many large areas of coral rocks to pick up in order to ready it for seed. After many days of picking rock we would disk and get ready to seed. Then SAC would start up planes and we would lose all our soil in a cloud of dust. Then it would take the same operation all over again. I refused to continue and registered a complaint with the Corps. A field date was set to see the area. I still feel someone must have tipped off SAC because when all the brass arrived and were out looking and rejecting the area, SAC came to my rescue. They started up sev-

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eral planes at once and gave us a dusting. No one could do more than just crouch down and try to protect himself from the sand and dust. This lasted about ten or fifteen minutes. When the air cleared, we had all changed color and the resident engineer, colonel, major and lieutenant for the Corps got into their cars and went home without saying one word. I had no more complaints about seeding after that.

“Our area was on the shoreline and most of the time the men would sit on the rocks to eat their lunches. One day I drove up and here lay a three foot rock fish still flopping and Charlie DeSilva, one of the local electricians, was wet up to his waist. The fish had come in close to shore and the water being so clear gave himself away. Charlie managed to get outside of him enough to cause him to get into shallow water. When the fish started to flounder, Charlie grabbed him by the tail and beached him.

“One Sunday afternoon we heard a lot of singing and shouting coming from the square in St. George’s. Here came an English sailor with a large fish draped around his neck. He was well lubricated but managed to cross the bridge to our island and made his way over to the pier where his submarine was moored. When the sailor finally manipulated the obstacle course consisting of the steps up to the pier and then the gangplank down to the deck of the sub, he dropped the fish to the deck. Picking it up by the tail, he made his way to the open hatch. After several dry runs, he finally dropped it through. I doubt if it more than hit the deck below when it came flying back up and behind it the officer of the day. The sailor headed back up the plank but didn’t make it and fell into the drink. I thought he’d drown, but they didn’t bother fishing him out so we just kept our distance and enjoyed the show.

“Bermuda was quite an experience for my family. It proved over the years since to have influenced us a lot. My oldest daughter married a boy she met while there. My son has carried on with soccer since learning to play it there. He now plays for West Chester State. Many other things show up every now and then that can be traced to our Bermuda sojourn.

“As the job continued toward completion, it became evident that we would be able to move back from Bermuda and I would be able to spend part time there to complete it. One warm day in December we

sailed for home aboard the “Monarch” and landed in New York with the temperature at 10°. Home never looked as good as it looked that day.”

We had a job for the Strategic Air Command in Newfoundland. Our work consisted of extension of outside telephone plant to the flight lines or runways. The job was routine except for the snowstorms and high winds.

In cooperation and working for the International General Telephone Company, we engineered outside plant in Honduras, San Salvador, Guatemala and Panama, also in Colombia. No construction resulted as there was vicious competition from Swedish, German and Japanese manufacturers. All these jobs were hazardous to bid or to construct, due to earthquakes or the real threat of volcanic eruptions. A volcano near San Jose in Costa Rica has just erupted quite violently. We had travelled to the rim of its crater not long ago, through groves and orchards now destroyed. The crater was about a quarter of a mile deep, perhaps a half mile or more wide with the mists from the adjacent Atlantic Ocean pouring over the east rim like a gray waterfall. This is all violent country.

We did some telephone engineering at several places in Venezuela, the most expensive country I have seen.

I went there to look at a job and naturally tried to play golf at the famous Caracas Country Club, where there is an entrance fee of \$25,000. No one that I met could do me any good. Finally the manager of the Hotel Avila came in. I introduced myself and he replied that he was Mr. Gardiner, had been manager of the Merion Golf Club. We chatted pleasantly about mutual friends and he remarked that he also had been manager of Bedford Springs where I had been on many conventions.

I asked him if he had been manager there when a pregnant young woman had been hit on the head by a tray full of dishes falling from the balcony – result fourteen stitches. He had been. It was John’s wife. She went to the hospital for x-ray and stitching.

When she had suffered no serious or permanent damage, John told the hotel insurance adjuster he would not sign a release, but if no latent trouble developed it would cost the hotel nothing. This made quite an impression on our customers, as one competitor who had been sitting next to Jean had been splashed with

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gravy. He demanded and received a receipted bill for his entire stay. This made quite a contrast, and much to our advantage.

Mr. Gardiner remembered the incident completely. He had been worried because the waiter was working his way through a nearby seminary, and the future minister had been conscience-stricken. Well, Mr. Gardiner called a taxi and told me by the time I arrived at the course he would have my permit arranged. It is indeed a small world, as I played golf with Whitney Ashbridge, a Philadelphian who was manager for Frederick Snare Company in Venezuela, and Charley Pierce of Pierce Phelps, another Philadelphian.

Roy and I made studies of sound and light installations in Paris, Rome, Athens, Balbek, Rhodes and the Pyramids. This resulted in one job thus far, the San Marco Fort in St. Augustine.

The engineering studies we made for a telephone plant in Central America were unproductive. European and Japanese competitors were aided by their governments.

We were contractors in the tremendous growth of the Puerto Rico Telephone Company, a subsidiary of the International Telephone & Telegraph Company. Incidentally, when I read of the confiscation by Castro of the Cuban Telephone Company, I was surprised what little effect it had on the parent company. Only three percent of the assets of the I. T. & T. is in operating companies. In Puerto Rico we installed 35,000 telephones in eighteen months, a million and a quarter feet of cable, all spliced ready to use. Every working day we turned over to the telephone company a mile of completed cable plant. We did this with 70 trucks and a maximum of 150 men, some of them from the United States, some from Venezuela and a few from far-off Chile. The cables ranged from 26 pairs to 2121 pairs. Such variation requires much versatility in the splicers.

We worked in every large city on the island: San Juan, Ponce, Arecibo, where the Phillies send their promising young men for experience; in fact, every important city except Caguas, which is not served by the Puerto Rico Telephone Company. All this work was on a lump sum – unit price basis. All our competition was non-union.

The jobs varied in size, from pressurizing small stretches of cable to a top of \$192,000 for placing cable for the entire city of

Mayaguez, third largest on the island. In this city, we placed or renewed over 1,200 poles, 600 guys or anchors. We ran and spliced over 150,000 feet of cable and cut in over 1,500 terminals.

On a job of this size, we had to overcome some difficult conditions, such as replacing working cable without service interruption. Many large cable throws (telephones for replacing) had to be made on a round-the-clock basis to avoid interruption. This, of course, required close cooperation between the splicers and the central office personnel. Despite the cut-throat competition, we were awarded an overwhelming majority of the jobs involving cable throws.

We had a general foreman there who had made fabulous profits on most of his jobs in the United States. He was making good to the telephone people in Puerto Rico hand over fist. We discovered flagrant short cutting of specifications in his last American job which we promptly rebuilt at a staggering loss. Immediately, we fired him in Puerto Rico, where he went with a competitor and plagued us with low prices. I was talking over our problem with Paul MacMurray, head of the Delaware River Port Authority, and told him, "If a man is dishonest once, he will be dishonest twice."

Said Paul, "If a man is dishonest once, he is dishonest – period."

There was no electric work for us, as we do not bid on R.E.A. work, as it competes with private companies. All the electric plants in Puerto Rico are government-owned in some way.

We erected missile tracking equipment on four of the Bahama Islands in connection with Cape Canaveral.

General Telephone International called us in to bid on extensive rebuilding of the telephone system in Trinidad. Trinidad conditions are peculiar. Most of the people are Negroes and East Indians, roughly in equal numbers. Sizable minorities exist of Chinese, Javanese and Moslems from Pakistan, and some British. Formerly agriculture, chiefly sugar cane, citrus and coconuts, was the chief occupation, with shipments of high grade asphalt from the large and famous asphalt lake and trans-shipment of bauxite from Surinam.

The Surinam bauxite comes from some distance up the Surinam River. Naturally the ships are shallow with flat bottoms,

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making the trip to Port of Spain the roughest I have experienced as the full fetch of the North Atlantic is constantly on the beam. The worst that happened to us was a six-percent pitch and twenty-four percent roll, really brutal. At Trinidad, the ore is transferred to large Alcoa ships for the trip to Mobile. Now oil and natural gas have been discovered, both in large quantities so industrial development is imminent.

At this time of transitions, unemployment is high and results in very low productivity, and serious jealousy between unions, even locals of the same union, with strict boundaries. Foreign workers, American or otherwise, are unwelcome. If we worked Chaguanas, we would educate and train a gang or gangs. Move on to San Fernando just a few miles away, and we would be compelled to start all over again. As a result, even including the difference in wages, twenty-five percent of American production is considered normal. We are not the only country with featherbedding trouble.

We could not see our way to take this wild gamble, but were willing to take a chance on a third of it and then bid the remainder. This proposition was rejected in all friendliness. It has been said that the quickest way to go broke is to get all your bids.

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HERE WE ARE

IN THE EARLY DAYS of Henkels & McCoy, we had never come in real contact with labor unions. Vaguely we knew of an organization called the “Wobblies” or I.W.W. along the river front. At that time we were only in the landscape and tree trimming business. We had a small landscaping job on a public school as a subcontractor to McCloskey & Company. One day the superintendent called me up and said my presence at the job was greatly desired.

I went down and was introduced to the business agent of the laborers’ union, Pat Waldron. He was one of the brightest men I ever met. I had so many fine reasons why we should remain non-union, chiefly the attitude of our big customers. He controverted everything I said with humiliating ease. Finally tiring of it, he said (and to this day I can quote it verbatim), “Mr. Henkels, you and I are busy men so I will compromise the issue. You shall make out a check in five minutes for initiation, back dues, and fines for all these men. The compromise is that I am accepting a check.”

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I understand he has gone far in the labor movement since then, and he richly deserves it.

Our next experience was on one of our first electric jobs, Fort Delaware. The International Brotherhood of Electrical Workers asked me to see them at their headquarters in Washington. It was two days before Christmas and I was greeted by Mr. Bicritz, a dedicated idealist, and Mr. Keenan, also able and honest. They pointed out that this was "controlled work." However, the killing grandfather's clause had been omitted. That backbreaker was that a contractor was bound to do nothing that would retard any other contractor in the progress of the job. That has been interpreted in the courts to mean that if a contractor is picketed and the other contractors refuse to cross the picket line, the "erring" firm is responsible for all extra costs and penalties.

I told the gentlemen that we had no such clause but that all I wished was to be relieved of our contract as I had no intention of impeding the job. They asked me to sign up, but I refused because we had many problems with our other jobs. Wage rates were not a problem. Then they proposed to release the job if I signed up when it was over. This was impossible for the same reasons. I did say I was theoretically in favor of unions and appreciated their treatment. I told them if they released the job with no strings I would come down to see them immediately upon its completion. This was agreed upon. I went to Washington and in an atmosphere of pleasant discussion signed a union contract.

Another experience was on a big transmission line in Connecticut. Our contract permitted us to supply half the men on out of town jobs, getting the other half from the local.

Journeyman is the highest rank with the electricians. Foremen are management and selected from the union ranks by management. Otherwise, the contractor would function merely as a banker.

One clause in our agreement was that we were to report to the local business manager before starting work. This is eminently fair. I received a call, however, from the International Vice President in Boston that we had flagrantly violated our agreement. We had 125 men working on the job for ten days and the Hartford business agent had just stumbled on the operation. The

fat was in the fire. I called our superintendent in Collinsville and inquired. He said they had tried to report to the business agent at office and home during that entire period, which obviously was false. I pointed out to him that the contract said "report to the local business agent", not try to report. It was a horrible booboo. My train trip to Boston to try to defend the indefensible was a very unpleasant one.

I received a justified dressing down from Mr. Regan, the Vice President, then went back to Hartford and received the same from Mr. Devine, the Business Agent of the local. I paid the just fees, and they charged no penalties. Never again have we failed to report and take our fifty percent of locals before starting work. Incidentally, my two sons, John and Paul, have journeyman tickets and practically all our young executives belong to one or another union.

All union contracts have not been so pleasant. We had one business agent arbitrarily tear up a contract that had eight months to run. Result: no union electric work in Philadelphia for many months. We even lost all our utility work.

The most peculiar union official I ever saw was John Blank. All contractors were enemies to him, but as he could not reach the non-union ones, the only people he could hurt were union contractors, and more and more he drove them out of the market.

It may be apocryphal, but I have heard it from many people. As prize fighters train by road work and punching bag, he hardened himself for mortal combat with employers in a peculiar way. He would slip through the gate and board the 20th Century Limited. When the conductor came around, he would show a ticket to Peekskill or some such place and demand that they stop the train. After a few episodes the gate tenders knew him, but he would slip in a local gate, make an end run and again appear on the 20th Century. This was mere training so that he would be uncompromising with the employers of his union members. So different from his brilliant predecessor who would open a bargaining session with, "Gentlemen, we will not put you out of business. At times during negotiations it may seem that we will but we only want the last cent we can get." Whatever the rate turned out to be, we received competent journeymen and good apprentices.

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Mr. Blank, however, put us completely out of the electrical business for several years. When the New England hurricane struck in September 1938 we did not have one electrical worker in the struggling organization.

We have had other encounters with arrogant business managers, but for me, an international union has much more to offer than a company union. A business manager keeps his job by having his men employed at the best rates obtainable, but employed. I have seen examples of company unions where the officers received no salary as it was just a prestige job. They carried chips on their shoulders, always presenting grievances. This would keep up until management could stand it no longer and promoted the man to a supervisory job, thus taking him out of the union. He was usually succeeded by the next worst agitator, and then there was a stinker on each side of the bargaining table and company morale was on the way down.

In 1964 I was invited by the American Arbitration Association to be one of their National Panel of Arbitrators. I accepted, because I hope it is a ripple preceding the wave of the future. I have seen the slow and often unjust results of litigation. A jury is exceptional if it has a member capable of understanding the technicalities of a construction job and the judge, if the case is not tried before a jury, does not have the time to investigate the matter. Just yesterday I saw in the paper a case that has been in court for five years.

On the other hand the Manual for Arbitrators emphasizes that the "Arbitrator is a quasi judicial officer. His decisions represent his judgment of the rights of the parties. Strict rules of evidence do not apply in arbitration. The arbitrator is the final judge of matters before him. His decision will not be reviewed on its merits where procedures were fair and impartial."

He is the mutual choice of the disputants and presumably competent to understand the points at issue.

The Manual continues, "An award usually consists of a brief direction to the parties, without an accompanying reason for the arbitrator's decision. Where an opinion is written, it should take the form of a separate document, distinct from the award."

The arbitrators are the final judges of all matters of fact and

law before them. An extended opinion may offer a reason or excuse for attack, therefore is to be deplored. A judge with a sense of humor as well as a good sense of arbitration procedure offered this suggestion to arbitrators. "The thing we must look at is the face of the award itself, and see whether it is in excess of the powers of the arbitrator... Although technical precision is not required in an award of arbitrators, I would urgently suggest that arbitrators follow the form of award provided by the American Arbitration Association.

"In the event they feel impelled by some uncontrollable urge, literary fluency, good conscience, or mere garrulousness to express themselves about a case they have tried, the opinion should be a separate document and not part of the award itself. Thus it would be comparable to a trial court's opinions, which appellate courts have consistently held are not controlling in the event they are in conflict in any respect with Findings of Fact and Conclusion of Law."

The growth of arbitration is encouraging. The American Arbitration Association is the only non-governmental agency available for all types of arbitration everywhere in the United States. It handled 3,988 cases in 1960; 8,971 in 1963, and an estimated over 10,000 in 1964.

Of course, coherently written specifications and drawings that are clear and consistent with the specifications would eliminate much litigation.

Our own personnel philosophy and policy is very simple. When a man comes to work for *Henkels & McCoy* and proves that he is a worker he has a job, a permanent job, as nearly as anything in life is permanent. Our men stay with us and we stay with our men. In an industry where a high rate of turnover is the rule, we had, until the methods of tabulation were changed and all employers were put on the same basis, a lower rate of unemployment compensation than banks. In a seasonal industry, more than 2,000 men and women have year-round employment with *Henkels & McCoy*.

Not only do I consider this our duty, I consider it only fair. I have said it many times. I say it again and I never meant it more. Our commodity is really labor. If we forget the men who

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work for us, we deserve to go broke. I am proud of many things. I am proud of our big utility construction jobs. I am proud of our landscaping of cathedrals and colleges. I am proud of the quality of our work whether it is a dam, a river carry, a huge pipeline, an airfield, or keeping the snow shoveled at an electric substation; but my greatest pride is in the caliber of our men.

One reason why we seldom turn down a job, big or small, is that we want to keep our men—engineers, executives, foremen, and gang workers — busy and paid. Sometimes we have to beat the bushes in the off-season, sometimes the jobs come to us unsought. It is not long since a Germantown woman called the office in a panic. Her favorite cat was up a favorite tree.

Magnus Stender told her not to worry. We'd have the cat in her arms within the hour. We did. A few days later the woman called again. Henkels & McCoy may be one of the country's biggest construction outfits, but to her it is the neighborhood handyman. Same cat; same tree. Once more Magnus sent a truck and a tree-man, and the cat was rescued, but we didn't consider the job finished. This time we counted the available and inviting trees. There were eight. We circled their trunks with tin collars and left with the cat earthbound.

Magnus Stender, boss of the labor pool, handled that cat job as he has handled so many large and small jobs. How he handles any job can be judged from his instructions to his foremen. His attitude is mine.

"Your first concern is your customer. Without him, there will be no company. Your second concern is your men. Treat them well. Without them or their support, you can't do a good job. Your next concern is your company. Each of the three is important to the others and to provide for you. After that you may give some thought to yourself.

"If you make a mistake, don't try to hide it. Bring it to my attention so I may help you to alter the situation. It is only human to err, and it is better to make a mistake instead of being afraid to try at all.

"If you can't or don't care to do a job right, don't even start it." Magnus Stender, a Prussian, is a born boss. Strict, uncompromising, he is eminently fair and always planning ahead to

keep the men steadily employed. He and Johnny Mullen are largely responsible for our splendid employment record. No shoveling the men in and shoveling them out, but long distance planning.

I have had men call me up about a very small job, apologetically saying it was probably too small for us. My reply is always that on the contrary, we were casting around for a day or two for one of our best foremen who was between jobs. Consequently, the *esprit de corps* always has been high.

Physically, too, we try to look after our men. This is not only humane; it is sound business.

“When we started, contract tree trimming was an innovation. Asplundh, in Pittsburgh, and we, in Philadelphia, started almost simultaneously. Our expert work attracted the attention of the higher officials of the Philadelphia Electric. They came out to see our crack gang, and it was a good one.

We were trimming a row of Carolina Poplars along the rear of the Cadwalader estate which paralleled the North Penn branch of the Reading Railway. Harry Powers, a real good man, went out on a limb to remove danger timber. Poplars are brittle trees and despite the fact that he had roped himself to the trunk, his weight broke the branch, bringing down the 33,000 volt line that supplied the electricity for Cruse-Kemper, Keasbey & Mattison and the Borough of Ambler. What shame and mortification and fear of being thrown off the line! It was put up again and the same day we blew it out again. However, they kept us on. No more lines came down.

After an accident, a serious one, a large Philadelphia insurance company “went off the line.” I went in to see their general manager, Dodd Bryans, to explain how we were trying to improve our safety practices, but he was adamant. Several times since then some broker has solicited our business but was turned down cold when he said he would put us in this country.

We moved over to the Liberty Mutual where Watson Coverdale handled the account in an entirely different way. One day we reported two deaths. We had a gang trimming trees along Route 13 in Virginia. Two men were on top of a bank. A man in a car that seemed to have everything faulty except the accelera-

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tor, missed the curve, climbed the bank and killed them.

Mr. Coverdale came out to see me. I expected him to go off the line. Instead, he came to assure me that our record was improving and the Liberty Mutual was completely in back of us. When the time came for renewing, however, the underwriters in Boston refused the risk. Compensation, a large part of our premium, is state-regulated. Mr. Coverdale came up with an ingenious compromise. The underwriters would keep us on if we paid an extra 15% on public liability and property damage. To that we agreed. The Liberty Mutual had and has a magnificent organization of adjusters, safety engineers, and is nationwide.

Accidents do not catch up with the insurance rate for two years, and then it takes us five years to pay them off. Two years after the accident, I told them that these deaths were now included in our rates and would stay there five years, and we should be repaid gradually the overpayment on public liability and property damage which was readily agreeable to them. All our problems have been solved in similar manner. If any people are close partners, they are insurers and insured.

I remember one of our competitors boasting that he had cost the insurance company \$15,000. I shocked him by saying he was paying, not \$15,000 but \$30,000.

Accidents are primarily death or incapacity to someone you know, a friend. I remember when one of our men tangled with a power line in Chestnut Hill. We worked on him for hours until rigor mortis set in. This was not a social security number but a human being and friend.

At Bedford Springs one of the men had been smothered when a trench collapsed. Inadequate shoring. The following week the same foreman was supervising a job near Norristown. Again the shoring was inadequate. Buck Faust saw the operation, pulled all the men out of the trench until the condition was rectified, appointed a new foreman, brought the callous man back with him and paid him off.

At times people see our men wearing hard hats on jobs where there is no danger of head injuries. I called that to the attention of Buck and George Mobley. This they freely admitted, but the hat was a constant reminder that there was danger on the job. I

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always carry a hard hat in my car. In fact I am not allowed on a job without it.

George Mobley has for years now been the Henkels & McCoy safety director. To him must go a large share of the credit for the enviable record which we have achieved in a hazardous industry. Mobe is adamant. His vigilance is unceasing and his directions for safety on the job are clear and are strictly enforced. According to Mobe, a workman who has a preventable accident is to that extent unsuccessful on his job and his foreman unsuccessful in his foremanship. A careless employee is the most dangerous type of individual in an organization and the special responsibility of his supervisor.

Employees will reflect the behavior and attitude of their supervisor. It has been established that a careless employee can get hurt on the best of equipment and that a careful employee can work safely under adverse conditions. The supervisor must, therefore, develop a proper attitude among his men. In addition to maintaining a comprehensive safety program, he can encourage a safe employee attitude by showing a personal interest in the safety of each man; stressing safety when interviewing and breaking in new men; indicating hazards in all new methods and jobs; insisting on the wearing of protective equipment; never walking away from an unsafe condition or act; re-instructing men who have developed unsafe working habits; requiring a written or verbal report from any injured employee and emphasizing that his sole interest is to prevent recurrence — not to place blame.

In our safety work we emphasize the importance of prompt first aid for any injury, however minor, but we had far rather the injury was avoided through adherence to a planned safety program. We try to instill awareness of safety in management and labor force alike.

As part of this intensive program, Mobe conducts a pole-top rescue and resuscitation team of nine men. The team is associated with the Joint Apprenticeship and Training for the Outside Electrical Industry, Local 126, I. B. E. W. The men are drilled in artificial respiration and other steps to be taken after an accident, but the emphasis is first on protection. As Mobe puts it:

“Plan to control the hazards by protecting against them. Plan

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to protect the hands with rubber gloves. Plan to protect the arms with rubber sleeves. Plan to cover completely all energized parts that will be within reach of any part of the body. Plan also to cover all grounds which will be within reach of any part of the body.

“The first man climbs the pole and is ‘belted in’ before the second man starts up the pole.”

This is almost an art. As I mention earlier, an expert line-man will find out exactly what he is supposed to do, climb the pole, fasten his hooks and belt so he can reach every part of the work without changing his position. We always sent a green man up with Piggy Halliday who, at 70, was the best lineman I have seen.

It is no accident that in September, 1964, Henkels & McCoy became self-rated in insurance in Pennsylvania. It is usually impossible for a contractor to earn this rating. We value it almost as much as we value our A rating in Dun & Bradstreet.

We are no longer a partnership. In 1958 Henkels & McCoy became a corporation with all the glory of a board of directors, a panoply of executives, and subsidiary companies. It was time.

This is the line-up now: directors are John B. Henkels, Jr., Chairman; Andrew L. Lewis, Paul M. Henkels, J. L. Lehnen, Louis J. McCloskey, John B. Henkels, 3rd, Andrew L. Lewis, Jr., and Joseph B. Dugan.

Officers are: John B. Henkels, Jr., Chairman of the Board; Andrew L. Lewis, President; Paul M. Henkels, Executive Vice President; J. L. Lehnen, Senior Vice President; Louis J. McCloskey, Secretary and Treasurer; John B. Henkels, 3rd, Vice President-Sales; Robert E. Bricker, Vice President-Operations; Irwin W. Maker, Vice President-Construction; Richard L. Gable, Vice President-Midwestern Division; Joseph B. Dugan, Vice President-Rising Sun, Lewis R. Trembly, Jr. Comptroller; Edward J. Tierney, Assistant Treasurer, and Samuel A. Dysart, Assistant Secretary.

Buck Faust is not listed. The man who devoted his lifetime to our work and left an indelible mark on Henkels & McCoy died in September, 1963. In his memory we established the Buck Faust Ring. Buck designed the ring, which is presented each year to the outstanding apprentice in Local 126. Buck had worked untiringly to establish an apprentice training program for men in

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our industry. Buck had personally presented rings to George Conaway, Charlie Fetters, and Bob Ratayski.

If some names are missing, the names of younger men appear, and younger men now hold all the key operating posts in the company. There is a good reason for this.

Young men are the future of Henkels & McCoy. They have assumed field management in all departments and will gradually become responsible for all the other phases of the business. Under their direction we look forward to expansion and prosperity far beyond our present scope.

The obverse is equally true. Henkels & McCoy is the future of the young men. Because they came into an established and sound business they have made a living by exercising their talents. They have no concern in their thirties and forties about their next paycheck. They are aware that their compensation exceeds the usual market price for like jobs, and each one knows that he can advance as far as his own ability and hard work will take him.

Henkels & McCoy was established and made sound by the senior incorporators. They had the courage to create a business, the fortitude to sustain its early struggles and to come through the Depression, the audacity and perseverance to bring it to its present state. They developed this organization; they selected these young men. And Henkels & McCoy still needs their seasoned judgment; their financial responsibility, and especially their close contacts with our customers. There is nothing sentimental about this evaluation. The young men and their seniors are economically interdependent.

We are surrounded by the necessity for growth both in nature and in our work. I like Reinhold Niebuhr's formula for avoiding the "stone walls" of adjustment. "Give me the serenity to accept what cannot be changed; give me the courage to change what can be changed. And the wisdom to know one from the other."

In 1923 I started out rather shakily to trim a tree, or rather as many trees as I could persuade the utilities to let me trim. With John McCoy's help, I bought that first Ford stakebody truck. Henkels & McCoy has trimmed quite a few trees since then, and

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that truck — it earned its keep — has been replaced by a fleet of vehicles it almost intimidates me to contemplate. We have done many and many different things, and we plan to do at least as many more, some of them as yet unvisioned. I asked Anne why.

“Are we in business to make money?”

Her answer was, No.

“To keep men at work then?”

I got a still louder, No!

“Then why?”

Anne told me then and wrote her answer down. Here it is.

“To live a man must breathe and a man must eat, but, essential as these acts are their only purpose is to sustain him. His life is the important thing, not his breath nor even his food.

“In the same way profit and employment are essential to the life of our business. Only by making money on one job can we go on to the next; if financial loss persists, we are forced out of business and we have not proved a thing. Still more necessary is it to provide jobs that men can accomplish with satisfaction and that will support their families. Responsibility must be shared according to each one’s ability and interest, and returns must be distributed intelligently and fairly.

“But the real answer to your question is this. “Henkels & McCoy is in business to construct electric lines; to create communications systems; to lay pipe and conduit; to grade, to seed, to plant; with our hundred different skills to change and improve the surface of the earth. The life of the business is the work we do, and since it is good work it is a good life.”



Henkels & McCoy operated a Horticultural Insect and Weed Control unit. Stan Woodman (center) and Magnus Stender (right) discuss a project.

Andrew L. Lewis began his career at H&M in 1943 and served as President from 1962 when Founder Jack Henkels became Chairman, until 1972. He died in 1973.

Below: The slide rule is the tool of choice. This indispensable pocket calculator was the engineer's best friend. Dick Gibbons (left) and Bob Lehman (right) consult with Jim Weston of H&M Sales.





An Airstream trailer from the 1950s (above) makes for a spartan on-site office but provides shelter from the elements. Bob Bricker (center) and Charlie Fetter (right) inspect plans and measure progress.

Below is a pipeline project from the mid to late 1950s. Inset: H&M Engineer Charlie Fetters supervising a Power Transmission construction project underway in central Philadelphia near 30th Street Station's railyards.





As the company expanded services and geographic reach, the task of managing operations reached staggering proportions. To help keep all our growing ducks in a row, head office staff instituted a program of continual electronic improvement. Shown left: data being input to punch tape via keyboard by Betty Chadwick of the Electronic Data Processing (now I.T.) Department. The punched tape will then be run on the company's mainframe computer. Company Controller Tony Knox (left) and Jim Burns of the Insurance Department look on.



The author of An American Adventure flanked by sons John (left) and Paul. Below: the former headquarters at 6114 N. 20th Street in the Germantown section of Philadelphia as photographed in the summer of 1958. Henkels & McCoy had a presence in the area since 1923, having moved to successively larger offices as budget and need dictated.





Above: A 1966 photo shows an architect's concept for the new headquarters in Blue Bell, Pennsylvania. Note the proposed open air atrium at right (not constructed). The original entranceway is now the site of an unofficial company museum.

Aerial photograph from 1966 (below) shows the greatly expanded Blue Bell site. Note the baseball field in background, scene of many an after-work employee game. A four-story addition and a larger footprint will be added to the foremost structure, which will become the familiar blue bricked corporate headquarters of Henkels & McCoy, Inc. in Jolly Road. The horizontal roadway is the Northeast Extension of the Pennsylvania Turnpike.



*Farewell to Germantown:
Andy Lewis (left), and Jack Henkels (center) on Groundbreaking Day 1965 in Blue Bell with George S. Van Antwerp, Philadelphia Electric Company's Vice President of Transmission and Distribution. Mr. Van Antwerp was Jack Henkels' very first customer, in 1923.*

