1970


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THE ORIGINS AND DEVELOPMENT OF THE
SOUTHERN PINE ASSOCIATION, 1883-1954

Volume I

A Dissertation

Submitted to the Graduate Faculty of the
Louisiana State University and
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in

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ABSTRACT

The Southern Pine Association was organized in 1914 in the wake of repeated and generally unsuccessful efforts during the preceding half century to form effective manufacturers' associations to deal with such chronic problems of the southern lumber industry as grading, transportation, cutover lands, statistics, accounting, labor, advertising-trade promotion, government relations, and forestry-conservation. This study describes the background out of which these organizations emerged and traces their early history. It then describes the development of the SPA from its formation until the middle 1950's.

The history of the Southern Pine Association provides an excellent vehicle for investigating many of the problems which faced the nation generally and the lumber industry particularly in the first half of the twentieth century. As a leading trade association and spokesman for the southern pine industry, the SPA cooperated actively with the federal government throughout the 1920's, the golden age of trade associations. It played a major role in the mobilization efforts for both world wars and was influential in writing and administering the NRA codes for southern lumbering. The SPA and its subscribers probably reflected generally the viewpoint of most southern industrialists toward such matters as union organization, the role of Negroes in the southern labor force and society, wages and hours legislation, and national and sectional politics.
In the course of its development, the Southern Pine Association produced many colorful and strong leaders. By the middle of the 1950's, they had been replaced by a new type of leadership, the professional managers. Their assumption of office, together with a sizeable reduction in the scope of the association's operations, marks the end of an era in the history of the Southern Pine Association and the conclusion of this study.

Much of the research material used in this study came from the records of the Southern Pine Association, which are housed in the Louisiana State University Department of Archives and Manuscripts. The author also had access to the records and papers of several prominent individuals, as well as companies, who were connected with the association. Of particular value for information about the personalities and inner workings of the SPA were the personal records and a series of interviews which he had with H. C. Berckes, long-time secretary-manager of the organization. Numerous government documents and pertinent secondary sources proved useful.
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INTRODUCTION

With the removal of federal troops from the South in 1877, the last Reconstruction state governments were "redeemed." The devastated section's leadership focused an expectant eye on the future while retaining an ambivalent connection with the past. The story of the "New South" and the eager desire of its leaders for industrialization is well known. Yet in dealing with this period, the lumber industry has been virtually ignored even though in some ways it is representative of the entire "New South" experience. It combined leadership from both North and South and depended heavily upon imported northern capital, and its leaders were loudly "southern" while dealing closely with Yankee financial interests. This industry retained many aspects of the old plantation type of economic organization and represented throughout much of its history the characteristics of the "Frontier South." The history of the lumber industry is in many ways not only typical of that of industry in the late nineteenth-century "New South," but of southern industrial history in more recent times.¹

¹It is interesting that C. Vann Woodward in Origins of the New South, 1877-1913 (Baton Rouge: Louisiana State University Press, 1951), 309-10, cites lumber manufacturing as one of those industries which "bulked large in the vaunted industrialization of the New South," yet in this large volume he devotes parts of only about five pages to the industry. George Brown Tindall, The Emergence of the New South, 1913-1945 (Baton Rouge: Louisiana State University Press, 1967) does little better. In this massive book the southern lumber industry is mentioned on no more than about twenty pages. Gerald Nash's 1966 statement that "Southern lumbering is a subject that is still not exhausted" as a field for study remains valid in 1969. Gerald D. Nash, "Research Opportunities in the Economic History of the South After 1880," The Journal of Southern History, XXXII (August, 1966), 314.
The story of the southern lumber industry is of more than sectional or regional importance. It is one phase, and an extremely important one, of the development of a national industry of great significance for the entire country. The southern lumber industry's history is a part of the story of World War I, the Great Depression, World War II, the United States conservation movement, the age of corporate mergers, and the movement for national product standardization through voluntary industry organizations. It is also the story of people, men who often exemplified the Horatio Alger myth, powerful figures who dominated local governments and whose influence was felt in the top echelons of our national power structure through personal activities and industry organizations into which they channeled their efforts and opinions.

The development of these organizations, usually referred to as "trade associations," is another neglected aspect of our economic and business history. Textbook authors say that these organizations have been important in our nation's economic development, yet they make only scattered general references to them. Rarely is it deemed necessary even to explain what they are. Failure to devote adequate textbook

2 According to Joseph F. Bradley, The Role Of Trade Associations And Professional Business Societies In America (University Park: The Pennsylvania State University Press, 1965), 4, there are many synonymous words which can replace the phrase trade association, including board, congress, council, federation, foundation, institute, league, and society.

coverage is largely due to the lack of detailed information about such organizations. The paucity of studies dealing with specific associations is amazing in view of the voluminous writings on many related aspects of American history.

The shortage of studies of southern lumbering and the trade association movement is not entirely the historians' fault. For many years industry members were extremely tight-lipped. They were in a sense pioneers. While they enjoyed seeing their colorful exploits and achievements dramatized and emblazoned upon the printed page, they were not willing to have them studied objectively by historical scholars. In many cases lumbermen were unaware or disinterested in their roles within broader historical perspective. Their papers and records were often unavailable and sometimes intentionally destroyed. Frequently, they nurtured a well-founded, if obsessive, distrust of professional writers, because they had experienced long and upsetting encounters with researchers whose strong preconceptions placed them within the muckraker or Populist-Progressive tradition. The same observations also apply to trade associations. Only within the last few years have associations and industry members made their records and papers available to scholars in order to present their stories in objective, unvarnished form. Because of this discernable change in outlook, the present work is possible.

In studying a trade association it is impossible completely to separate the organization from its industry. This work is partially the story of both the Southern Pine Association and the southern pine industry. It is founded upon research in the records of the Southern Pine Association which are housed in the archives of Louisiana State
University, the papers of several prominent lumbermen and companies, secondary sources, and upon conversations with some of the students and men of the industry. The project was approached without strong convictions about the association, the industry, or its leaders, except the belief that this story had been too long neglected. In the course of the project there has been no official connection, pressure, or subsidization through anyone connected with the industry or association.

This is not to say that the writer emerged from prolonged contact with the records and papers of these men and institutions without strong impressions. First, the industry, its leaders, and its association are colorful. Lumbering has been known for its folklore and legend, but the real-life characters and episodes can stand beside those of other segments of our history without suffering in comparison. Second, developments in the industry and association are typical of general tendencies in the southern and national economic pictures. The problems that they faced—wars, depressions, traffic, standardization, conservation, and labor—were those of the South and nation generally. All were not approached in the same way as elsewhere, but they did relate to developments in other areas and industries. Third, the Southern Pine Association was typical of trade organizations generally, although shaped by the peculiar characteristics of its industry. Whether or not it was successful in many areas can be seriously debated. In some cases it is difficult to determine even the criteria of success, but in one important particular it was most successful—it survived in an industry traditionally characterized by extreme individualism, factionalism, and dissension.
CHAPTER I

THE ORIGINS AND EVOLUTION OF THE LUMBER INDUSTRY
AND TRADE ASSOCIATIONS

Forests have strongly affected the American people's destiny since the earliest times. As impediments and attractions they had an influence on patterns of settlement and development which is hard to over-emphasize. During the colonial period settlers began to utilize the forest commercially, and the first timber products were dispatched from Virginia in 1608 by Captain John Smith who sought to substitute other valuables for the gold which Jamestown colony failed to produce. Several communities claim the first sawmill, but records of the Virginia Company indicate that mills were built in Jamestown in 1608. Others were established in New York in 1623, one near the present state capital of Albany. Another early mill was built the same year near York, Maine. From these humble beginnings lumbering grew and prospered, becoming one of America's major industries. Its influence penetrated many facets of American life. It built homes and businesses, enriched American folklore, enlivened the popular vocabulary, and supported the nation's military efforts. On the negative side, it wantonly destroyed a great

natural resource. In fact, a tendency to exploit completely the forest shaped the industry's early development and determined its patterns of movement. The southern pine industry was a product of that migration. Although the cut-and-get-out tactics of other sections were also used in the South, far-sighted men learned from the past's mistakes, and the natural reproductive powers of southern pine forests insured Dixie a permanent place among the nation's great lumber producing sections.

United States lumbering has been characterized as a "pioneer" industry, and its movement into new areas exhibited a remarkable similarity to the American people's general settlement pattern. The United States has four major lumber regions and a number of subregions. The first major area to be exploited was the Northeast. From beginnings along the coast, the northeastern region expanded to cover an area starting in Maine, spreading across much of New England, and dipping into parts of New York and Pennsylvania. Some of the great American lumber families began their activities in the Northeastern region, and during most of the nineteenth century, this was America's most important lumber-producing area. As northeastern timber was depleted, the industry moved inland toward the west and south. The first move was to the Great Lakes region, the most important producer during the nineteenth century's closing decades. This area contributed romance and color to lumbering's history with dramatic spring floods, long log runs, picturesque logging

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2 R. C. Fraunberger, "Lumber Trade Associations, Their Economic And Social Significance" (unpublished M.A. thesis, Department of Business Administration, Temple University, 1951), 84-86.

camps, and of course the greatest logger of them all—Paul Bunyon and his famous blue ox. By the turn of the century, however, the Lake States were cut out as a major producing region, and attention shifted to the Far West and South.

In fact, the South and Far West were penetrated while the Lake States were booming, and lumbermen from older regions were already investing and sending younger associates and members of their families into the new areas. The western and southern regions developed at about the same time, although the South grew faster at first. Both became permanently established as major producers. The western region consists of several subregions, the most important running through Washington and Oregon west of the Cascade Range. This is commonly known as the Douglas Fir region, and it has been the mainstay of the western industry and the most important competitor of southern pine producers. The western area contains a sizeable pine belt running along the eastern slope of the Cascade Range from northern Washington, through Oregon, and into northern California. Pine lumbering is also important in western Montana, northern Idaho, and eastern Oregon and Washington. The western region also contains the redwood industry, another important subregion. Western production lagged behind southern pine until the 1920's, when it

4 Although the southern region differed in many particulars from the Great Lakes and western regions and did not have the same sort of colorful characteristics, it developed a jargon and mystique of its own which is in many ways equally as interesting. For contrasting views on this matter see Horn, Fascinating Lumber Business, 98-99; and James W. Silver, "Paul Bunyan Comes to Mississippi," The Journal of Mississippi History, XIX (April, 1957), 93-119. Hereinafter cited as JMH.

5 The foregoing sketch of the lumber industry is based primarily on Vernon H. Jensen, Lumber And Labor (New York and Toronto: Farrar and Rinehart, 1945), 8-9.
forged ahead. The story of the West's increasing development and struggle for dominance over the South, which continues today, is an integral part of the southern pine region and the Southern Pine Association's history.

The ante-bellum southern lumber industry started in coastal areas and spread inland irregularly, with activities concentrated along waterways serving as avenues of transportation. Sawed lumber was scarce in the South despite the almost obstructive supply of timber, and small steam-powered mills sprang up to serve local needs. According to tradition, the first steam-powered mill was established in New Orleans in 1803 and was shortly destroyed by a mob of men who earned their livings by pitsawing. The first Texas mill was established at the junction of Buffalo Bayou and Braes Bayou in the southeast corner of the state about 1830. In Mississippi, Andrew Brown, a Scotch immigrant, took over a mill in 1828 at "Natchez-under-the-Hill," and by the Civil War had built a thriving cypress lumber manufacturing business. By the 1850's, the vicinity around St. Tammany Parish in Louisiana on the north shore of Lake Ponchartrain had about forty sawmills.

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6 Horn, Fascinating Lumber Business, 100-101; John Hebron Moore, Andrew Brown and Cypress Lumbering In the Old Southwest (Baton Rouge: Louisiana State University Press, 1967), 13-14, says that the mill was probably destroyed in 1806 due to a fire which was not caused by arsonists.


8 Moore, Andrew Brown.

fledgling industry attracted native Southerners, Northerners, and people from other lands, and by the eve of the Civil War it was solidly established, although serving primarily local needs. By 1860 lumber was, for example, the largest industry in Mississippi. War temporarily disrupted southern lumbering, but the attention it focused upon the region, plus the cutting out of the Lake States and the development of Dixie's railroads, provided a springboard for exploitation of southern forests on a scale previously only imagined.

The story of southern lumbering's growth after the Civil War is colorful and intricately intertwined with Reconstruction and the rise of the "New South." The development was founded upon exploitation, idealism, foresight, and extremely short-sighted greed in dizzying combinations. Underlying the movement were vast amounts of available public lands in the South and the cutting-out of the properties of large companies in the Lake States who had theretofore scorned southern yellow pine. C. Vann Woodward says changes in federal land policies in the South illustrate a transition in northern policy from "the missionary and political to the economic and exploitative phase. . . ."

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11 In about 1840 J.F.H. Claiborne traveled through the forests of south Mississippi and reported that "For twenty miles at a stretch . . . you may ride through these ancient woods and see them as they have stood for countless years, untouched by the hand of man. . . . The time must arrive when this vast forest will become a source of value. The smoke of the steam mill will rise from a thousand hills." John Francis Hamtramck Claiborne, "A Trip Through the Piney Woods," Publications of the Mississippi Historical Society, IX (1906), 523.

12 Horn, Fascinating Lumber Business, 102.

On the eve of the Civil War, the five southern public land states—Alabama, Arkansas, Florida, Louisiana, and Mississippi—contained forty-seven million federally-owned acres. This was about one-third of their land area, and most of it was unfit for agricultural settlement but was covered with heavy stands of cypress and yellow pine. This forest cover was regarded primarily as an obstacle to settlement and development except by millowners along the waterways, and part of it had been open to entry for many years at $1.25 an acre. Following the adoption of the Graduation Act in 1854, it was available for as little as twelve and one-fourth cents an acre, depending upon how long it had been on the market.

After the Civil War, administration of the South's vast public lands became an intricate part of Reconstruction. Radical Reconstruction leaders hoped to reserve the lands for people of undoubted loyalty and for the freedmen. George W. Julian, an abolitionist Indiana congressman and chairman of the House Committee on Public Lands, took the lead in shaping land policy in the South. Through his efforts and an almost strictly Republican vote, the Southern Homestead Act was passed in 1866. This measure ended cash sales in the five southern states, reserved public lands for homesteaders, limited grants to eighty acres, and excluded ex-Confederates from homesteading privileges. Julian hoped to overhaul the land laws of the entire nation, but was defeated by railroad, lumber, and speculative interests.

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The end of Reconstruction brought a growing demand to open southern timber for exploitation by both Northerners and Southerners. Southerners claimed that most public lands in the South were unfit for agricultural purposes and of little use for the freedmen. The timberlands had not contributed to either the federal government's coffers or the development of the southern economy, and they were being illegally stripped by lumber interests which developed after the Civil War. According to Paul W. Gates, "by 1876 the southern land question had ceased to be confused with reconstruction issues and had become a problem in land economics and business policy."

Opposition to repeal of the Southern Homestead Act was based upon a desire to prevent concentrated ownership of the lands. After a long fight, the repeal effort came to a head in 1876. Congressman William S. Holman of Indiana led the struggle against repeal, but was overwhelmed by a nearly unanimous South with significant northern support. Unlike Julian in the earlier effort, Holman did not enjoy the aid of radical reconstructionists. Although representatives of northern and western lumbering states tended to support Holman, they were somewhat divided, because many of their constituents were cutting out and waiting eagerly for the opening of southern lands to entry. The land reform movement had not gained sufficient force to be significant in the fight.

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18 Ibid., 311-13.
The Southern Homestead Act was repealed in 1876. The act of repeal removed all limitations upon public lands transactions in the five southern states and legalized private sales. It placed no limit upon the size of purchases and directed that the lands be offered at public sale as soon as practicable. Land was offered to the highest bidder at public auction and, if not sold, could be purchased later at a minimum price of $1.25 an acre. The minimum price became standard for virgin timberland, and the law proved unusually favorable to large-scale land speculators. During the following twelve years, vast tracts of valuable forest land were purchased by speculators at bargain prices.¹⁹

Exploitation of southern public lands during the late 1870's and 1880's was carried out largely by timber speculators who preceded actual lumbermen, although some lumber operators were involved. Homesteading was no longer so much the work of dummy entrymen employed by lumber companies, as it was from 1866 to 1876 when the amount of land that could be entered was restricted, but the practice undoubtedly continued with smaller operators now the primary culprits. ²⁰ In the 1800's, for example, the Blacksher Brothers, operators of a mill on Juniper Creek near Brewton, Alabama, bought timberland from homesteaders at the rate of three sacks of corn, three sides of bacon, a ten-pound caddy of tobacco, one barrel of flour, and forty pounds of coffee for each forty acres of virgin longleaf pine timber. When the timber was especially

⁹Ibid., 311-14; Hickman, Mississippi Harvest, 71-72.

good the Blackshers might throw in an extra sack of corn and ten pounds of coffee.\textsuperscript{21}

Timber speculation was significant in all southern states, but most heavily concentrated in Louisiana and Mississippi. Both Northerners and Southerners were involved, but domination fell into Yankee hands. Northern speculators and lumber companies sent "timber cruisers" into the South to examine the forest resources. They returned with glowing reports of miles of virgin timber that could be easily logged and purchased dirt-cheap from the federal and state governments. Excitement and speculative fever became so great that the Illinois Central Railroad ran a series of special trains into the southern piney woods for would-be purchasers.\textsuperscript{22}

Records of the Department of the Interior's General Land Office indicate that from 1880 to 1888 buyers of five thousand acres or more of federal lands in Louisiana numbered forty-one Northerners and nine Southerners. The large purchasers in Mississippi included eleven Southerners and thirty-two Northerners. In Alabama, Arkansas, and Florida, northern dominance was not so marked, but large-scale Yankee interests were evident. Alabama had seven large northern purchasers and twenty-five Southerners, and there were six Northerners and twelve


Southerners listed as large investors in Florida. The picture in Arkansas was more evenly balanced, with large timber investors including ten Southerners and seven Northerners.

Big purchasers of the early period included a group of Chicago capitalists who bought 195,804 acres in Louisiana and subsequently sold much of their holding to the Long-Bell interests. Another large speculator was James D. Lacey of Grand Rapids, Michigan. Lacey accumulated over five million acres, mostly in the South, between 1880 and 1905. Edward A. and Edward F. Brackenridge of Oscoda, Michigan, and New Orleans dealt in timberlands on a commission basis and handled nearly 700,000 acres in about three years. The largest purchaser in Alabama and Florida was Daniel F. Sullivan, an English immigrant characterized as the "timber and lumber king of Florida" and a "sort of Gulf Coast Jay Gould in the timber business." Sullivan controlled some 250,000 acres in the two states, 150,000 of which were bought directly from the federal government. At the time of his death in 1885, Sullivan was reported virtually to control the port city of Pensacola and its transportation facilities, and he was moving toward a similar position in Mobile. His personal fortune was estimated at $1,000,000 in bonds and cash plus land and lumber businesses. Sullivan's wealth, although certainly out of the ordinary, indicates the size of the interests encountered in the southern lumber industry. Men of enormous wealth were not uncommon. Large buyers during the 1800's included several

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24 Ibid., 316-17.
25 Ibid., 321.
families which figured significantly in the development of the Southern Pine Association. Many lumbering families intermarried and sent younger sons and associates into the South to manage their interests. Some of these men settled permanently in the region and became fiercely loyal to the South and even somewhat provincial. Large purchasers from both North and South established firms which remained important southern pine producers well into the twentieth century. One such was Delos A. Blodgett of Grand Rapids, Michigan, who cut out in that area and bought 126,238 acres of pine land in Mississippi and over a half million acres in Louisiana.

Other large purchasers included Henry J. Lutcher, the son of a German immigrant, and G. Bedell Moore who jointly owned a lumber mill in Williamsport, Pennsylvania, and large operations throughout the western part of the state. Their timber supply began to dwindle in the 1870's, and Lutcher set out to cruise the lake states. After visiting Michigan and Wisconsin, however, he heard of enormous forests in Dixie and went South, riding for weeks on horseback through the forests of southwest Louisiana and southeast Texas. Despite a local banker's warning that he was buying valueless land that could not be cultivated, Lutcher bought thousands of acres of virgin timber. Some was obtained from local farmers who were eager to sell. The partnership eventually purchased 500,000 acres of pine and cypress in Louisiana,

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some at only fifty cents an acre. In 1877 Lutcher and Moore moved to Orange, Texas, and constructed the first big sawmill in the state, with a capacity of 80,000 to 100,000 board feet per day. Until the turn of the century the Lutcher and Moore firm was the largest in the Texas-Louisiana area, and the two men were referred to as the "lumber kings of the world" and "giants of the South." By 1890 no lumbermen in the South and few in the North could match the output of Lutcher and Moore's operations. 28

John Barber White, the father of the lumber trade association movement in the South, represented the seventh lumbering generation of an English family which settled in Massachusetts in the early seventeenth century and established a sawmill. White's family typified the migration of the American lumber industry. They first moved to New York, then to Pennsylvania, and finally in 1880 John Barber White migrated westward and established mills in southern Missouri's pine forests. White's operations eventually spread to Louisiana where he and his associates operated mills drawing on over 500,000 acres of pine forests. 29 White, Blodgett, Lutcher, and Moore all played leading roles in southern lumber trade associations.

Other interests bought timber from state and local governments and individual sources. They were often encouraged by local citizens to bring capital into the South. One Tennessean said, "As for these


investments of Northern capital, the South is glad to have it come... We welcome the skilled lumberman with the noisy mill." Phelps Dodge & Company of New York experienced its greatest expansion during Reconstruction in lumbering, with their post-Civil War operations concentrated in Texas and particularly Georgia. In 1868 they organized the Georgia Land and Lumber Company, which was honored by Georgians with a county and several towns named after members of the combine. The holdings of William E. Dodge and his Georgia Land and Lumber Company in the south central Georgia counties of Dodge, Laurens, Pulaski, Telfair, and Montgomery comprised some 300,000 acres of virgin pine timber.

The southern states displayed remarkable eagerness to give away their landed heritage. In Mississippi the state legislature passed an act in 1882 exempting new industries from taxation for ten years after starting operations. Eight years later, George and Silas Gardiner, large lumber operators of Clinton, Iowa, came South to inspect the timber resources because of a shortage of white pine in their area. With their brother-in-law, George Eastman, they purchased 16,000 acres of land around Laurel, Mississippi, from John Kamper for four dollars per acre. Kamper was amused by the Yankee purchasers' gullibility.

Lumbermen acquired and exploited the southern forests with a vengeance. A syndicate headed by Hamilton Disston of Philadelphia

30 *Tradesman* (Chattanooga), XIV (May 1, 1886), 16, cited in Woodward, *Origins*, 118.


bought 4,000,000 acres at twenty-five cents an acre from the state of Florida in 1881. Lutcher and Moore purchased the timber on sixteen sections of school land in Newton and Sabine counties in Texas for $32,347, and John Henry Kirby obtained 7,000 acres of school land timber in Jasper County, Texas, for $30,187. In Mississippi Alcorn Agricultural and Mechanical College sold 23,040 acres for $85,000 to five companies, including the J. J. Newman Lumber Company of Hattiesburg and D. A. Blodgett of Grand Rapids, Michigan. Other large sales were made by railroads and increasingly by the original speculative purchasers. In 1905 James J. Hill of the Great Northern remarked that one acre of timber was more valuable to a railroad than forty of agricultural land.

As exploitation of southern timber went on, it was increasingly common for large lumber interests to acquire stumpage from several sources, and as competition became heated, prices and tempers rose. In a single decade around the turn of the century the price of some southern pine acreage rose from $1.25 to $60.00 an acre. The Long-Bell Lumber Company's 203,000 acres in Louisiana's Calcasieu Valley were bought from nineteen different individuals or groups who entered the lands between 1880 and 1888. The Industrial Lumber Company of Elizabeth, Louisiana, bought 58,320 acres from fourteen different sources. The Calcasieu Pine Company and Southern Lumber Company obtained 46,760 acres from three groups. Lutcher and Moore acquired an additional twelve

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34 R. E. Appleman, "Timber Empire from the Public Domain," Mississippi Valley Historical Review, XXVI (September, 1939), 193.
35 Ibid.
thousand acres from second parties, and the Central Coal and Coke Company of Kansas City similarly purchased 76,300 acres. The tendency to buy from several sources and consequent bidding for timber form part of the background of trade associations in the southern pine industry. This competition caused much of the tension and inner conflict that often kept associations from acting effectively. According to H. C. Berckes, former secretary-manager of the Southern Pine Association, "They had to fight to get timber when they saw that they were gonna be cut out with their big investment. . . . and so there was a tooth and claw fight, some of the best friends fighting over a tract of timber." 

The concentration of southern land in the hands of northern investors and companies by the latter part of the 1880's aroused the specter of a "Lumber Trust." This fitted in with the growing fear of monopolies and trusts which were regarded as threats to traditional American practices and values. The southern pine industry was frequently charged with monopolistic practices and those and similar charges resulted in an investigation of the entire lumber industry by the United States Bureau of Corporations in 1913. In the southern states, legitimate homesteading after 1876 resulted in the establishment of numerous small and productive farms. The failure of land speculators to enrich Dixie prompted a reconsideration of public land policies by many Southerners. They now wanted to eliminate large-scale sales

of their lands and reserve them for still more new farms. Through the efforts of southern congressmen, anti-monopolists, and conservationists, the movement to shut down large-scale speculation began in 1888, and the next three years brought the end of cash sales and baronial purchases of public lands.39

The bonanza period of southern timber buying had seen many huge purchases by companies that remained significant. However, they were unable to keep out numerous competitors, and the industry was characterized by the presence of producers of all degrees in size, skill, and performance. Although there were intricately interwoven relationships between companies, an effective "lumber trust" was beyond the far-flung and highly volatile industry's grasp.40

Areas of settlement in the South created further divisions. Sawmill men from the lake states tended to move south along two separate tangents. Some settled east of the Mississippi River in Alabama, Mississippi, and Eastern Louisiana. Others located west of the river in Missouri, and then filtered down into Arkansas, western Louisiana, and Texas. These groups became distinct factions within the industry, with frequent outbreaks of animosity centering around disputes over freight rates. West-of-the-river interests tended to build up chains of from six to a dozen sawmills. Their ranks included many of the industry's big names. Among these were Samuel H. and Robert Fullerton, who invested in Louisiana in 1894 and later extended their operations

40 Hidy, Hill, and Nevins, Timber and Men, 290, 301.
to Arkansas, William Buchanan and John Henry Kirby, R. A. Long of Long-Bell, Captain J. B. White of Kansas City's Exchange Sawmills, and the Frost, Dierks, and Pickering interests.\textsuperscript{41}

By the later nineteenth-century, then, the southern lumber industry was firmly established and had developed characteristics which shaped its trade associations. The industry featured large concentrated landholdings dominated by northern interests but richly sprinkled with Southerners. It was characterized by highly competitive producers who scrapped heatedly and colorfully over timber acquisitions and sales. It was divided into regions, the most significant being east and west of the Mississippi River. Finally, the industry was led by men who were almost larger than life, men caught up in ruthless competition which increasingly seemed unnecessary and wasteful. The story of trade association development would largely be that of the forces of planning and cooperation trying to overcome intense provincialism, diversity, and animosity. The Southern Pine Association and its predecessors emerged from this background.

The origins of trade organizations or associations have been traced back to biblical times, and even into classical antiquity.\textsuperscript{42} While it is questionable whether ancient organizations of traders and businessmen may be accurately classified as progenitors of modern trade associations, there is little doubt that through the ages there has been a sporadic but continuing struggle between the proponents of

\textsuperscript{41}Horn, \textit{Fascinating Lumber Business}, 104-105.

\textsuperscript{42}Joseph F Bradley, \textit{The Role Of Trade Associations And Professional Business Societies In America} (University Park: The Pennsylvania State University Press, 1965), 18.
competition and control, or between those who defended the unhampered operation of so-called natural economic laws and men who believed they should cooperate to alter the operation of those laws. The contest between control and non-control became more perceptible during the medieval period, and the way it was carried out and temporarily resolved in different areas helped shape the philosophical framework of trade association development in the United States.

During the later Middle Ages the forces of control and stability won a temporary victory over those of growth and competition in western Europe. Most aspects of European life were tightly constrained by intense provincialism, short-sighted and particularistic government, and legal systems lacking the perspective and organization necessary for the development of national economic institutions. Finally, intense concern for problems of the soul rather than the material world produced an oppressive religious structure which smothered innovation and inquiry. The stifling atmosphere of the status quo was reflected in the fourteenth and fifteenth centuries' economy, and the merchant and artisan guilds were among the great stabilizing influences. The guilds operated in an atmosphere vastly different from the industrial

43 The dialogue, of course, also concerns the proponents of social or governmental controls upon the operation of free competition. This has often been a subject of controversy between the agents of industrial self-regulation, the trade associations, and governmental agencies. The associations, whose members sometimes exhibit extreme opposition to governmental regulation as "foolish" or "impossible," in effect say that economic forces can be controlled but only through the agents of industry themselves because they are better acquainted with the problems.

44 This section follows closely the analysis of Louis Galambos, Competition and Cooperation, The Emergence of a National Trade Association (Baltimore: The Johns Hopkins Press, 1966), 3-10.
society in which modern trade associations function, but they did establish a rough pattern of emphasis upon co-operating competitors and of establishing advantageous relationships with the agencies of government.\textsuperscript{45} In fact, the medieval guilds had many of the characteristics of modern trade associations. The guild system, which was particularly strong in England from the twelfth through the fifteenth centuries, was divided into several types. The main two were merchant guilds, composed of buyers and sellers of products; and craft guilds, consisting of producers. The merchant guilds were divided according to the products in which they dealt, and in many cases they became the ruling bodies of the towns in which they operated. Craft guilds classified their members according to longevity and skill, and they restricted the movement of workers from one occupation to another. They also performed social services for their members' families, but their primary functions were to establish quality standards and secure equitable prices for their goods.\textsuperscript{46} In working for quality control and suitable prices the guilds anticipated modern trade associations.

During the sixteenth and seventeenth centuries, Europe emerged from the restrictions of medievalism into a new age of expanding horizons. The limited world of the Middle Ages was replaced by an Atlantic Community, and, borne upon ocean-going vessels and expanding commerce, business entered an age of change and growth rather than stability. Circumstances varied from country to country, but in most of Europe the sixteenth and seventeenth centuries were characterized

\textsuperscript{45}Ibid., 4.

\textsuperscript{46}Bradley, The Role Of Trade Associations, 18.
by exuberance, a growing sense of nationalism, and an atmosphere of adventure which were reflected by world exploration and trade and technological innovations which provided foundations for industrialization and the development of modern economies.

The guilds were unable to resist these new currents and forces, but in some areas change came slower and the medieval structure endured in a slightly altered form. In Germany the guilds survived well into the nineteenth century, and in France they escaped, altered but with their essence intact, until the Revolution. In England, however, which probably had the greatest influence upon the philosophical orientation and environment of the American economic community, the story was different. The English mercantilist system developed outside the guild structure, and national standards and regulations were enacted independent of the older machinery. Industrialization came early and factories were located near the sources of raw materials, bypassing older cities dominated by the guild structure. Gradually the business community accepted the concepts of innovation and growth, rather than stability and the status quo, and the dialogue concerning control and standards was between businessmen and government, rather than among businessmen alone within their respective organizations. The factory system's emphasis upon quantity rather than quality made the medieval guild system seem even more outmoded, and these changes were reflected in English law. \(^\text{47}\)

Businessmen in England still attempted to stabilize their situations, by means, for example, of informal price agreements,

\(^\text{47}\) Ibid., 18-19; Galambos, *Competition and Cooperation*, 4-6.
but these considerations were no longer paramount. Thus America inherited from England a legal structure that sought "to enlarge the scope of individual action."\(^{48}\)

Colonial America magnified the characteristics of the new English and European economies. This was a continent colonized through hope and expectation, and settlement upon New World soil represented a rejection of the status-quo. Restrictive institutions, such as artisan guilds, failed to become firmly established due as much to a shortage of skilled labor as to the colonists' heritage. The guilds' economic and legal positions gradually eroded so that the system virtually disappeared by the end of the period. Merchant associations suffered a like fate. Colonial businesses did not generally achieve a size conducive to large-scale organization, and unsatisfactory experiences with local monopolies and regulated companies strengthened the growing American allegiance to the unregulated competition of highly individualistic small producers. In colonial America, then, devices of cooperation and control were overwhelmed by the developing dogmas of unrestricted competition and freedom of opportunity.\(^{49}\)

After the Revolution, these colonial characteristics were accelerated and deepened by the experiences of the new nation. With separation realized, a basically coastal people could now explore possibilities beckoning from the West. Western exploration and settlement during the eighteenth and nineteenth centuries did not enhance the cause of those who counseled moderation and emphasized the blessings


\(^{49}\)Ibid., 6-7.
of the present. The entire western experience strengthened the faith of believers in a better tomorrow and those who thought restrictions upon the individual unnaturally impeded the achievement of his destiny. They believed ever more strongly in the benefits of unregulated economic activity. With the restrictions of British mercantilism removed, new American industries started to grow, and by the Civil War America was well upon the road which would eventually lead to world economic leadership.

New industries helped develop the West, and despite significant help from government, the popular mind gave them most of the credit for developing the resources and cities of an enlarged nation. According to the business community particularly, America's rise to power and prosperity had been borne on the expansive shoulders of unbridled, laissez-faire capitalism. Businessmen were supported in their opposition to control by members of the laboring classes, in many cases recent emigres from caste-ridden European societies. In their new country all were equal, all could hope to become employers and entrepreneurs, and most were determined that the paths of opportunity should remain open and that no restrictions should be placed upon a system which provided so many possibilities and opportunities. The "people" frequently opposed measures which according to historians were designed to curb corporate influence. 51


This environment shaped American legal attitudes toward restrictive influences in the economic sphere. Extreme dedication to the cult of progress and glorified individualism, coupled with the English heritage, produced a legal structure characterized by hostility toward restraints of trade and monopolistic practices. State statutes, constitutional provisions, and court decisions reflected the basic American hostility to institutions which interfered with free competition. In their dedication to laissez-faire and intense competition Americans stood apart from tendencies in the rest of the Atlantic community. For example, Germany in the nineteenth century encouraged cooperation rather than competition with cartel agreements having the sanctity of law dominating most sectors of German industry. Even England drifted away from her former position, and during the second half of the nineteenth century the common law became more tolerant of business associations and restraining agreements. The English even experimented with cartels.

The American picture was never simple, however. Even within the broad consensus favoring a competitive, individualistic structure, the contest between control and laissez-faire continued. Cast and context changed, but the debate went on, first among businessmen, then between businessmen and the people. Finally, much of the discussion was between businessmen through their associations and the people through government. The situation was a complex one subject to interpretation and definition. Who were the "businessmen"? The "people"? Where

53 Ibid., 9-10.
should the lines be drawn? Although opening the door to the problems of broad generalization, it is necessary to draw a general outline of the entire process in order to place the American trade association movement in perspective.

Businessmen in nineteenth century America started on an essentially equal basis. Many prospered in a free competitive atmosphere with unlimited opportunity for aspiring entrepreneurs. The legal system reflected the nation's outlook and protected free competition. As the economic structure matured, however, businessmen became more sophisticated. A national transportation system developed and expanded, markets became national, outlooks broadened, and elements within the business community began to criticize waste within the system. Acting in the never-completely-forgotten or abandoned traditions of their predecessors, they entered into loose agreements, often of an informal nature, to regulate production and influence prices. In many cases, these attempts were undertaken in highly individualistic and competitive industries, and they were patterned after the endeavors of large entrepreneurs like the Rockefellers, Morgans, Carnegies, and Vanderbilts. At the same time, however, there was ambivalence among smaller businessmen. They admired the savings and efficiency of the large interests, but they were still attached to the doctrines of the past. Therefore, although organizing informal and formal associations themselves, they feared the increasing size and dominance of "monopolists" and supported legislation in the late nineteenth and early twentieth centuries which was designed to retain competition and opportunities for the small man.  

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In this sense "businessmen" and "the people" were one and the same in their opposition to large interests and monopolists.

By the latter nineteenth century, however, smaller businessmen increasingly hoped that they too could organize in ways that would eliminate wasteful competition and bring stability to their industries. During this "organizational revolution," "individual economic enterprise . . . gave way to collective effort." Their outlook was marked by a broad dichotomy between belief in free competition and complete individualism and a desire for the rewards of cooperation and joint efforts. Businessmen loudly praised America's past glories and her economic structure, while hoping to secure the benefits of cooperation. They were ambivalent toward those very agencies of government that they had helped create. These safeguards against monopoly were rhetorically transmuted into unwarranted interference with the rights of business. In other words, devices to protect free competition and economic individualism were now regarded as impediments to exactly those features they were designed to preserve. By the late nineteenth and early twentieth centuries, the dialogue was increasingly between government and industry's organizations of cooperation, the trade associations. Trade associations continued to develop in the twentieth century, and although their powers and prestige varied and fluctuated, they became well-established features of the American economic landscape.

The term trade association has been defined and redefined, but while the emphasis and phraseology may change, most definitions boil down to the following factors. Trade associations are generally

55 Hays, Response to Industrialism, 48.
organizations of competitors in a single industry banded together to present a united front. Structural forms vary. In this they have been strongly influenced by governmental policy, but most pursue roughly similar goals. Usual activities include representation of the industry before governmental bodies, establishing ethical standards, developing quality and grading regulations, conducting public relations and advertising work, compiling accurate statistics, and attempting to solve specific problems in areas such as transportation or competition with other industries. The emphasis may vary, but these are the general concerns of trade associations. In the background of many trade associations there is a history of hostility to organized labor and of attempts to influence or control production and prices. The prevalence of such activities has been widely disputed, but there has been sufficient smoke to attract the interest of Congress and various governmental investigatory bodies on numerous occasions.

American associations in the ante-bellum period were organized on a very small scale in terms of geography and membership. They tended

56 For definitions of trade associations see Bradley, The Role Of Trade Associations, 4-5; George Cooper, "Trade Associations Before 1900," American Trade Association Executives Journal, VI (January, 1954), 13; Joseph Henry Foth, Trade Associations; Their Services to Industry (New York: The Ronald Press Company, 1930), 3; and Benjamin S. Kirsh and Harold Roland Shapiro, Trade Associations in Law and Business (New York: Central Book Company, 1938), 10.

to be impermanent for a variety of reasons, ranging from the economic philosophy of the age to the fact that the ante-bellum American economy was dominantly agricultural. 58 However, the Civil War was the springboard for a tremendous acceleration in American industrialization, 59 and with it, despite the antipathy of most Americans, came the beginnings on a local or regional level of trade associations. These organizations were dedicated basically to a defense of their members against the harmful effects of intense and ruthless competition, and they attempted to bring stability into the chaotic economic environment. 60

However, it was the twentieth century, after the federal anti-trust statutes had been defined and the place of trade associations within the legal structure tentatively established, that brought real growth in the number, size, strength, and influence of American trade associations. Credit afforded the associations for their part in the World War I defense effort by government officials, including Bernard Baruch, and the favorable attitude of Herbert Hoover and the United States Department of Commerce in the 1920's, ushered in the real

58 Bradley, The Role Of Trade Associations, 19-22; Foth, Trade Associations, 4; Galambos, Competition and Cooperation, 7.


60 Foth, Trade Associations, 4; Galambos, Competition and Cooperation, 10; Westcott, "History of Trade Associations," American Trade Association Executives Journal, VIII (April, 1956), 33. Hereinafter cited as ATAEJ. During this period a number of national associations and large regional associations were formed, including the Carriage Builders National Association in 1872, The American Paper and Pulp Association in 1878, the National Association of Brass Manufacturers in 1886, the National Wholesale Lumber Dealers Association in 1894, the National Lumber Manufacturers' Association in 1902, and others. Bradley, The Role Of Trade Associations, 22.
development of American trade associations. This growth in the stature and respectability of trade associations culminated in recognition by the national government and the architects of the First New Deal, who built the National Recovery Act's codes of fair competition and standards around the framework provided by the nation's trade associations.

With the sudden end of the N.R.A. in 1935 and the advent of the "trust-busting" phase of the Second New Deal, trade associations lost their favorable position with government, and they moved into a period fraught with the tensions and pressures of ambivalent governmental attitudes. The growth of corporate mergers made their future rather uncertain. Valuable service in World War II and the Korean War did not solve these problems. In fact, they ushered in a period in which these tendencies and the resultant uncertainties were accelerated and intensified. The lumber industry and its trade associations, and the Southern Pine Association and its region in particular, were representative of national tendencies throughout these periods.

The origins of lumber trade associations are difficult to trace because of a tendency to guard records from outside eyes, the secretive rise and abrupt departures of some organizations, and the slowness of industry figures and professional scholars to realize their historical significance.

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61Bradley, The Role Of Trade Associations, 23-24; Cooper, "Trade Associations Before 1900," ATAEJ, VI (January, 1954), 14; Foth, Trade Associations, 4-5; Westcott, "History of Trade Associations," ATAEJ, VIII (April, 1956), 35.

62For an early study of the effectiveness of trade associations in curing the economic problems of various depressed industries see Simon N. Whitney, Trade Associations and Industrial Control (New York: Central Publishing Company, 1934).
importance. Many organizations' files have simply disappeared. Only in recent years have the industry and scholarly community taken steps to guarantee that a similar fate does not befall the extant records of trade associations and organizations. Fortunately, the files of some subscribing companies are now available to scholars, and through the study of materials which they received as members of industry organizations, one can construct a generally accurate, although sketchy, picture of some early organizations in the southern pine lumber industry.

The structure, emphasis, and functions of associations in the lumber industry have differed widely, but all have dealt with similar problems. Most originated around one or more of the following areas of concern: production, prices, quality standards, labor problems, and transportation. Activities in advertising, technology, government relations, safety, and other matters have also been undertaken. However, they have generally come later, or have been definitely secondary concerns. Statistical work has been common and fundamental to other association activities.

Trade association development in the lumber industry was part of the maturation process. As lumbering grew and became national, the need for organizations to deal with problems of scale became obvious, although not always heeded. The very conditions which produced organizations often served to undermine their existence. For example, lumbering has always been one of the few large American industries which approximates the classical concept of competition. It has numerous firms, and entry into the industry, particularly for the small producer,
is relatively easy. Furthermore, those who have engaged in the lumber business have often been extreme individualists, men whose families followed the industry's migration and succeeded "because of sheer hard work, ingenuity, and often ruthlessness." This extreme individualism and the nature of local markets meant that in the industry's early days each mill owner produced lumber according to his own taste or that of his immediate customers. There was no real attempt at standardization. However, as the mills grew in size and began to serve wider markets, and as transportation and communications improved, they found themselves competing with companies in distant locations. Consumers began to demand uniform standards as distribution through wholesalers and retail lumber yards became more common. Out of this background came attempts to bring order into the industry through establishing manufacturing or grading standards, and to eliminate cutthroat competition by agreements on production and prices. The early stages of this effort were hampered by the producers' extreme individualism and their distrust of one another. Frequently, they would not abide by agreements, and their organizations tended to be very loose and unstable.

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64 Jensen, Lumber and Labor, 24.


66 Fraunberger, "Lumber Trade Associations," 11-12.
One of the earliest organizational attempts was in the South. During the early 1850's millmen in southern Mississippi formed the Bayou Bernard Lumber Company, which attempted to fix prices while eliminating the middleman and competition among mills serving New Orleans. After a few months, it disintegrated, a victim of rising prices and the competition of other lumber producing and marketing areas. The Bayou Bernard Lumber Company was thus a prototype not only in objectives, but in failure. Another early attempt to organize was made by thirty-six manufacturers along the Susquehanna River in Pennsylvania. In 1873, they united to standardize products, collect and disseminate statistical information, and establish ethical standards.

Numerous other cooperative efforts in the 1870's blossomed and quickly withered away. The National Association of Lumbermen, created in 1874 to control production and fight the post-Panic of 1873 price decline, proved powerless because of limited support. In 1881, a trade journal editorial discussed the association under the heading "Another Association Fiasco," saying that "The lumber trade is rapidly building for itself a national reputation as the parent of commercial organizations that never amount to anything. . . . There seems to be a fatality about lumber organizations that insures for them an early and ignominious dissolution."
Passage of the Sherman Anti-Trust Act in 1890 was a watershed in lumber trade association development nationally and in the South. The Sherman Act clearly prohibited practices which characterized many early associations and channeled them toward refining at least their external objectives and activities. While not regarded as effective, the Sherman Act did coincide with forces within the trade association movement itself. As a result, associations became more businesslike, with paid professional or semi-professional staffs, permanent facilities, and a more dignified and professional demeanor. Many of the discredited attempts at production control and price-fixing were continued, but the new organizations attempted to create a more favorable impression for their industry. By the end of the 1890's, the various lumber areas were organized into regional associations. The process was capped by the formation of the National Lumber Manufacturers' Association, an organization of affiliated regional groups, in 1902.

The first relatively successful trade association in the lumber industry was the Mississippi Valley Lumbermen's Association. It grew out of the Northwestern Lumber Manufacturers' Association, which was organized in 1881 in an attempt to curtail production and combat falling prices. The MVLA was founded on September 1, 1891, and members of the Weyerhauser lumber empire were active in its creation. The organizers frankly admitted that the raison d'être of the association was to establish "more nearly uniform prices." The MVLA set up committees to deal with grading, price lists, and railroad rates. Building upon the

73 Hidy, Hill, and Nevins, Timber and Men, 174.
earlier work of the Northwestern Lumber Manufacturers' Association, it began to formulate grading rules, which were finally adopted in 1895. The association's attempts to control prices brought legal difficulties shortly after its organization. The MVLA was tried before a federal district court in St. Paul in 1892 on charges of price-fixing in violation of the Sherman Anti-Trust Act. It escaped without damage from this experience, but the resultant interest among the citizenry brought the matter to the Minnesota legislature's attention. That body investigated lumber prices in 1893, paying special attention to the association's price list, which they felt could have been used for illegitimate regulation of prices. Nothing came of this investigation, but it was typical of the interest and activities aroused by trade association endeavors to influence the market. The episode was a harbinger of the public search for a "lumber trust" which continually harassed the industry well into the twentieth century.74 The Mississippi Valley Lumbermen's Association was consolidated in 1906 with the Wisconsin Valley Lumbermen's Association, organized in 1893, to form the Northern Pine Manufacturer's Association.75 The MVLA provided the first trade association experience for John E. Rhodes, the original secretary-manager of the Southern Pine Association.

74Ibid., 174-76. Hidy, Hill, and Nevins state that the Mississippi Valley Association accomplished nothing measurable in influencing prices, and that other associations in the white pine region were similarly unsuccessful. They attribute the general rise of white pine prices after 1897 to the higher duties on lumber imports in the Dingley Tariff of 1897, a general upward trend in commodity prices, higher timber and logging costs, higher costs for supplies, and the growing scarcity of white pine.

CHAPTER II

EARLY TRADE ASSOCIATION ACTIVITY IN THE SOUTHERN LUMBER INDUSTRY,
1883-1916

Regional trade association organization in the southern lumber industry began about the same time it was getting under way in the Lake States. As the years wore on, there would be a good deal of cross-fertilization between the two areas. Frequently, the same interests were active in both regions. Many who became influential in southern organizations received their associational baptisms in the Lake States. The backgrounds and motives of associations in both areas were virtually identical. The Southern Pine Association can be traced back to several sub-regional groups of the 1880's which by the end of the decade united into a single organization representing much of the South.

The driving force behind the most direct early antecedent of the SPA was Captain J. B. White, manager of the Grandin, Missouri, plant of the Missouri Lumber & Mining Company. White was first in a line of great Missouri lumbermen who dominated the southern lumber industry and its associations well into the twentieth century. The Captain was already a leading figure when he called the first meeting of yellow pine manufacturers in June of 1883 at Poplar Bluff, Missouri. White represented the seventh generation of a lumbering family which had gradually moved westward from lumbering origins in New York and
New England. He had won the respect of his neighbors, who dubbed him "Captain," because the impressive smoke from his mill in the Missouri hills reminded them of a boat.\(^1\) White's courage and strength of character were later shown during the great East Texas-Western Louisiana Lumber War when he admonished industry members to put their houses in order and treat their men fairly.

Attendance at Poplar Bluff was mostly by lumbermen from Arkansas and Missouri, and the general consensus was that grading rules for yellow pine were urgently needed. The lumbermen were equally convinced of the need for uniform prices. White thereupon called a meeting at Little Rock which was well-attended by manufacturers from the two states. At this meeting the lumbermen formed the Missouri and Arkansas Lumber Association, with White serving as president. The first southern action toward grading lumber, however, was not taken until a meeting in Texarkana during January, 1886, attended by seventy-five operators. After two years of use, the rules were reaffirmed in 1888.\(^2\)

During the same period, East Texas and western Louisiana manufacturers began to organize trade associations through which they "exchanged production data, comparative price lists, and privately circulated lists of malcontent or undesirable workmen. The operators also cooperated on political and legislative action and agreed on

\(^{1}\)Walter B. Stevens, "John Barber White," *Missouri Historical Review*, XVII (January, 1923), 221-22.

common labor and wage policies."³ During the 1880's, ten manufacturers from the Sabine River area organized the Texas and Louisiana Lumbermen's Association, with dues based upon monthly production at a rate of fifty cents per one hundred thousand board board feet. By 1883, twenty-six mills in the Sabine area were making reports, and the association eventually expanded to cover all of Texas and Louisiana.⁴ The organization finally became known as The Texas and Louisiana Lumber Manufacturers' Association. Headquarters were in Beaumont, and R. E. Kelley served as secretary. The organization solicited reports from its members giving their monthly mill cut and stock on hand. It circulated tables showing this information, listing the mills covered, and making comparisons with the same period for the preceding year.⁵

Two of the organization's primary activities were the establishment of price lists and curtailing output during periods of overproduction. The lists were reasonably effective. A circular from the secretary in 1895 found it "pleasant to state that not a single writer attempts to explain the small demand in the old way, namely, by charging that A, B, or C had undersold the list. No charge of this nature appears in any letter, and the fact that I am able to make this statement after reading twenty-seven letters from manufacturers, each acknowledging dull business, is testimony to the loyal observance of the list. . . ."⁶


⁵There are copies of these reports and tables in the Kurth Papers, Box 2 (Forest History Collections, Stephen F. Austin State College Library, Nacogdoches, Texas).

⁶R. E. Kelley to Members, November 20, 1895, Kurth Papers, Box 2.
The association attempted to keep members in line, and they were requested to report all cases of price cutting to the secretary for investigation. Lumbermen apparently took this admonition seriously, for in June, 1897, Secretary Kelley wrote a prominent subscriber to investigate "A report . . . to the effect that since the adoption of the list of May 25th you have sold an opening order . . . at a cut of $1.00 per M on the general bill. . . ." The secretary continued that he was "disposed to think the party making the report is in error, for the manufacturers present when the list was adopted were too emphatic in their expressions to permit me to believe any one would willfully and knowingly violate the agreement." However, Kelley said he would "be pleased to hear an explanation from you that I may straighten the matter out to the satisfaction of the complainant [sic] and all others. . . ."  

The Texas and Louisiana Lumber Manufacturers' Association tried with varying success to curtail output in the industry. In these endeavors it sought to enlist the support of non-member mills. In May of 1896, Secretary Kelley reported that at a Houston meeting the manufacturers "agreed that as soon as 85 per cent of the capacity of yellow pine mills in Texas and Louisiana assent to a curtailment of output . . . the price list which went into effect on May 10, 1895, would again become effective and be adhered to . . . Bear in mind this is not an Association matter; it refers to all manufacturers of yellow pine

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7 Kelley to Members, December 12, 1895, ibid.

8 Kelley to Angelina County Lumber Company, June 25, 1897, ibid., Box 6.
lumber in the two states named." That such endeavors were not completely successful was revealed in Kelley's statement that "Millmen should not become hopeless because of comparative failures in the past to effect permanent and lasting improvement. Some good has accrued even from temporary co-operation. . . ." The Texas and Louisiana Association also attempted in 1897 to co-operate with mills and associations in Arkansas, Missouri, and Mississippi in the formation of an organization called The Yellow Pine Exchange. This body was designed to "reduce the cost of manufacture, regulate output, formulate price lists, supply statistical information and to consider more efficient means of marketing. . . ." There were to be directors from each state, a pledge of honor, and a money deposit to enforce adherence to the agreement. The Prospectus contained a "SUGGESTION: Publicity of the affairs of the exchange to be prohibited."

Mississippi producers and their neighbors in Alabama and Georgia were experiencing the same difficulties as their western and northern counterparts. In 1888, lumbermen from those three states met in Meridian and attempted to establish uniform prices. A Mississippian urged the co-operation of all lumbermen, asserting that they could prevent ruinous competition in prices, and warning that other industries were uniting to promote their interests. The Mississippi producer said he deplored a system "that allowed the ignorant customer to fix the

9Kelley to Yellow Pine Manufacturers of Texas and Louisiana, April 4, 1896, ibid., Box 2.

10Kelley to Lumber Manufacturers of Texas and Louisiana, April 29, 1896, ibid.

price of a commodity.\textsuperscript{12} Two years later, representatives of several local and sub-regional associations united to form the Southern Lumber Manufacturers' Association. This was the first truly regional southern lumber trade association, and the first direct predecessor of the Southern Pine Association.

The nucleus of the Southern Lumber Manufacturers' Association was the old Missouri and Arkansas Lumber Association organized in 1890, which had developed into the Missouri, Arkansas, and Texas Association. The organization admitted manufacturers of all kinds of lumber, although producers of yellow or southern pine dominated. Its membership came from practically the entire South except the Atlantic Coast states. Separate organizations in the Carolinas, Virginia, Georgia, and Florida were absorbed later into pan-regional organizations. Producers catering to the export market and hardwood manufacturers took little part in the association because, although "when our Association was formed the original intention was to have all kinds of woods manufactured in the South taken care of through this organization. . . that was found to be impracticable. . . ."\textsuperscript{13}

The Southern Lumber Manufacturers' Association's membership came principally from Missouri, Arkansas, and Mississippi. The first slate of officers included persons of past and future significance. Captain J. B. White was president, and N. W. McLeod of Arkansas and Mississippi's

\begin{itemize}
  \item\textsuperscript{12}Nollie Hickman, \textit{Mississippi Harvest: Lumbering in the Longleaf Pine Belt, 1840-1915} (University: The University of Mississippi Press, 1962), 199.
  \item\textsuperscript{13}G. K. Smith to Members, December 23, 1905, Kurth Papers, Box 84.
\end{itemize}
J. J. White were among six vice-presidents. The organization's first secretary was J. H. Trump of Little Rock, and one of his successors was George K. Smith, the leader of several southern pine industry trade organizations before the Southern Pine Association's formation. The Southern Lumber Manufacturers' Association immediately adopted grading rules in 1890, but the grades differed from those of the Texas and Louisiana Manufacturers' Association. Manufacturers in the two associations reached a compromise in 1899, and the Texas and Louisiana producers became affiliated with the Southern Lumber Manufacturers' Association.  

The Lumber Trade Journal praised the compromise between the two areas and joyfully noted the addition of longleaf territory with an estimated 300,000,000 feet of annual capacity. It stated that the main tasks then confronting the organization were "attainment of uniform grading all over the South, and the establishment of a statistical department which shall be complete and accurate." This was a euphemism meaning the association should gather accurate materials upon which comprehensive price-fixing and curtailment agreements could be established. In truth, the association began cranking out price lists and suggestions at the time of its organization. From headquarters in St. Louis, under the watchful eyes of the corporate heads of powerful companies in the southern industry, an estimated fifty-two price lists

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14 A. S. Boisfontaine, "The Southern Pine Association in Retrospect; Seventeen Years of Trail Blazing in the Trade Association Field," SL, CLXIV (December, 1931), 109; Boyd, "Fifty Years," SL, CXLIV (December, 1931), 64-65; Collier, The First Fifty Years, 36; Hickman, Mississippi Harvest, 199-200.

15 Boyd, "Fifty Years," SL, CXLIV (December, 1931), 65.
were issued from 1890 until 1905. Efforts to control prices and regulate production were continuous. During 1896, for example, there were frequent meetings and notices concerning these matters. In the last half of the year, members were told there would be meetings at which "the question of horizontal curtailment of output will be presented," and that "an effort will be made to arrange for curtailment of output for the next six months."

Attempts to influence the market were not limited to subscribers. The association appealed to non-members for information concerning their output and stocks in order to make its statistics more reliable. In 1898, its "Committee on Organization, Yellow Pine Manufacturers," headed by the ubiquitous Captain J. B. White and George K. Smith, attempted to draw up an agreement with white pine manufacturers. They would have selected a sufficient number of inspectors to visit all mills in the association, bringing their grades to a rigidly enforced uniform

16Hickman, Mississippi Harvest, 200.

17George K. Smith to Manufacturers of Yellow Pine, July 25, 1896, Kurth Papers, Box 4; Smith to Manufacturers, August 1, 1896, ibid. A circular from Smith calling for a special meeting in Memphis on November 18, 1896, advised that there would be "The Submission . . . of various plans for regulation of output, and betterment of prices." ibid.

18Smith to Manufacturers of Yellow Pine, June 29, 1901, ibid., Box 35.

19George K. Smith left his position with the Southern Lumber Manufacturers' Association at the end of February, 1897, and became associated with the Holladay-Klots Land & Lumber Company. He was succeeded as secretary of the association by F. McCullam. Smith remained amenable to the wishes of the large southern pine interests, and White said that he wished to "congratulate the Southern lumbermen in our having secured the services of Mr. [sic] Geo. K. Smith in the preliminary work of completing an organization." Smith had "kindly consented to attend to the necessary correspondence. . . ." J. B. White to Yellow Pine Lumbermen, November 18, 1898, Kurth Papers, Box 12. Smith again became secretary of the association in 1898.
standard. They also wanted to "choose a Price List Committee . . . who shall have authority to change the prices from time to time, as seems best to them, said prices to be just and reasonable and to be strictly adhered to by every member of this Association." The tentative agreement, formulated at a yellow pine manufacturers' meeting in St. Louis on November 16, 1898, ended with the admonition that "this is to be known as . . . a 'gentleman's agreement,' the only penalty being the violation of one's honor . . . in case of a violation the Manager is expected to notify each member of the Association, giving the name of the party violating said agreement, that they may know he is unworthy the trust bestowed upon him, and that he does not possess the moral principle necessary to entitle him to belong to an agreement where gentlemanly qualities are involved."

Captain J. B. White said the agreement would bring "the beginning of a new era in the prosperity of the Yellow Pine Industry . . . it establishes a bond between ourselves, and a closer affiliation and friendship with the Association of White Pine Manufacturers of the North." Early in 1899, "41 firms among the larger manufacturers" signed an agreement which said they would "agree to maintain the prices of the Jan. 17th 1899 list and permit no sales to be made by us on account of the company we represent, at less than the said prices from and after Jan. 27th, 1899, until we have given ten days notice in writing to all the parties hereto."

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20 "Agreement Formulated At Meeting Of Yellow Pine Manufacturers Held November 16, 1898, At St. Louis, Mo.," ibid.

21 J. B. White to Yellow Pine Manufacturers, November 18, 1898, ibid., Box 12.

22 Unaddressed form letter from N. W. McLeod, January 30, 1899, ibid., Box 18.
Association efforts to regulate production and prices led it to work for the establishment of a Yellow Pine Clearing House Association to "report the movement of Yellow Pine into consumption each week, and give to all its members an adequate idea of the volume of business, and its relation to the producing and consuming capacity."\(^2\)

The association's emphasis upon prices and production was evident during its entire existence. During its formative period in the early 1890's, the SLMA urged members to curtail production and adhere closely to the price list promulgated by its Committee on Values. As late as June, 1904, near the end of its existence under the Southern Lumber Manufacturers' Association name, it held an extraordinary meeting. Some seventy to eighty per cent of the southern pine manufacturers in Mississippi, Arkansas, Louisiana, and Texas, with a combined production of almost three billion board feet, agreed to reduce output by one-third of normal production for a two-months' period. This was to be accomplished through eliminating night operations, shortening the work week, or reducing the working day. These drastic measures were undertaken to fight over-production and decreased demand brought about by steadily rising prices which prompted owners to over-expand their mill capacities. The measures were credited with drastically curtailing production. R. A. Long, a dominant figure in the industry, said they had arrested the downward price spiral and started a trend toward increasing values.

\(^2\)Unaddressed circular from J. J. White, President, and George K. Smith, Secretary, The Southern Lumber Manufacturers' Association, November 9, 1896, *ibid.*, Box 4. Box 7 of the Kurth Papers contains other scattered material on the clearing house.

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However, the turnaround probably was primarily due to increased construction in major cities and a rising price level in the overseas market rather than to production curtailment. The public blamed generally rising lumber prices from 1899 to 1906 on trade associations rather than general economic conditions. As a result, in 1906 the Southern Lumber Manufacturers' Association faced possible investigation and prosecution for issuing price lists and engaging in other questionable activities. On attorneys' advice, the association replaced its price list committee with a new Market Committee, and this organization was in turn abolished in October, 1906. From then on, Secretary George K. Smith issued periodic market reports based upon data supplied by some sixty correspondents.

Despite its preoccupation with statistics and controlling prices and production, the Southern Lumber Manufacturers' Association set precedents in a wide variety of other activities. It followed the example of the Mississippi Valley Lumber Association in grade marking and moved toward the acceptance of its grading rules as industry standards. The association established a Bureau of Uniform Grades and Inspection to regulate and enforce its requirements. The Bureau employed six men, including a chief inspector and five assistants, who visited members' mills at thirty to forty-day intervals and reported on the work of the firm's graders to the management. The chief inspector was T. J. Warren who later served in the same capacity with both the Yellow Pine and Southern Pine Associations. The difficulties of effective co-operative action were evident in this field, as well as in

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price and production control. On one occasion, the association's secretary complained that an investigation into claim adjustments in the industry revealed a lack of uniformity in grading that was "deplorable." His major complaint was that the producers were "sweetening" the grades due to the "reaching out by the different manufacturers for trade in all directions . . . first one and then the other making their grades a trifle better than they formerly did."

The secretary admitted that "this brought them for the time being, some additional trade," but he said that "as the fact of making better grades became known to their competitors, they followed suit with the results that the first manufacturers went a trifle farther later on, and made his grades still better." The harassed secretary concluded that "this has been followed more or less by almost all the manufacturers . . . and the practice is still growing and will continue to grow until something is done to check this tendency of stuffing the grades. . . ."

Nevertheless, by the turn of the century the association believed its grading and inspection work was "gradually bringing the output of our members to a uniform standard. . . ." 25

The Southern Lumber Manufacturers' Association was involved in a number of other fields common to modern trade associations. It conducted advertising campaigns which were financed through monthly.

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25 J. Newton Nind to F. McCullam, undated but written in 1897, Kurth Papers, Box 7; McCullam to Angelina County Lumber Company, July 20, 1897, ibid.; McCullam to Angelina County Lumber Company, September 24, 1902, ibid., Box 42; "Call for and invitation to 13th Annual Meeting of The Southern Lumber Manufacturers' Association," ibid., Box 47.

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assessments and special subscriptions.\textsuperscript{26} It attempted to secure reduced railroad rates for its producing areas and established a "fully organized Freight Claim Bureau . . . for the purpose of handling over charge railroad claims against various Railroad companies . . . for the use of members only." Eventually, it boasted a full-fledged Rate and Claim Department.\textsuperscript{27} Indications of association interest in other areas included the creation of Committees on Weights, Insurance, Campaign of Education, and a Credit Department. At the very end of its existence under its old name, the association had a committee investigating the advisability of an export department.\textsuperscript{28} Despite these other activities, the Southern Lumber Manufacturers' Association's main emphasis continued to be upon production control and regulation of prices. Deservedly or not, many citizens blamed the SLMA and other organizations for rising lumber prices, and by the end of 1905 antitrust sentiment in parts of the South was fairly strong. Possibly because of this hostile climate of public opinion, the manufacturers decided to drop the Southern Lumber Manufacturers' Association name in favor of a new label.\textsuperscript{29} It was also true, however, that some members simply wanted to adopt a

\textsuperscript{26} "Agreement Regarding Assessment For Advertising Fund, Extract From Minutes Of Fifteenth Annual Meeting," \textit{ibid.}, Box 74; Unaddressed letter from F. McCullam, March 2, 1897, \textit{ibid.}, Box 7.

\textsuperscript{27} Circular from J. J. White and George K. Smith, November 9, 1896, \textit{ibid.}, 4; Smith to Angelina County Lumber Company, February 8, 1904, \textit{ibid.}, Box 67; "Call for and Invitation to 13th Annual Meeting of The Southern Lumber Manufacturers' Association," \textit{ibid.}, Box 47.

\textsuperscript{28} Circular from J. J. White and Geo. K. Smith, February 1, 1897, \textit{ibid.}, Box 7; "Call for and Invitation to 13th Annual Meeting of The Southern Lumber Manufacturers' Association," \textit{ibid.}, Box 47; M. R. Grant to Angelina County Lumber Company, June 28, 1897, \textit{ibid.}, Box 7; Circular from R. A. Long and Geo. K. Smith, January 11, 1906, \textit{ibid.}, Box 84.

\textsuperscript{29} Hickman, \textit{Mississippi Harvest}, 202.
name that would "indicate the fact that we represent Southern Pine and not all Southern Lumber." At its annual meeting on January 23 and 24, 1906, the association changed its name to Yellow Pine Manufacturers' Association. John L. Kaul of Birmingham, Alabama, was elected president, and George K. Smith continued as secretary. Headquarters stayed in St. Louis. The organization remained essentially the same in membership and functions. It was the immediate predecessor of the Southern Pine Association. Before turning to the activities of the Yellow Pine Manufacturers' Association, however, it would be well to examine the activities of several other organizations which operated concurrently. Together with the YPMA, they shaped the background out of which the Southern Pine Association emerged.

The organizations which existed before and concurrently with the Yellow Pine Manufacturers' Association fall into several categories. Some associations organized on a local or limited regional basis operated outside the areas of the Yellow Pine and Southern Pine Associations' main strength and early interest. They competed in fringe areas for members and over matters of local importance, such as freight rates, but nevertheless generally co-operated with the YPMA and the SPA. They were eventually absorbed into the Southern Pine Association. Other associations included local or sub-regional organizations within the main areas of strength of the Yellow Pine Manufacturers' Association and SPA, which competed head-on with the bigger groups for membership.

30 George K. Smith to All Members, December 20, 1905, Kurth Papers, Box 84.

31 Smith to All Members, January 27, 1906, ibid., Box 91; Hickman, *Mississippi Harvest*, 202.
and loyalties. These groups were frequently created by one man, or a small group who hoped to build their own empire. None of their challenges was successful. However, they cropped up periodically and occasionally proved embarrassing or annoying to the larger organizations because of their attempts to seduce members and their charges that the bigger associations were fronts for control of the entire industry by the large operators.

A third group of associations included organizations within the YPMA and SPA region which were generally organized on a local or sub-regional basis with objectives complementary to those of the larger associations. The YPMA and SPA worked closely with these bodies which dealt primarily with limited problems. Typical of these groups were mill managers' associations concerned with production and local management matters and organizations centered around specific general problems, such as transportation, advertising, or labor. It is interesting that the only really significant challenges to the hegemony of the larger general associations came from these supposedly co-operating and complementary organizations.

Organizations in the first category, those eventually absorbed into the Southern Pine Association, had their origins in the same period that spawned the direct predecessors of the SPA, and the desire to establish grading rules was largely responsible for their formation. One of the first large meetings to deal with grading standards met at Savannah, Georgia, on February 14, 1883. This gathering, which was called the Southern Lumber and Timber Convention, adopted a set of rules for grading. called the "Savannah Rules of 1883." These rules,
the first in the southern lumber industry, were first applied by the Georgia Sawmill Association, formed in May, 1889, with twenty-five members drawn from Georgia and parts of South Carolina and Florida. In 1903, the Georgia Sawmill Association became the Georgia Interstate Sawmill Association, and by 1906 its membership included about 150 mills with a combined annual production of approximately 700,000,000 board feet. On July 16 of that year, the name was changed to Georgia-Florida Sawmill Association in recognition of the fact that the membership was almost evenly divided between manufacturers from those two states. The Georgia-Florida Sawmill Association was succeeded by the Florida Longleaf Dense Pine Association, which was finally absorbed by the Southern Pine Association in 1927.\footnote{Boisfontaine, "The Southern Pine Association in Retrospect," SL, CLXIV (December, 1931), 109; Boyd, "Fifty Years," SL, CLXIV (December, 1931), 65; Collier, The First Fifty Years, 36-37; Frank A. Connolly, "Lumber Organization Activity in the Half-Century," SL, CLXIV (December, 1931), 107.}

North Carolina manufacturers were also drawn together by the need for uniform manufacturing standards, and in May, 1888, they formed the Carolina Pine Association which immediately adopted grading rules. This organization was succeeded in 1889 by the North Carolina Pine Lumber Company, and the final organization to emerge in this area was the North Carolina Pine Association, which was formed in 1897 and finally taken over by the Southern Pine Association in 1931.\footnote{United States Department of Commerce, Bureau of Corporations, Conditions in Production and Wholesale Distribution Including Wholesale Prices, Part IV of The Lumber Industry (Washington: Government Printing Office, 1914), 159; Boyd, "Fifty Years," SL, CXLIV (December, 1931), 65; Collier, The First Fifty Years, 36-37.} With the absorption of the Florida Longleaf Dense Pine Association and the...
North Carolina Pine Association by the SPA, the entire southern producing area was brought into one great regional organization.

There were numerous small associations of the second category which, although organized basically on a local level, tried on occasion to sap the strength of the larger groups. The general characteristics of these smaller bodies were exhibited by the Texas and Louisiana Saw Mill Association, which was organized on February 8, 1908, with a paid secretary and offices in Houston. This group stemmed from a meeting of "prominent mill men of East Texas" in Houston in November, 1907, which was the result of a "long felt need, among the manufacturers, of an organization which would be thoroughly representative of the saw mill interests of this section," and which could "unite forces as a unit in dealing with matters affecting the industry as a whole, especially with reference to the relations of mill men with transportation companies." The meeting established a committee to draft a constitution and by-laws, and another session was held in Beaumont on November 30, with additional recruits coming into the fold. Finally, a session was scheduled for February 8, 1908; in the meantime, a number of manufacturers from Louisiana expressed their desire to join the new organization. Invitations to the February meeting were issued to all mill men in the two states. The secretary of the association felt that "our first duty is to increase our membership list...in order that the association may represent to the fullest, the lumber industry of Louisiana and Texas."^34

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34 Oscar S. Tam to Louisiana and Texas Lumber Operators, February 17, 1908, Kurth Papers, Box 127.
The secretary's desire to extend the organization's membership was understandable, and he was quite willing for that extension to come at the expense of other organizations. In fact the Texas and Louisiana Saw Mill Association, like many other smaller groups, found it difficult to justify its existence to members belonging to the larger associations as well. In 1908, for example, a prominent Texas manufacturer in resigning from the Texas and Louisiana Association wrote that the basic reason for his withdrawal was the fact that "we feel that our membership in the Yellow Pine Manufacturers' Association is rendering us practically all of the benefits that we could secure from your Association."\textsuperscript{35}

The secretary could only reply that "it is quite true that we have not accomplished what we have set out to perform,—not all—but we have not been idle by any means and we think that with the limited support which we have been permitted to enjoy, that we have accomplished much that is of substantial benefit to our members and the lumber fraternity in general." The secretary felt that the primary gains had been made in working for favorable freight rates, and he said that "no other Association or any other individual, outside of this Association can claim any share of the credit for what has been done."\textsuperscript{36} The Texas and Louisiana Saw Mill Association's experiences were typical of those of other small organizations struggling to survive in the southern pine region.

\textsuperscript{35} Angelina County Lumber Company to Tam, June 8, 1908, \textit{ibid.}, Box 140.

\textsuperscript{36} Tam to Angelina County Lumber Company, June 12, 1908, \textit{ibid.}
The third category, co-operating specialized groups, included a number of state and sub-regional associations, such as the Mississippi Lumberman's Association, the Mississippi Pine Association, the Alabama-West Florida Association, the Southern Logging Association, and the Lumbermen's Association of Texas, which was composed of both manufacturers and retail dealers. A number of similar associations were formed periodically during the life of the Southern Pine Association and its predecessors, but perhaps the most colorful and significant of the specialized groups sprang into existence in 1906 almost simultaneously with the evolution of the SLMA into the Yellow Pine Manufacturers' Association. Its interests and activities influenced the development of both the YPMA and the Southern Pine Association.

The new organization, the Southern Lumber Operators' Association, grew out of a background of labor difficulties which were constantly to plague the southern pine industry despite frequent statements from various company and association spokesmen that theirs was and always had been a peaceful industry. The interesting thing about this protestation is that historians by and large have accepted it, and have characterized the southern lumber industry as one in which the laborers, because of their backgrounds, have been unwilling or unable to form effective labor organizations and fight abuses in the system. Unable to organize effective unions they may have been, but they have certainly attempted to correct the system's abuses, and in some cases to destroy

37 Allen, East Texas Lumber Workers, 32; Boyd, "Fifty Years," SL, CXLIV (December, 1931), 64; Hickman, Mississippi Harvest, 202.
the system itself. The Southern Lumber Operators' Association was formed to prevent just such attempts. 38 The SLOA was an employers' association in the purest and simplest meaning of the term. The only reason for its birth and continued existence was to act as a vehicle of the southern lumber operators' opposition to unionization. Unlike trade associations which develop relatively well-rounded and diverse programs, the Operators' Association never wavered from its single obsessive purpose—the elimination of organized labor in the southern lumber region.

In a sense, the SLOA and YPMA simply worked together from different approaches toward the same objective. In fact, it is quite obvious that the two organizations were closely related. Both were headquartered in St. Louis, both pulled membership from virtually the same sources, at times one man served on the paid staffs of both associations, and surviving records indicate that the two organizations

consciously worked together. The Operators' Association outlived the YPMA, and its relationship with the Southern Pine Association was not as open, but it seems clear that both groups cooperated in certain areas. The Operators' Association performed a valuable service for both of its companion organizations—it allowed them to keep their skirts relatively clean from the carnage which is often involved in labor conflicts. Therefore, they could remain effective and maintain a respectable image in the community and with the government, while their members attained their objectives in the labor field through the less-respectable Operators' Association.

To understand the tactics of both sides in the labor struggles of the southern lumber industry, it is necessary to look at the composition of the working force which toiled in Dixie's mills and camps at the turn of the century. The word "lumberjack" conjures up visions of brawny Nordic types, colorfully clad and going about dramatic duties, such as the spring log run, with a rowdy verve and flair expressed through their own picturesque language. The woods worker of the Paul Bunyon-folklore tradition was a migrant who lived by a code which frequently had little relationship to that of "established" or "respectable" society. This stereotype may have had some relevance in the northern woods and the Pacific Northwest, but it has slight applicability to the lumber workers of the South, who were "native-born Americans... born within the area of the Southern 'piney woods.'" The southern lumber workers "married girls from the pine area and their
children played in pine-tree shade. They were family men who lived
with their families.  

The settled character of its labor force was one of the out­
standing characteristics of the southern lumber industry and one in
which it differed markedly from other sections. The prevalence of
married men in the industry apparently increased as the industry
developed, and it remained in marked contrast to tendencies in the
Lake States and the West. The great majority of settled family men
undoubtedly contributed to the stability of the labor force and, of
course, to a greater reluctance to be drawn into labor disputes which
could endanger loved ones, as well as the worker himself.

The failure of the southern lumber industry to develop a home­
less migratory class was partially due to the close relationship between
agriculture and lumbering in the section. In the South lumber workers
were often small-time farmers who supplemented their earnings with
part-time labor in the woods and mills. They came out of the non­
industrial, paternalistic tradition of the "Old South," and they
cherished their supposed individualism and independence. They were
reasonably self-contented, their wants were simple, and their background
and provincialism made them easy marks for a caste of paternalistic
employers who couched their references to union activity in the now
familiar terminology of "loss of individual rights," "outside agitation,"
and threats to "property rights." The southern lumber worker, closely
tied to the land, preferring subsistence-level "independence" to

39Allen, East Texas Lumber Workers, 52.
40Jensen, Lumber and Labor, 77.
continuous routine work, and fiercely loyal to the growing mythology of the "Old South," was easy prey for such tactics.41

The settled character of the southern lumber force points up another characteristic of Dixie lumbering. Unlike the Lake States and West whose lumber industries attracted large numbers of recent American immigrants and migrants from the older lumbering areas, the southern lumber worker was usually native-born and from the very region in which he worked. As southern lands were cut over, the problems of adjustment were more difficult, because the workers were closely tied to their section by habit and emotion.42

The reluctance of migratory workers from other sections to journey south as the older regions were cut over is understandable because of the traditionally poor southern working conditions and wages. The percentage of foreign-born workers in the southern piney woods remained relatively small.43 Workers from outside who did come were usually skilled laborers and supervisory personnel who were brought in by established firms from the North as they began operations. For example, a number of Swedes were sent down from the Lake States to work in the industry of East Texas and West Louisiana.44 However, as the industry in the South matured, these men were either assimilated into

41Ibid., 77-78.
42Ibid., 21-22, 77.
43Ibid., 75.
the local society with its particular mores, or they traveled on to greener pastures and were replaced by native-grown products. Mexicans were the only other significant groups of outside workers employed in the early period of the southern industry. They worked primarily in East Texas and Louisiana during times of labor shortage. Their situation in the caste system of the lumber towns is a story in itself.

Although southern lumber workers were usually of local origin, they were divided into two major groups—Negroes and whites. As in so many other areas of southern life and history, the presence of many blacks is the one over-riding factor setting the labor situation of the southern lumber industry off from that of other areas. Many of the calculations and programs of both sides in clashes between workers and employers in the South centered around the "problem" of the Negro, a "problem" that greatly influenced the activities of the Southern Lumber Operators' Association, as well as the YPMA and its successor, the Southern Pine Association.

During the early part of the twentieth century, Negroes composed more than half of the labor force of the southern lumber industry, and they have continued to labor in the southern piney woods and mills in large numbers. The lumber industry was for years the largest employer of southern Negroes outside agriculture. The Negroes in this industry encountered the same situation which has plagued blacks throughout the United States in most occupations—whites greatly outnumbered them in most skilled jobs. However, in both woods work and mill work percentages of blacks employed varied throughout the South.45

45 Jensen, Lumber and Labor, 76.
The operators' attitudes toward Negro labor were somewhat contradictory in several ways, and again this was rather typical of the South. They professed to show concern for the welfare of Negro workers, yet maintained a rigid caste system in both their personal and business relationships. While large numbers of Negroes were employed, partially because of the industry's sheer need for workers, this also was a means of keeping labor divided. In fact, when white workers began to organize in the southern lumber industry, Negroes were used in great numbers as strikebreakers. There was always a tacit assumption on the part of the owners that Negroes, despite low pay and bad working conditions, were satisfied with their situation. This belief was maintained in many quarters despite a tendency, which was well marked by the late 1870's, for many Negroes to leave the industry and section in search for a better life across the Mason-Dixon line. The reaction to this situation was contradictory, with one lumber journal smugly stating that "there is a limit to the amount of wages that can be paid with safety to colored laborers," while at the same time it was bemoaning the "great scarcity of labor impending." The question of retaining or replacing the Negro worker remained a major problem in the southern lumber industry well into the middle of the twentieth century.

Yet, despite the white laborers' racial prejudices and the employers' attempts to use this to their advantage, southern lumber

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47 Allen, East Texas Lumber Workers, 54-55.
workers, black and white, found they had much in common. In many cases, both worked under intolerable conditions, both were trapped in a web of paternalism, and both could not help seeing the abuses linking them together as brother sufferers in kind, if not in degree. Out of this realization came attempts to work together. It is difficult to judge how successful they were. In some instances, there seems to have been a genuine meeting of minds on both sides with color pushed purposely into the background in the interest of labor solidarity. In others, the co-operation was only perfunctory, a mere marriage of convenience, which was easily broken. Although some remarkable things were done on an inter-racial basis, the employers often triumphed in labor negotiations partially by capitalizing on the racial theme. Yet, the fact remains that abuses in the southern labor situation did at times and with some success drive whites and blacks together into joint efforts to eliminate the worst features of their occupational lives.

When one attempts to draw a picture of the condition of the workers in the southern lumber industry during the latter part of the nineteenth or early twentieth centuries, he is faced with an incredibly complex situation which cannot be completely described. The fact that many of the published and unpublished sources are motivated by the desire to justify pro- or anti-labor positions, rather than to describe accurately the complete situation, makes it even more difficult to present a balanced or impartial picture. Part of the difficulty rests in the great size and diversity of the industry. Conditions were roughly similar throughout the industry, yet the operations and situation of
one company could vary greatly from these of another and still be rather typical of the southern industry as a whole. That there were abuses in the system is beyond dispute—one can go down pages of specific institutions and conditions which reflect no credit on the industry.

Central to the life of the worker himself were the environment and conditions of the sawmill town. Southern lumber mills were built around established towns in the early days of the industry, but as timber sources were tapped farther and farther away from the older settlements companies found it necessary to establish new communities and camps. By the early part of the twentieth century the familiar company town was firmly established in the southern timber regions. It is difficult to find a completely unbiased portrayal of the conditions in southern company lumber towns. And it should be remembered that, even after the lumber towns were established, they were not the only places of domicile for lumber workers. Many companies continued to operate in older communities which were theoretically open or self-governing. It is only fair to say, however, that even in the older communities the lumber companies wielded an inordinate amount of economic, social, and political power because of their obvious financial importance to the community and area. The amount of responsibility and restraint with which this power was handled varied widely from company to company.

48 There is a question as to whether the available records which have been studied are those of typical or atypical companies and situations. This problem is typical of nearly all historical research.
Most contemporary and later descriptions of company towns in the piney woods are in substantial agreement. There were usually separate quarters for the various racial or national groups with the quality of facilities varying greatly. In most towns the divisions were simply between whites and Negroes with a separate quarter for each, but there are records of towns with separate sections for whites, Negroes, Mexicans, and other national groups. The settlements were usually laid out in grid-like patterns with the Negro section or quarter in the least desirable location. The towns' services were typical of most small communities of the period, and in fact in many cases the company towns had recreational and service facilities superior to those of their independent neighbors. Descriptions tell of schools, hotels, churches, and occasionally even community swimming pools provided by the company. Virtually all of the businesses were company-related either through franchise or outright ownership, and it was in this area that many of the abuses were centered.49

The daily business of company town residents centered around the commissary, which supplied practically all of their physical needs. Generally either run directly by the company or leased and operated by outside professionals, the commissary can best be compared to a modern multi-purpose department store selling everything from grocery products to wedding dresses. The famous description of Pullman, Illinois, could have applied to the southern sawmill towns without much modification,

but in the piney woods the cradles and coffins in which the workers spent their first and last days would in all likelihood have been purchased in the company commissary, probably with company script or merchandise checks.

One writer has rather blithely described the benefits of life in the company sawmill town by listing among other things "the privilege of buying at the company commissary." It is probably true that the commissaries, because of the financial strength of the lumber companies, carried a line of products equal or superior in variety and quality to anything found in privately-owned stores in the same area, but there is some question as to whether or not the goods were sold at competitive prices. Here they were apparently wide differences between firms. All lumber firms tried to make money on their commissaries. Although not all succeeded, out of the effort to make the stores profitable came some of the worst abuses of these establishments. Some companies ran "closed" towns; that is, they enforced their privilege of supplying all of the needs of the community. The citizens were all mill-employed, and they were not allowed to make purchases in non-company establishments in other communities. Private businesses were not allowed to operate in the company town.

50Stokes, "Lumbering in Southwest Louisiana," 42.

Prices are not the only criterion in judging the effect of the company stores, however, for the use of company scrip and merchandise checks was an integral part of the company town-commissary system. It was tied into the equally important matter of the companies' policies in paying their workers. During this period, it was common for lumber companies to be extremely irregular in paying their laborers and to operate on a system of inordinately long pay periods. In order to enable the workers to live between pay checks, the companies issued either company scrip or merchandise checks which were accepted at face value for the purchase of goods at the company store. These media of exchange could be turned in for cash at the local bank or the commissary, but only at a tremendous discount from the face value. Some companies allowed their employees to draw scrip or merchandise checks in excess of their actual salaries, thus tying them to the company by their financial obligations. The worker's liability for these debts was enforced by the county, and even state, legal authorities.52

The companies not infrequently exerted a considerable influence over law enforcement and other public officials. In some cases company officials virtually dictated the selection and decisions of government officials. During the period in which the Southern Lumber Operators' Association and the YPMA were functioning, the southern lumber industry was repeatedly wracked by sometimes substantiated reports of peonage, the employment of convict labor obtained in rather questionable ways,

52 For discussions of the use of scrip, merchandise checks, and other substitutes for money and accounts of company payment practices see Allen, East Texas Lumber Workers, 146-49; Creel, "The Feudal Towns of Texas," HW, LX (January 23, 1915) 76-77; Hickman, Mississippi Harvest, 252; and Jensen, Lumber and Labor, 79-80.
and the use of child labor with the assistance of local officials. There is no question but that the collusion which in some instances existed between the lumber companies and government officials fostered and nourished some of the most glaring abuses in the southern labor situation during the early years of the twentieth century.\footnote{53}

Other charges of improper, or even criminal, practices in the operation of their towns and mills were leveled against southern lumber companies in the late nineteenth and early twentieth centuries. These charges were valid in some cases, if not in all. They included the furnishing of substandard housing; the deliberate cultivation of drug addiction, through selling narcotics at commissaries, as a means of labor control; the collection of excessive compulsory medical deductions for which inadequate medical service was given; inadequate safety precautions in the woods and mills; the supplying of "company women" to keep the men from straying; and use of the blacklist, yellow dog contract, and ironclad oath. All of these plus other abuses too numerous to mention contributed to the restlessness of the piney woods workers in the early twentieth century.\footnote{54}

\footnote{53}Allen, \textit{East Texas Lumber Workers}, 162-64; Richard Barry, \textit{"Slavery in the South To-Day," Cosmopolitan Magazine}, XLII (March, 1907), 481-91; Lillard, \textit{Great Forest}, 280; McWhiney, \"Socialist Vote In Louisiana,\" 36-37; Mary Church Terrell, \textit{"Peonage in the United States," Nineteenth Century And After}, LXII (August, 1907), 306-22. There are numerous child labor permits in Box 505 of the Kurth Papers.

Out of the generally poor economic conditions in the southern lumber industry during the early twentieth century emerged labor strife which culminated in the "Louisiana-Texas Lumber War" of 1911-12. The industry suffered from over-production and great price fluctuations, and the usual manufacturer's response was to reduce his hours of operation, thus reducing labor costs. Employee unrest because of these tactics and generally poor laboring conditions erupted into spontaneous outbreaks which were leaderless and easily overcome. In 1906 and 1907, there were uprisings in the piney woods of western Louisiana and East Texas, especially among workers in the mills of the powerful Long-Bell firm of Kansas City. Although easily subdued, they may be credited with giving birth to the organizations of the lumber war.

The strikes of 1906 and 1907 centered in the Lake Charles, Louisiana, area during a time of general depression in the lumber industry. A typical reaction was expressed by a manufacturer not directly in the "infected" area: "We have let practically all our men go, and reduced salaries on those that will stay. You should congratulate yourself . . . that you are not in the manufacturing business at this time. If you were, you would be walking the floor like the rest of us." The employers' actions in dealing with the situation were the usual ones, but in this case the workers responded by walking out en masse. Their action was unexpected, unorganized, and spontaneous, but no lasting labor organization resulted. A few

55For early clashes in the southern lumber industry see Jensen, Lumber and Labor, 86-87.

American Federation of Labor agents established craft unions in the area, but these soon died, and the workers were eventually called back to work through promises that their old wages and hours would be restored as soon as conditions warranted. However, the episode had important ramifications, for while the workers were in effect forced to return on the operators' terms, those in the area around DeRidder, Louisiana, exhibited an extreme reluctance to do so and in fact held out for several weeks after work was resumed elsewhere. Although it did not come at this time, successful union organizing activity in the piney woods stemmed directly from the animosity and strife of 1906 and 1907. When a union was finally organized, its greatest area of strength was in this same DeRidder area.

The labor disorders of 1906 and 1907 also gave birth to the organization which most vigorously fought unionization of the industry during the early part of the twentieth century. This organization, the Southern Lumber Operator's Association, was formed in September, 1906, with headquarters in St. Louis, Missouri, the home of the Yellow Pine Manufacturers' Association. The leading force in the SLOA's formation was C. B. Sweet, vice-president of the Long-Bell Lumber Company whose operations, centering around DeRidder, as noted above, were

57 Hall, "Labor Struggles in the Deep South," 129-30; McWhiney, "Socialist Vote In Louisiana," 40; Todes, Labor And Lumber, 171.

considered hotbeds of labor unrest. C. D. Johnson of the Frost-Johnson Lumber Company was president and George K. Smith, secretary of the YPMA, served as treasurer.

The Operator's Association concentrated upon a single goal, "to resist any encroachment of organized labor." By the time of the "Louisiana-Texas Lumber War" in 1911-1912, it had grown to include eighty-seven companies with mills in Arkansas, Texas, Louisiana, Alabama, Oklahoma, Florida, and Mississippi. There was a complete hierarchy of administrative officers, including a board of directors, an executive committee, and eleven district governing boards which were to deal with local and regional emergencies. Article 24 of the constitution provided for a "Benefit Trust Fund," to which member mills contributed through a percentage assessment of their total production for the relief of plant owners whose facilities were closed because of labor difficulties. As a guarantee that all assessments would be paid, the constitution specified that the firms should sign a promissary note, leaving the date blank, and send it to the association's offices. Members could be dismissed for only two reasons—nonpayment of assessments and failure to follow policies dictated by the association directors. Despite the chronic inability of lumbermen to work together in co-operative enterprises, in the most heated period of labor strife during the lumber war only one member was expelled because of failure to observe the requirements of membership.\(^\text{59}\)

\(^{59}\)The material on the origins and early period of the Operator's Association is taken from scattered materials in the Kurth Papers, Box 102, and from a paper by Professor George T. Morgan of the University of Houston, entitled "No Compromise—No Recognition: John Henry Kirby, the Southern Lumber Operators' Association, and Unionism in the Piney Woods, 1906-1916," which was first presented at the spring, 1967,
Despite the important role of C. B. Sweet in organizing the association, there is no question that as it developed the leading figure became the "Prince of the Pines," John Henry Kirby of the Kirby Lumber Company in Houston. Kirby had long avoided direct involvement in association or co-operative work, and in fact during the latter part of 1906, he was listed by the treasurer of the Operators' Association among the "manufacturers in Texas who have not yet joined us. . .".  

Kirby was one of those men who can best be described as larger than life with all of the eccentricities and abilities that combine to make an imposing personality. He was a man of great strengths, weaknesses, and contradictions, who in many cases seems to have been able to dominate proceedings in the industry and elsewhere through sheer physical presence and magnetism. Known among his colleagues as a great orator, he carried a copy of the United States Constitution in his coat pocket and would whip it out and expound upon it at great length with little or no encouragement. Physically, he was cast in the stereotype of an old southern politician—large, ruddy-faced, "a magnificent looking Texan" who "wore the frock coat" and spoke in a "very resonant voice."  

Kirby accomplished his rise to eminence in true Horatio Alger fashion. His later activities reflected Kirby's humble origins and meeting of the Southwestern Social Science Association in Dallas, and which will appear in a shorter form in Labor History. Several authors cite the formation of the Operator's Association in 1907, but materials in the Kurth Papers show conclusively that it was organized in 1906.  

60 Geo. K. Smith to Angelina Co. Lumber Co., November 3, 1906, Kurth Papers, Box 102. Kirby's firm was included on an enclosed list.  

his belief that he had risen to the top through sheer individual effort under the beneficent eye of the Almighty. Kirby was born near the obscure settlement of Peachtree Village in the East Texas piney woods into a family with old southern antecedents. His father, a Civil War veteran, moved to Peachtree Village from Mississippi, and the future lumber baron's family included five sisters and one brother. His birthplace was a one-room house on Caney Creek hewn out of pine logs—an appropriate beginning for a future American industrial leader and would-be politician.

Kirby's rise was accomplished through hard work and a sizable amount of foresight and luck. During his childhood there was economic deprivation in the entire East Texas piney woods. Kirby's formal education was necessarily somewhat scanty. He attended a school in Peachtree Village, after which he enrolled for one term at Southwestern University at Georgetown, Texas. He then wrangled a job as clerk of the Texas state legislature. In this post, Kirby became acquainted with a prominent Woodville, Texas, attorney who was then serving in the Texas Senate. The young man became the Senator's secretary, studied law in his office, and finally began to practice in Woodville.

As an attorney, Kirby handled a matter involving disputed lands in East Texas for an eastern client. Through him he formed an attachment with a group of Boston capitalists who became interested in investments in East Texas timber, and with the financial backing of these eastern interests had by 1890 made a sizable personal fortune. In Houston, Kirby's activities expanded to include the construction of a railroad north from Beaumont to tap the timber of East Texas; the
construction of his first mill at the town of Silsbee (named after one of his original Boston compatriots); and finally, the organization in 1901 of the Kirby Lumber Corporation and the Houston Oil Company. The two corporations, which were capitalized at $10,000,000 and $30,000,000 respectively, eventually controlled thirteen sawmills and about ten billion feet of timber in East Texas. In the process of its development, his empire became involved with the Santa Fe Railroad which supplied capital to Kirby on numerous occasions.  

Kirby's rise to fame and financial power was accompanied by a corresponding rise in his living standard. He eventually built a Houston mansion with an indoor swimming pool "surrounded by glass chandeliers in myriad colors and fanciful forms." He remained proud of his frontier background, however, and would invite his guests to use the pool with the words "Let's go a-washing!" Kirby's worship at the altar of his own past was reflected in efforts to cast himself in the guise of "pal" to his workers. Kirby, in fact, did a number

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62 The material on John Henry Kirby is based on several sources, including an undated pamphlet entitled "A brief story of the life of John Henry Kirby" by Jack Dionne which is in the author's possession; John O. King, "The Early History Of The Houston Oil Company Of Texas, 1901-1908," Texas Gulf Coast Historical Association Publications, III (April, 1959), 5-7; Mary Lasswell, John Henry Kirby, Prince of the Pines (Austin: The Encino Press, 1967); and Morgan, "No Compromise-No Recognition." There are brief descriptions of Kirby's rise and activities scattered throughout numerous other publications. The Lasswell biography purports to be a scholarly work but is not, although it does include some interesting personal detail which is drawn from sources which will probably not be available to other writers. The first comprehensive biography of Kirby is being written by Professor George T. Morgan of the University of Houston. The Kurth Papers also contain a considerable amount of material involving Kirby which shows the close personal and financial relationships between the various magnates of the southern lumber industry.

63 Lasswell, Kirby, 5.
of things which were well-suited to demonstrate friendship and concern for his workers, although within a decidedly paternalistic context. He pioneered in reducing the hours of labor at his mills from ten to eight a day without decreasing wages; he became famous in East Texas for putting countless children through college; he provided Christmas dinners, toys, and Bibles for the residents of his mill towns; and he went so far as to introduce a bill in the Texas legislature in 1912 which would have prohibited a worker from assigning his wages without his employer's consent. There is no reason to believe that Kirby's actions were prompted by ulterior motives, and they were taken voluntarily. John Henry Kirby would take care of his "pals" in his own paternalistic fashion, but no one was going to tell him how to run his self-made empire, and particularly not the government or a union.64

The "Prince of the Pines" shared the feelings of the operator who stated, "I like my men but will never submit to have any Committee or anybody else dictate how long my mill should run or what wages I shall pay," but he was concerned with more than wages and hours in his opposition to unions.65 Kirby was firmly dedicated to the free enterprise system and private property, and he was adamant in his opposition to big government, "one-worldism," anarchism, socialism, communism, and other "radical" ideologies which he defined according to his own predilections. Kirby's leadership in the fight against the unions was

64Allen, East Texas Lumber Workers, 180-82; Collier, The First Fifty Years, 129-33; Morgan, "No Compromise-No Recognition," 4-5.
65Jensen, Lumber and Labor, 62.
couched in these terms, and thus from the start, the Southern Lumber Operator's Association tried to associate the workers' cause with "foreign" and "radical" doctrines.66

In the immediate aftermath of the 1906-1907 outbreaks, however, Kirby was not openly associated with the Operator's Association, and despite an undercurrent of discontent, the workers flocked back to the mills and camps of East Texas and Louisiana. The Operators' Association, complacent in victory, fell into somnolence. It was not until three years later that labor troubles erupted again.

The lumber workers needed only a stimulus to bring them into revolt. Rather than one, they got two—another downturn in economic conditions which prompted the now-familiar response of shutdowns and wage reductions, and new leadership. The men who emerged to lead the embattled timber workers were Arthur L. Emerson and his assistant, Jay Smith. Both were natives of the South, although they were termed "outside agitators," by the operators. Emerson was a Tennessean who had drifted into the lumber industry working as a lumberjack, saw-mill hand, and mill-wright in the South and on the Pacific Coast. During two trips to the western timber districts, he had worked with the lumber workers of those regions and had seen "the discrepancy in wages between the Pacific Coast and the Gulf States," and "learned the need of organization."67

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66 Kirby's feelings on these matters are scattered widely throughout his correspondence and speeches. His foundations were simply upon the United States Constitution and the Holy Bible, again interpreted according to his own particular interests.

67 Haywood, "Timber Workers and Timber Wolves," ISR, XIII (August, 1912), 107. Smith had worked as a sawyer in Texas, Louisiana, Arkansas, and on the Pacific Coast. J. H. Kirby to Edward P. Ripley, August 8,
Emerson was a saint to the workers and a virtual anti-Christ to Kirby and his cohorts. He had frequently been in trouble with the law in the southern timber regions, according to Emerson because of a "relentless program of harassment designed to halt his organizing efforts . . . conceived by the lumbermen in collusion with local law enforcement officials." Whatever the circumstances of his past difficulties with the law, there is no doubt that Kirby on one occasion prodded the authorities in a small East Texas town to re-open an old case against Emerson as a means of harassing him. Kirby described Emerson as a common criminal who had been discharged from employment with the Gulf Lumber Company at Fullerton, Louisiana, for "stealing blankets from the boarding house." According to Kirby, his nemesis was "a student of socialism and a man of more or less mental attainments and thoroughly unscrupulous." Smith he dismissed as "a socialist and . . . by nature a criminal."  

Emerson's return to the South was inspired by his observations in other regions. He immediately began to scheme and work toward fomenting a great uprising of the southern timber workers, regardless of race, against the great barons of the piney woods. He worked

1911, John Henry Kirby Papers, Box 221 (University of Houston Library, Houston, Texas). Hereinafter cited as Kirby Papers.

68 Morgan, "No Compromise—No Recognition," 7.

69 C. H. Cain to John Henry Kirby, August 17, 1911, Kirby Papers, Box 221; A. L. Reaves to Kirby, August 27, 1911, ibid.

70 Kirby to American Lumberman, August 8, 1911, ibid.

71 Kirby to Edward P. Ripley, August 8, 1911, ibid.
undercover at Fullerton, Louisiana, among the laborers of the Gulf Lumber Company, testing and polling them about their willingness to support a union. Subsequently, in conjunction with Jay Smith who had joined him at Fullerton, Emerson formed his first local at Carson, in western Louisiana, on December 3, 1910. The movement spread to other locations, and in June, 1911, delegates from several fledgling locals assembled in Alexandria, Louisiana, to unite in the Brotherhood of Timber Workers which adopted a constitution and selected Emerson as its first president.\textsuperscript{72}

The Brotherhood's constitution stressed specific abuses condoned or encouraged by employers. They included high rents for company-owned houses, long hours, high commissary prices, unfair insurance systems, hospital dues, and compulsory doctors' fees. These were only some of the abuses, as has been shown, and there is no question that they existed. The preamble of the constitution was written in flowery, idealistic language, saying, "it is our aim to elevate those who labor—morally, socially, intellectually, and financially. . . ." The constitution referred to the rights of the employers, promising them "an absolutely square deal," and pledging that the workers were willing "to meet and counsel with those who employ us. . . ." However, the Brotherhood demanded "Recognition, Equal Rights, A Living Wage, A just consideration of abuses, [and] Exact and equal justice to those who work with their hands. . . ." The mill owners termed the union program

\textsuperscript{72}McCord, "History Of The Brotherhood Of Timberworkers," 17-18; Morgan, "No Compromise-No Recognition," 8.
"socialistic," "anarchistic," and "terroristic," and adamantly refused to yield a single point.73

The first year of Brotherhood activity provoked an immediate response from the mill owners both through the SLOA and individually. Early in April, 1911, the board of governors of the Operators' Association prepared a standard yellow dog contract to prevent unionization. In Houston, John Henry Kirby checked with his lawyers to see if his company could legally cooperate with the association (which he described as a "voluntary association . . . for mutual protection") and if he could lawfully use the proposed yellow dog contract. He reported to his attorneys that the Operators' Association had met in New Orleans on March 31 to fight efforts to organize sawmill operatives into labor unions. Kirby said that "In the view of the owners such efforts, if successful, will be absolutely destructive of the industry."74 Employing the yellow dog contract, the mill men individually began to require all employees to declare that they would not join the Brotherhood of Timber Workers. As a result there were several strikes and a number of mills had to close down. In May, the operators began the "lumber war" by deciding that they would force the Brotherhood to the wall

73 Morgan, "No Compromise-No Recognition," 3-4.

74 Southern Lumber Operator's Association to "Those Interested," April 6, 1911, Kirby Papers, Box 221; John Henry Kirby to Messrs. Andrews, Ball, & Streetman, April 8, 1911, ibid.; McCord, "History Of The Brotherhood Of Timberworkers," 31-32. Kirby was quite concerned about the legality of SLOA endeavors, and this may explain his early reluctance to participate openly in such activities. According to H. C. Berckes, "everybody had their doubts about Texas law affecting trade associations and combinations. It was a little different than the other states had. . . ." Interview with H. C. Berckes, January 25, 1968.
through cutting operations to four days per week. However, the union and its members were not intimidated, and the struggle began in earnest in June and July, when the operators held secret sessions and planned strategy to combat the unexpected resistance of the workers.\(^75\)

A secret meeting of the SLOA in New Orleans on July 19 was attended by about 150 lumbermen from Texas, Louisiana, and Arkansas. Although the president of the organization was C. D. Johnson of the Frost-Johnson lumber interests, the session was dominated by John Henry Kirby. At Kirby's dictation, the association ordered eleven mills in the DeRidder, Louisiana, area to close immediately, in effect locking out some 3,000 employees. The association was further empowered to shut down any of some 300 mills in the three states represented at the meeting if conditions warranted, and during the next seven months union men were excluded from all mills within the SLOA's jurisdiction.\(^76\) At the conclusion of its New Orleans meetings, the association issued a press release stating that "the lumber manufacturers are all determined that this apparently anarchistic organization [BTW] must not get any further both for the good of the lumber industry and for the good of the mill employees themselves."\(^77\)

All, however, was not harmonious within the operators' camp. C. B. Sweet informed his fellows that the Long-Bell mills would not

\(^75\)Jensen, *Lumber and Labor*, 87-88; McWhiney, "Socialist Vote In Louisiana," 42-43.

\(^76\)McCord, "History Of The Brotherhood Of Timberworkers," 32-33; Morgan, "No Compromise—No Recognition," 5. According to Jensen the operators in Mississippi refused to close their mills because "they were having no trouble and saw no reason why they should take such drastic action." Jensen, *Lumber and Labor*, 87-88.

\(^77\)McCord, "History Of The Brotherhood Of Timberworkers," 33.
close down, because he felt that the company's men were loyal, and that while he would defend the "mutual interests of the fraternity," his company would resign from the association rather than follow an unwise order. Sweet's attitude encouraged others to resist the shutdown, and Charles S. Keith of the Central Coal & Coke Company of Kansas City recommended that the order be rescinded. Kirby, however, stood his ground, and with the support of Marc. L. Fleishel of the Gulf Lumber Company, Samuel J. Carpenter of the Frost-Johnson Lumber Company, and J. M. West of the American Lumber Company, attempted to persuade Sweet to alter his position and warned Keith that Sweet's attitude could destroy the entire industry. In a final desperate attempt to form a united front, a conference was arranged in Sweet's offices in Kansas City on July 27. The meeting resulted in an agreement that members would determine the union status of their employees, and "infected" mills would then be closed down beginning on August 7. It was agreed that employees would be forced to sign a form of yellow dog contract or be dismissed.

The operators were not able to maintain a completely solid front. On August 7, the very day that the new lockout was to begin, one of the "infected" mills, that of the American Lumber Company at Merryville in western Louisiana, re-opened under a contract with the Brotherhood of Timber Workers. The agreement was made at the order of Sam Park, a part-owner, over the objections of his partner, J. M. West. Kirby quickly called a meeting in Beaumont to question Park. Feeling that

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79 Ibid., 5-7.
Park "had betrayed us," in retaliation, said Kirby, "we forced him out and closed the door in his face." However, defections were rare. On August 8 Kirby reported to C. B. Sweet that "aside from the action of Mr. Park, I have not heard of a disposition any where to refuse co-operation with us except from the Sabine Tram Company and Lutcher & Moore."  

The union's relatively strong showing during the summer of 1911 brought Sweet and the Long-Bell Company into line. After learning that a majority of his company's men had refused to sign non-union pledges, the Long-Bell leader came into the fight with a vengeance, dismissing union members and pressuring the local newspaper in DeRidder to alter its formerly pro-union stance. Kirby also picked up support from the president of the Atchison, Topeka and Santa Fe Railway System which had close financial ties with his own empire and a great interest in the affected area. The railroad leader said the union should be discouraged "in the interest of good citizenship." Although a shutdown of the mills "would be a serious matter to this company in loss of earnings," declared the president, the Santa Fe would co-operate, and "as to the particular relations of your company to ours- my voice would be in favor of granting all possible and reasonable assistance to you in the struggle."  

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80 Ibid., 8.  
81 John Henry Kirby to C. B. Sweet, August 8, 1911, Kirby Papers, Box 221. Even in the case of both of these companies there was great opposition to unions, and their refusal to join the operators did not in any way indicate a receptiveness to organized labor in their plants.  
82 Morgan, "No Compromise-No Recognition," 8-9.  
83 E. T. Ripley to John Henry Kirby, August 10, 1911, Kirby Papers, Box 221.
The union threat also prompted a re-organization of the Operators' Association itself, and a refinement and systematization of its techniques. The headquarters were moved from New Orleans to Alexandria, Louisiana, which was more centrally located, and the part-time director, Oliver O. Bright, was replaced by M. L. Alexander, who served as the full-time executive secretary. George T. Smith continued to serve as treasurer from his position in St. Louis as secretary of the YPMA. By September, the Operators' Association was doing business from an office in Alexandria and work was underway to establish a "clearing house for saw mill labor." The president of the association requested members to submit full reports on their labor to the Alexandria office, which soon had a complete file on approximately 25,000 workers. Individual owners also began to employ Burns and Pinkerton detectives, who submitted reports to the association's membership through their particular employers, and the association itself began to augment its investigative forces. Detectives found it easy to infiltrate the ranks of the Brotherhood, and some even succeeded in rising to high office. By late September, Alexander had a complete listing of the union's membership and the financial situation of each member.

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84 Oliver O. Bright was later employed by the Southern Pine Association.

85 S. J. Carpenter to John Henry Kirby, September 5, 1911, Kirby Papers, Box 221; Morgan, "No Compromise—No Recognition," 9–10. Box 222 of the Kirby Papers contains a blacklist of the workers of the American Lumber Company at Merryville, Louisiana, breaking them down individually by name, race, and capacity employed; and containing descriptive remarks such as "union," non-union," "presumably union," "union—no good," etc.

The Operators' Association seemed particularly concerned about the fact that the union was making a special appeal to Negroes, "claiming that it is the only order ever organized in the South that looks especially after the Negroes and their families and gives them equality with the white wage earners on an industrial basis. This creates a complicated condition and one that is hard to combat..." Kirby corresponded with a Negro school principal in East Texas, who reported,

I am on the ground and I am fighting the L. workers society.... You may rest quite sure that they will not organize the Col'd people at this place while I am here.... I will stomp this country against any white gang in the Co. that attempts to organize any Nigro [sic] Lumber men.... I Mr. Kirby know thier [sic] object in wanting the Nigro [sic]. They have an axe to grind & want him to turn the stone. Well they are mistaken for once. They call me your mouth piece & hinch [sic] man. They have threaten [sic] to take me away, at night I am not a whit afraid of that poor white trash.

The schoolman concluded with a report that "I think there is a move on foot to dismiss us for some other Nigro [sic]. Please write to any number of this school B'd and ask them to give up a hearing.... I am sure that it is just the simple whims of a few contintious [sic] Nigros [sic] because they can not lead me around like I was a horse." Kirby responded,

The promoters of that Brotherhood have no concern about our colored citizenship except insofar as they can use the negroes for their personal advantage.... I have been informed and I believe that it is true that what Mr. Emerson and his cohorts seek to do is to get the negroes into this Brotherhood so that they can have their money in establishing the organization and that if they succeed in establishing the organization and getting control of the mills they intend to drive every colored man off the job and supply his place

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87M. L. Alexander to All Members, December 30, 1911, Kirby Papers, Box 221.

88A. J. Criner to John Henry Kirby, August 10, 1911, ibid.
with some inferior white fellow. They would first tie the hands of the negroes by getting them into the so-called Union and get a part of their earnings for the support of the Union and as soon as the Union officers were in charge of the plants they would drive the negroes away and import rough necks and red bones from Louisiana and Arkansas to take their places. . . . I write you thus fully that you may be in position to tell the men of your race . . . just what I, as their friend and employer, think of this scheme. . . . Please give me the names of the Trustees of your school community and I will see what I can do to help you out.89

On August 1, Kirby addressed a crowd estimated at 4,000 people in the center of union agitation at DeRidder. The day had a festive atmosphere. Kirby declared that there would be a holiday from toil and chartered special trains to bring workers from his Texas mills to the Louisiana town. Barbecue was served, and at the climactic moment the "Prince of the Pines" addressed the crowd from the guarded upper gallery of the local hotel. His speech was in the classic Kirby mold and "scarcely an appeal to patriotism, Anglophobia, southernism, localism, God, or home escaped his text."90 The lumberman emphasized the interest and friendship between himself and his employees, "the relation of employer and employee does not exist . . . except on payday; at all other times we are pals." However, their "pal" had a stern warning—if they joined the union, the mills would close down and they would be out of a job.91 At the conclusion of Kirby's speech, A. L. Emerson, who

89 Kirby to Criner, August 11, 1911, ibid. On August 12 Criner replied that "my people all understand that you are their personal friend and they dont [sic] hesitate to say so. I dont [sic] believe that one of the number could be persuaded to sign any kind of paper for fear it was something against your interest at this place. Criner to Kirby, August 12, 1911, ibid.

90 Morgan, "No Compromise—No Recognition," 7.

91 Ibid.
had been in the crowd, climbed onto a wagon and challenged the lumberman to a debate. Kirby haughtily refused and ordered the local brass band to drown out Emerson's attempt to speak. The union leader then retreated to the local ball park with a large crowd following and listening unmolested. Kirby ordered the excursion trains to leave immediately with or without their passengers after Emerson announced his plans to speak. The day was somewhat of a success for the union, since many workers joined the Brotherhood after hearing Emerson.92

Kirby was enraged by Emerson's appearance at the rally, which he labeled "an impertinence," and he declared that he would have refused to speak if he had known he would be followed by "that wolf..."93 Nevertheless, the lumber baron also considered the day a success, although he believed that "since my DeRidder speech Emerson and his followers have determined upon a vicious attack at my plants and seem to be concentrating their efforts in that direction."94 Kirby had in fact become recognized as the front man and leader of the Operators' Association, and it was not long before he was "honored" by immortalization by the pen of a "working-class poet"!

Our lord and master in Houston lives,
In luxury, ease, and splendor,
Who everything takes, and nothing gives
To old or young or fair and tender.

No orphan's cry or widow's moan,
From sorrow's desolate plain,
Will ever reach his heart of stone,
Or cause a sting of pain.

93Morgan, "No Compromise—No Recognition," 16.
94John Henry Kirby to C. B. Sweet, August 8, 1911, Kirby Papers, Box 221.
His gold he squeezes from the purse
Of every laboring man,
His own great wealth to reimburse,
And hasten slavery to our land.

As working men we must unite,
Our mighty strength to wield,
And put the capitalist's power to flight
On a Union battle field.

The B. of T. W. has the name,
Of coming here to stay,
Until John Henry's exalted fame
Is forever taken away.

So all you men who yearn for justice,
Come and with us stand
If every mill of Kirby's bursts,
We all can till the land.

There is Lutcher, Moore, Miller and Link,
And others we might mention,
But that would raise an awful stink,
And cause another Convention.

So come one and all, Let's organize,
And form a mighty host,
The capitalists' power to demoralize
And show the world their ghost.95

By the latter part of 1911, the operator's campaign was exacting a frightening toll on the Brotherhood both financially and in membership, and in October the lumbermen again met secretly in New Orleans and discussed reopening the mills. The operators seemed generally to believe that the workers had been sufficiently disciplined and were once more under control. A number of the plants were subsequently reopened with

95This poem was written by L. T. Mabry and reproduced in a letter from M. L. Alexander to Kirby, December 29, 1911, ibid.
slight concessions in the form of somewhat higher wages and a ten-hour
day, but the lockout at many mills continued until February, 1912. There
was absolutely no disposition to grant recognition to the union. Kirby
reported that the fight was proceeding successfully and that "the mills
seemed to be in better shape as far as their labor was concerned."$\text{96}$

Leaders of the Brotherhood began to think in terms of outside
support, and in September sent three delegates to the convention of the
Industrial Workers of the World in Chicago. In order to keep their
members' heads above water, they advised them to go underground—destroy
their membership cards, sign the pledges, or yellow-dog contracts,
return to their jobs, but above all else pay their dues. Emerson and
Jay Smith traveled to Chicago to confer with representatives of the
dreaded "Wobblies."$\text{97}$

Rumors and accurate reports from its operatives concerning the
proposed affiliation of the Brotherhood with the IWW reached the opera­
tors during the early months of 1912, and minor union organizational
successes in western Louisiana alarmed some of the lumbermen. However,
Alexander advised that reports of union success were exaggerated. The
rumor of IWW entry into the piney woods provided the operators with
powerful propaganda ammunition, for the "Wobblies" were regarded by
middle-class Americans as a radical and disreputable band. Furthermore,

\textit{\textsuperscript{96}}Jensen, \textit{Lumber and Labor}, 88-89; McCord, "History Of The
Brotherhood Of Timberworkers," 49; McWhiney, "Socialist Vote In
Louisiana," 48.

\textit{\textsuperscript{97}}M. L. Alexander to All Members, December 30, 1911, Kirby Papers,
Box 221; Alexander to M. L. Fleishel, September 20, 1911, \textit{ibid}; McWhiney,
"Socialist Vote in Louisiana," 45.
the operators were in a stronger economic position. The lumber market began to improve toward the end of 1911, and the great stockpiles of lumber which had made shutdowns so attractive to the employers no longer existed. Securing non-union labor was no problem because of the large number of impoverished Negro agricultural workers in the South, and for the first time in its fight the Brotherhood was faced with a new menace—scab labor used on a large-scale.98

Kirby sounded the theme of the new year's attacks on the Brotherhood, Emerson, and their allies in January, 1912, when he said that Emerson's followers were made up of farmers, and merchants and small men in trade who naturally sympathize with the laboring masses. . . . loafers and agitators and men who were not willing to work for a living. In some instances sound-headed and industrious day laborers about the mills were deceived into joining his organization but, as a rule, it was made up of the elements I have above stated and of negroes, dagoes, and other foreigners who are made socialists at heart through the oppressive institutions of the countries from which they came.99

Kirby was partially right in his analysis, for the entire countryside in the Louisiana-Texas piney woods seemed to be aflame in 1912, a year of violent conflict for labor in which entire communities rose up to register their protest against the economic and political "establishment" in the dusty streets and at the polls. Covington Hall, a New Orleans socialist and radical writer, joined the fray on the side of the lumber workers early in the year, and during his first interview with Emerson


99John Henry Kirby to R. L. Weathersby, January 13, 1912, Kirby Papers, Box 221.
and Jay Smith in April, he told them, "this isn't a labor union you all have on your hands--it is an insurrection of all the people of Louisiana and East Texas under the Lumber Trust." 100

Despite the desperate condition of the workers, they were aflame with the passion of their cause and buoyed up by the hope of additional support and leadership from the famous IWW. In a euphoric mood, they met in convention in Alexandria, Louisiana, in May, to shore up their defenses and formulate their new structure and strategy. The meeting lasted for three days, and the assembled delegates were addressed by both Covington Hall and the famous William D. ("Big Bill") Haywood. Haywood and Hall tried to persuade the Brotherhood's delegates to join the IWW. One of the operators' spies said that Haywood delivered a "great speech" that was "strictly 'pizen', and calculated to do a great deal of damage." Hall was described as being "as dangerous as a rattle snake. . . ." 101 The delegates voted overwhelmingly to affiliate with the "Wobblies," and in an atmosphere replete with color, tension, and espionage, they planned to send new agitators into the timber belt to

100 Hall, "Labor Struggles in the Deep South," 125. Covington Hall was born in Mississippi, the son of a Presbyterian minister and a wealthy Southern Belle. His childhood was spent in Terrebonne Parish, Louisiana, and he served for a time as Adjutant General (National Secretary) of the United Sons of Confederate Veterans. Beginning as a follower of William Jennings Bryan, Hall for more than fifty years was active as a writer, speaker, and publicity agent in farmer-labor struggles. Hall, "Labor Struggles in the Deep South," 137-38; Joyce L. Kornbluh (ed.), Rebel Voices, An I.W.W. Anthology (Ann Arbor: The University of Michigan Press, 1984), 259-60.

101 E. E. Sapp to C. P. Myer, May 10, 1912, Kirby Papers, Box 221.
organize the workers. Interesting sidelights of the meeting were the successful efforts of Haywood and Hall to integrate the sessions, and the first of many reports that plans were afoot to assassinate the erstwhile lumberworkers' "pal," John Henry Kirby.

The days after the Brotherhood's affiliation with the "Wobblies" were filled with feverish activity by both sides which steadily built up until it erupted into violence. The signs that a major clash was in the offing were much in evidence. Rumors continued that Kirby would be the target of an assassination attempt. On May 17, one lumberman reported that "the impression grows on me stronger from week to week that plans are being laid to assassinate Mr. Kirby." Citizens' Law and Order Leagues were organized throughout the "infected" area to guard against the "dangerous" ideas that might be spread through the efforts of the "Wobblies" or their "socialist" sympathizers, and pro-union speakers often found community meeting places unavailable for their use. If they persisted, the local law enforcement agencies and citizens'

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102 M. L. Alexander to All Members, May 11, 1912, Kurth Papers, Box 265; Hall, "Labor Struggles in the Deep South," 140; Jensen, Lumber and Labor, 89; McWhiney, "Socialist Vote In Louisiana" 50-51; Morgan, "No Compromise-No Recognition," 10.

103 Both Hall and Haywood were eager to claim credit for integrating the sessions. For differing accounts of how this was achieved see Haywood, Bill Haywood's Book, 241-42; Hall, "Labor Struggles in the Deep South," 136-38; and McWhiney, "Socialist Vote In Louisiana," 51-52. An employers' operative who attended the sessions reported that "Mr. Kirby came in for a great deal of abuse, and it is my opinion that they will assassinate him in case the proper opportunity should present itself, and about the same thing will apply to R. A. Long of Kansas City." E. E. Sapp to C. P. Myer, May 10, 1912, Kirby Papers, Box 221.

104 J. A. Herndon to C. P. Myer, May 17, 1912, ibid. A letter addressed to Kirby from a close associate repeated the story that Haywood had called for the assassination of Kirby and Long, and advised the lumberman that it would be wise to put his commissaries, hospital
committees did their best to dissuade the "agitators," and outright violence was not unknown. George Creel, editor of a socialist newspaper called the Rip Saw and later the author of an expose on Texas lumber company towns, was run out of Oakdale, Louisiana, on July 6 without making his scheduled speech by a nearly-successful assassination attempt.  

The day after the Creel episode brought the greatest physical clash of the entire "lumber war." The setting, in the small lumber town of Graybo or Graybow, Louisiana, south of DeRidder and toward the Texas line in the "infected" area, was not imposing. Graybow was the site of the Galloway Lumber Company's operations, and as early as May, the town had become an armed camp with the Brotherhood of Timber Workers demanding union recognition. The owner had informed them "that he come [sic] there in a box car, a tramp and would leave the same way before he would be made to do any thing." The sentiments of management were echoed by a company guard who expressed his desire to "kill a union son-of-a-bitch." The passions of both company officials and guards

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106 J. A. Herndon to C. P. Myer, May 17, 1912, Kirby Papers, Box 221.

were further aroused and courage was buttressed on the fateful day of July 7 by generous portions of alcohol served from the company commissary. 108

On the union side, the day began with the assembling of a group of some 800 men, women, and children at DeRidder. They were to follow Emerson and Hall about five miles south to the sawmill town of Carson, where the IWW leaders were to deliver a speech in place of the hastily-departed George Creel. Emerson had emphasized the militancy of the union a few days earlier by saying in regard to the Carson engagement that "we'll be there, and we can hold up our dukes as long as you can!"

On this occasion, which was a rally in DeRidder in which many anti-union elements were represented, William D. Haywood grabbed Covington Hall and asked if Emerson had lost his mind. Hall replied "any damn fool can see that he has." 109

The background of the Graybow incident also included appearances by Hall at Carson and Bon Ami about a week previously. Hall and approximately a dozen companions had proceeded from DeRidder to Carson, driving a rented carryall whose driver had fearfully deserted and gone back to DeRidder. They were met on the road by a deputy sheriff who proceeded to Bon Ami and warned of the invasion. Finally, Hall's group entered Bon Ami to the glares of assembled "commissary soldiers" and the frightened glances of intimidated workers peering out of their houses. 110

108 Times-Democrat (New Orleans), October 20, 1912.
109 McWhiney, "Socialist Vote In Louisiana," 58.
biggest success at this preliminary invasion was among workers of foreign extraction. At Carson the cry "Long live the Brotherhood!" from the union men elicited a reply of "Vivas la Brudderhoud!" from an approaching Mexican woods crew, so Hall and his companions decided to hold an impromptu parade through the streets of Carson and Bon Ami. Again, the native American workers remained timidly within their dwellings, but "Long live the Brotherhood!" shouted to about thirty assembled Italian workers in Bon Ami brought an enthusiastic response:

Off came the hats of the "dagoes," or out of their pockets came big, red bandanna handkerchiefs, and waving these they cried at the tops of their voices; "Vive le Brudderhoud! Vive! Vive le Brudderhoud!" And as far up the DeRidder road as sound went we heard them crying, "Vive! Vive le Brudderhoud!"

Hall later remarked, "that was one day when I felt ashamed of the breed to which I belonged by birth." After a group of native whites tried to apologize for not joining the demonstration, they were scornfully dismissed with the admonition that "unfortunately, and unlike the Mexicans, Italians, and Negroes, the spirit of solidarity was not in you."

The activities at Graybow on July 7 were also preceded by the band's appearance at Carson. This visit was without incident except for a "tincanning" as the group passed through Bon Ami. The group had fallen to about two hundred by the time it reached Carson, and after an uneventful speech, they turned back toward DeRidder before noon. However, scouts were sent out ahead and came back with reports that gunmen were waiting in ambush between Carson and Bon Ami. About half the crowd, led by Emerson, turned aside to follow a longer alternate route back to

111Ibid., 146-48.
DeRidder by way of Graybow. The remainder of the force returned uneventfully by the regular route.  

After reaching Graybow, the first union party pulled off to the side of the road, ate lunch, and then decided to hold a "speaking." It was felt that a possible breakthrough for the union could be made, because the Galloway Lumber Company had been struck, and the town of Graybow was populated mostly by strikebreakers who might be won over to the union cause. According to Covington Hall, an obviously biased source, the proceedings were roughly as follows:

Dock Havens and others made short talks, after which Emerson rose to speak. He had only uttered a few words when a shot was fired. Emerson raised his hand, and cried, "Don't Shoot!"

But it became general. Our men got down from their wagons, and began to fight back; they had only about ten nondescript guns, mostly colt's pistols. "At one time," they said, "we were being cross-fired on from four different directions, the lumber companies having rushed in men from all the surrounding towns."

Nonetheless, the union men finally charged the mill office and routed the force firing on them from it. After having scattered their enemies, they returned to their wagons, and to DeRidder.

The interpretation of the Operators' Association was naturally different. In a report to the association president on July 8, M. L. Alexander stated that, while "our information is meagre as to detail at the present time. . . . We . . . understand that the hostilities were brought on by the Union forces who were distinctly the aggressors."


115 M. L. Alexander to C. D. Johnson, July 8, 1912, Kirby Papers, Box 221.
Three union men and one company guard were killed, and forty combatants were injured at Graybow, and reactions came immediately from all sides. Haywood was speaking in New Orleans on the night of the Graybow incident, and after the word was passed to him, "Big Bill" remarked to his associates, "I don't know why something like that is always following me around the country." Covington Hall later reported Haywood's words to some fellow "red" Socialists, and one replied "I can tell him. If he had noticed the emotions on the faces of the people he was talking to, he would know why." Emerson was successful in taming the passions of a large crowd that assembled in DeRidder that evening, but he called on Governor L. E. Hall to send in troops to handle the situation. This the Governor quickly did, and they were joined by the men of Sheriff H. A. Reid of Lake Charles at both Graybow and DeRidder.

Within twenty-four hours, authorities arrested all of the union men known to have been present at Graybow, plus six company men, and on July 23, a grand jury at Lake Charles brought in true bills for conspiracy against the men of the Galloway Lumber Company. Union leaders again had to calm down militant elements who wanted to exact reprisals for what they considered unfair treatment by the grand jury by waging war against all mills in the territory. Kirby's own brother was by now most alarmed about John Henry's safety and warned him, "I am a little bit uneasy, I am going to advise you to keep out of Louisiana, it is


117 Ibid., 153; McWhiney, "Socialist Vote In Louisiana," 64-65.

118 Morgan, "No Compromise-No Recognition," 12.
more dangerous than you think it. Emmerson [sic] and his crowd [sic] had rather assassinate you than to kill a snake. You do not want to get out any where in East Texas east of Silsbee, except you have some friend with you..."

The case against the union men was planned and partially researched by the Operators' Association, but Alexander conceded that, while "every effort has been made to obtain an honest and unprejudiced jury for this trial... it is problematical as to what the results will be. We have had enormous odds and subtle influences working against us and if a verdict is obtained it will be a victory indeed."

Union writers began to term the jail in which the men were incarcerated "the black hole of Lake Charles," and, surprisingly, some of their output found its way into establishment newspapers, like the Houston Chronicle and the New Orleans Times-Democrat.

The resulting publicity drove wedges into the operators' ranks, with the redoubtable Captain J. B. White writing to the manager of the National Lumber Manufacturers' Association:

I am firmly of the opinion that if the conditions are as bad as some parties say, that we will have to purge the evils from our own organization or cause its members that are guilty of wrong doing to do right; or we will never get rid of these labor troubles. While there is a cause, there will always be friction. The American spirit of

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119 James L. Kirby to John H. Kirby, July 11, 1912, Kirby Papers, Box 221.


an American Laborer is such that he will not be broken down in spirit and made to kiss the rod of one who is doing him an injustice.\footnote{122}

White also said that he felt an investigation should be launched as a matter of economy. It would be cheaper to reform abuses than to wage a costly war, and, he pointed out, his companies alone were paying thousands of dollars into the Operators' Association. The old lumberman also stated that M. L. Alexander had conceded to him that "there were some bad practices that ought to be remedied." \footnote{123} White concluded, "I think our Mr. Alexander believes there is a cause for some of the complaint." \footnote{123}

White's views were shared by others in the lumber fraternity, but the idea of an investigation conducted by the NLMA was angrily rejected by the president of the Operators' Association with the caustic remark, "it seems that this is a day of investigations, and I suppose that during the long summer months you have had very little to do, and in order to keep your office force busy you decided to investigate the labor conditions in the South. The lumber operators employing labor in the States of Arkansas, Texas, and Louisiana are thoroughly alive to the labor situation and will take care of it, and as far as I, personally, am concerned, I want to assure you that I do not thank you for taking up our troubles with various people all over the United States." \footnote{124} The idea of an investigation was quietly dropped.

\footnote{122}{J. B. White to Leonard Bronson, August 9, 1912, Kirby Papers, Box 221.}

\footnote{123}{Ibid.}

\footnote{124}{J. A. Freeman to Bronson, August 14, 1912, Kirby Papers, Box 221; C. D. Johnson to Bronson, August 31, 1912, \textit{ibid}.}
The lumbermen had great influence in high places and counted upon the favorable attitude of the authorities to convict Emerson and his Graybow cohorts. Despite Covington Hall's practice of encouraging the rumor that he was related to Governor L. E. Hall of Louisiana, there was no connection, and M. L. Alexander had actually won the chief executive over to the operators' point of view.\(^\text{125}\) Even before Graybow, Alexander had planned to call on the Governor and "give him an insight as to what Mr. Emerson and his associates represent."\(^\text{126}\) After an interview with Hall, Alexander was able to report that the chief executive "assured me he understood the situation clearly and the character of the people we had to deal with . . . I feel confident that we need feel no uneasiness from that source."\(^\text{127}\)

On August 14, the Governor demonstrated his faith in Alexander by appointing him president of the Louisiana State Conservation Commission with "entire control of all the natural resources of the state, both as to their fisheries, oyster beds, game preserves, minerals, forestry, etc." Alexander used his interview with the Governor further to "discuss the labor situation, its causes, the character of the men who are the leaders in the agitation that is going on, and also the work of this Association and its object. . . ." The association manager reported that he felt "confident in saying that the Governor is not antagonistic to the


\(^{126}\)M. L. Alexander to C. D. Johnson, June 20, 1912, Kirby Papers, Box 221.

\(^{127}\)Alexander to M. L. Fleishel, May 26, 1912, \textit{ibid.}
Saw Mill interest. . . . I believe that my conference with him has done much to disabuse his mind of certain false impressions. . . ."128 By August 29, Leonard Bronson in declaring that the National would not investigate conditions in the South could state, "Governor Hall of Louisiana has become convinced that the charges against the lumber industry in his state were without substantial foundation. . . ."129 The operators were also firmly entrenched with Congressman A. P. Pujo of Louisiana, who served as a prosecution attorney in the trial of Emerson and the union men.

The arrest, incarceration, and trial of the workers attracted widespread publicity. After proceedings lasting from October 7 until November 2, 1912, they were acquitted. The outcome was a tremendous moral victory for the workers, and the entire trial background and proceedings contributed to a great radical push in Louisiana at the end of the year, but the final result was the union's demise as a viable force in the Louisiana-Texas piney woods. On the positive side for the radicals, the arrest and long trial of the union men brought a solidarity to the ranks of labor which Covington Hall said he had never seen "before or since."130

All of the unions—the IWW, AFL, railway brotherhoods, and Farmers' Union—lined up solidly behind the prisoners, and only the

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128 Alexander to Fleishel, August 15, 1912, ibid.


National Socialist Party failed to come to their support. Eugene V. Debs, who was on his way to New Orleans to address the "yellow" faction of the party, did not even get off the train as it passed through Lake Charles, much less endorse the lumberjacks' stand. However, for the first time in years the feuding "red" and "yellow" factions of the Socialist movement in the Crescent City put aside their differences in support of the workers, and a mass meeting to demonstrate that support was held in Lafayette Square. There were also demonstrations in the piney woods parishes, including a mass meeting in Leesville.

In the western and upland parishes of Louisiana the radicals made a strong push to organize the workers of all races and backgrounds into a strong and coherent movement. According to Covington Hall, some success was gained in this effort. One Negro farmer pledged that "so long as I have a pound of meat or a peck of corn, no man, white or colored, who goes out in this strike will starve, nor will his children." The workers at Bon Ami, who had been frightened previously by company intimidation, threatened a general walkout unless Emerson was released. They stated that, if Emerson and his companions were convicted, they were "marching on Lake Charles, and burning sawmills and lumberpiles as we come; and what's more, God Almighty will see more sawmill managers, gunmen—deputy sheriffs and Burns detectives hanging to

131Ibid.; McWhiney, "Socialist Vote In Louisiana" 74-75.


trees in Western Louisiana and Eastern Texas than he ever saw in one place in all His life."\(^{134}\)

The unrest of the piney woods country culminated in striking successes at the polls for the Socialists in November. Building upon the temporary alliance of farmers and workers in the area, the Socialists showed strength in the western and north central parishes of Louisiana, and elected a number of local officeholders. According to a leading student of the movement, "it is not a coincidence that the strength of the Socialist Party in Louisiana and the Lumber War both reached their peak in 1912."\(^{135}\)

On the company side, the Graybow trial, although unsuccessful in its immediate results, provided the springboard for a final push to eliminate piney woods unionism. In addition, the lumbermen had not forgotten the earlier heresy of Sam Parks of the American Lumber Company, and after negotiations with the Santa Fe Railroad which owned controlling interest in the company, they attacked two evils at once. Repeated conferences between leaders of the Operators' Association and the president of the Santa Fe resulted in the railroad's assumption of active management of the lumber company in October. The lumber barons realized that the defense of Emerson and his companions imposed a terrific financial burden on the BTW, and three days before the trial began, the operators

\(^{134}\) Hall, "Labor Struggles in the Deep South," 173.

\(^{135}\) McWhiney, "Socialist Vote In Louisiana," 9. For material on the Socialist successes and their relationship to the Lumber War see McWhiney, "Socialist Vote In Louisiana," 3, 72; and McWhiney, "Louisiana Socialists," JSH, XX (August, 1954), 315-36. Debs received his largest vote in Louisiana parishes and Texas counties which had voted Populist and where the lumber industry was strong. For the situation in Texas see James A. Tinsley, "The Progressive Movement in Texas" (unpublished Ph.D. dissertation, University of Wisconsin, 1954), 16-17.
locked out around a thousand American Lumber Company workers at Merryville, Louisiana. The attack on the union was then continued through blacklisting men arrested in the Graybow affair. This tactic was planned by the operators with the hope of provoking the union into a strike it could ill afford. Finally, on November 11, after the company had refused to alter its policies, the men of the American Lumber Company walked out, officially beginning the only strike ever actually called by the BTW. The union leaders correctly believed that the Operators' Association and John Henry Kirby had deliberately provoked the strike.

The more ruthless lumbermen wanted to "clean up" Merryville by selling the timber to neighboring mills, shipping out the manufactured lumber, and letting "that town do without a manufacturing plant." In this way the citizens of Merryville would be given an "object lesson which they would not soon forget." The Santa Fe Railroad rejected this plan, not out of compassion for the workers, but simply because buyers for the timber did not take action quickly enough, and the company began to import "scab" labor and resumed partial operations. By the end of the year, full-scale production had been restored with an

136 Morgan, "No Compromise-No Recognition," 13-14. According to a number of other sources the campaign started with a complete closing of the American Lumber Company mill and a lockout of some 1000 workers in early October. See the Times-Democrat (New Orleans) October 6, 1912; Thompson, The I.W.W., 68.


139 Telegram, E. P. Ripley to J. W. Terry, November 13, 1912, Kirby Papers, Box 221.
entirely new crew of workers. The strike was finally called off by the union in the summer of 1913, largely because the IWW then wanted to concentrate its efforts in the Pacific Northwest. Covington Hall reported, "as the Merryville Union had been, toward the last, the treasury of the Southern District, the loss of the strike left us practically bankrupt."

Emerson was in bad health due to his long stay in the Lake Charles jail, and in May, 1913, he resigned as the leader of the union, which was now officially the National Industrial Union of Forest and Lumber Workers. He promised to return as a speaker and agitator if needed, but when he did come back on a speaking trip in the autumn of 1913 he was severely beaten in Singer, Louisiana, and fled the piney woods never to return.

Emerson was succeeded by Jay Smith, who led the union in one last brief skirmish against the "Sweet Home Front" mill of the Iron Mountain Lumber Company at Pollock, Grant Parish, Louisiana. Despite the efforts of union leaders and the Rip-Saw reporter, George Creel, who gained employment as a company bookkeeper and channeled information to the strikers, the effort gained no support. Workers in the surrounding camps and mills watched the struggle, saying "if the Sweet Home

140 Morgan, "No Compromise-No Recognition," 14.
143 Ibid., 208-10; McCord, "History Of The Brotherhood Of Timber-workers," 100-101; Morgan, "No Compromise-No Recognition," 14. According to Hall, Emerson's injuries were so severe that he never fully recovered and remained an invalid. McCord says that the last word from Emerson was that he was in Lebanon, Tennessee.
men win, we'll strike too." The strike was lost, and the workers' apathy now seemed complete. Covington Hall reported, "the Sweet Home crew stood alone to the last," and the secretary of the once-powerful DeRidder local said, "it seems like the working class have gone to sleep. . . . The mill companies have taken all away from the workers that the union won for them. . . . The men who stay in the offices know how to keep the working classes scared half to death." By early 1916, even the most dedicated unionists had to admit their organizations were dead. The Southern Lumber Operators' Association and John Henry Kirby had triumphed over the hated "Ishmael- tic organization." The Operators' Association, however, continued to keep a close eye on movements among the laborers despite the fact that the labor situation had "cleared up materially. . . ." Despite the operators' success, however, it is obvious that the early twentieth century was a time of industrial turmoil in the piney woods, belying their oft-repeated boast that there had never been any significant labor trouble in the industry. In fact, the birth of the industry's strongest organization, the Southern Pine Association, came

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145 Ibid., 192; McCord, "History Of The Brotherhood of Timber-workers," 105.
148 Southern Lumber Operators' Association to All Members, June 18, 1913, Kurth Papers, Box 298. The SLOA continued to observe all movements of "agitators" into the South. For an example see Southern Lumber Operators' Association to All Members, October 29, 1913, ibid. Box 312.
directly on the heels of this great labor conflict, and its immediate and direct predecessor was intimately involved with the Southern Lumber Operators' Association and its struggles.
CHAPTER III

THE YELLOW PINE MANUFACTURERS' ASSOCIATION AND THE
ORIGINS OF THE SOUTHERN PINE ASSOCIATION, 1906-1915

The Yellow Pine Manufacturers' Association, the direct predecessor of the Southern Pine Association, was formed at about the same time as the Southern Lumber Operators' Association, and while the YPMA's main thrust was in other directions, there is no doubt that the two organizations worked closely together. On at least one occasion, the YPMA's semi-annual meeting was simply turned over to the deliberations of the Operators' Association, with the president of the latter group actually taking the gavel until labor matters were disposed of and then turning the meeting back over to the presiding officer.\(^1\) This tactic, of course, was designed to insulate the Yellow Pine Manufacturers' Association from the unfavorable publicity and public reaction which is often attached to labor difficulties. The operators thus assumed a sort of Dr. Jeckyl and Mr. Hyde role in their public demeanor, and, in fact, the SLOA continued to exist and provide such a service until the time of the New Deal.\(^2\)

\(^{1}\) S. J. Carpenter to John Henry Kirby, May 24, 1912, John Henry Kirby Papers, Box 221 (University of Houston Library, Houston, Texas). Hereinafter cited as Kirby Papers.

\(^{2}\) H. C. Berckes says that the Operators' Association continued to exist on a small scale until the New Deal period. Interview with H. C. Berckes, January 24, 1968.

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As we have seen, the first president of the YPMA was John L. Kaul of Birmingham, Alabama, and the headquarters were in St. Louis. George K. Smith continued to serve as secretary, as he had done for the old Southern Lumber Manufacturers' Association. Membership was restricted to manufacturers of yellow pine lumber, with yellow pine wholesalers admitted as "Class B" members with eligibility to use the services of the information and rate departments. The new organization continued the committees and departments of its predecessor and added an export inspection department and a "Market Committee."

The early members of the association included many firms and individuals who were to be prominent in the Southern Pine Association, but significantly not John Henry Kirby, who was presumably still concerned about the Texas anti-trust statutes. During the early days of the YPMA, the secretary-manager was so upset by the Texas situation that he attempted to get a clear legal statement on the matter in order to reassure both present and potential subscribers in the Lone Star State.

With the labor situation basically handled by the SLOA, the Yellow Pine Manufacturers' Association could devote its energies to a variety of other matters. Its main areas of interest were the old

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3Constitution and By-Laws of Yellow Pine Manufacturers' Association (n.p., n.d.), Kurth Papers, Box 93 (Forest History Collection, Stephen F. Austin State College Library, Nacogdoches, Texas).

4George K. Smith to All Members, January 27, 1906, ibid., Box 91; "Minutes of the Meeting of the Board of Directors of the Yellow Pine Manufacturers' Association, February 27 and 28, 1906," ibid., Box 93.

5H. M. Garwood to George K. Smith, September 28, 1907, ibid., Box 118; Smith to Members in Texas, December 9, 1907, ibid.
pillars of lumber association work—grading standards and statistics.

The grading rules adopted by the YPMA represented a revision and refine-
ment of those developed by earlier associations, and the Southern Lumber
Manufacturers' Association in particular. The grading rules were pub-
lished, and to secure their adoption and proper application, the associa-
tion maintained a "Bureau of Grades," composed of a chief inspector and
several assistants who visited both the mills and wholesale and retail
lumber companies. By 1908, the mills received inspection visits every
thirty-five to forty days, and the association soon estimated that approxi-
mately ninety-five per cent of the total southern pine production was
manufactured according to its specifications. Grading standards and the
inspection service were the most positive legacy of the YPMA to its
successor, the Southern Pine Association.

The biggest concern of the Yellow Pine Manufacturers' Association
and its staff was accounting and statistics at both the company and
industry level. During its first year of operation, the association sent
out three men to work toward the gathering of more reliable information
concerning production and stocks in the field and established headquarters
for them in Houston, Shreveport, and Hattiesburg. Plans were made to
add representatives in Alabama and Arkansas. The work of these men
proved so successful that their offices were closed in order to keep

6 George K. Smith to Angelina County Lumber Company, June 29, 1908,
ibid., Box 135; "Adaptability of Southern Yellow Pine; The Wood of a
Thousand Different Uses; Established Building Facts Worth Knowing,"
Southern Pine Association Records, Box 39a (Louisiana State University

7 George K. Smith to Members and Manufacturers, August 31, 1906,
Kurth Papers, Box 93.
them in the field continuously.\textsuperscript{8} During this period, the association took pains to prevent independent printing companies from gaining control over the issuance of price lists for the industry.\textsuperscript{9}

The Yellow Pine Manufacturers' Association's efforts were not undertaken simply because of a fascination with accounting practices or statistics. The organization soon proved that a name change had not altered its basic purpose, and within a short time after assuming its new existence, it was again attempting to stabilize prices through production controls. The economic downturn that had spawned the labor troubles of 1906-1907 propelled the YPMA into the shadowy area of influencing prices and production. A slight break in the market in May, 1907, developed into a full-scale depression, and late in the year many mills were idle in the face of what many hoped was merely a temporary recession. Of thirty-one mills listed by the YPMA in Mississippi early in 1908, only eight were running.\textsuperscript{10}

A general manufacturers' conference at Memphis in November reported that the consensus from all sections of the South was "that similar conditions prevail in all localities . . . very little new business being placed . . . many old orders being cancelled, great difficulty in securing currency to meet pay-rolls and a growing necessity for great conservatism in the production of lumber during the next few months." The

\begin{footnotes}
\item[8] Smith to All Members and Manufacturers, March 1, 1907, \textit{ibid.}, Box 108.
\end{footnotes}
meeting's committee on resolutions recommended that the operators avoid complete shutdowns in order to provide their employees with the necessities of life, while endeavoring to curtail operations sufficiently to prevent a further drain on their financial resources.11

While many millmen believed it better to shut down than to waste good timber at a time when finished lumber often would not even defray manufacturing costs, the prevailing methods of financing in the industry kept many from halting operations:

Mill expansion, acquisition of timberlands, and provision of working capital were to a great extent financed through borrowing by the sale of bonds secured by what amounted to a lien on the standing timber. The millmen paid the taxes on the timber, insured it against the hazards of fire and tornado, and cut it only under conditions stipulated in the trust deed. Brooks-Scanlon, for example, issued $750,000 in 6 per cent bonds on 47,474 acres of Louisiana timberland valued at $3,000,000. Interest payments came to $150,000 or about $1.50 on each thousand feet of lumber manufactured. The necessity of meeting such interest payments and of building up a sinking fund often compelled millmen to maintain operations when returns were little above, or in some instances, even below production costs. For this reason the available supply of lumber might exceed the demand even in a period of extremely low prices. Thus gentlemen's agreements to reduce the supply over an extended period had little chance of success.12

The YPMA's report of running time for sawmills in November showed that most mills had shut down entirely or curtailed production drastically in the hope that better conditions would return.13

Early in 1908, several large manufacturers made tentative plans to form a giant corporation to control the supply of lumber by

11George K. Smith to Manufacturers of Yellow Pine, November 15, 1907, Kurth Papers, Box 118.

12Hickman, Mississippi Harvest, 203-204.

13"Yellow Pine Manufacturers' Association Present Running Time of Saw Mills," Kurth Papers, Box 118.
consolidating the ownership of mills and timberlands and establishing a wholesale marketing agency. The firm would have included the major producers in the South with a combined output of about twenty per cent of all yellow pine manufactured. The organizers, who included many prominent members of the YPMA, believed that their proposed three million dollar corporation would meet the tests of legality, and they planned to justify their existence on the grounds that they would be conserving timber from profitless exploitation. To sweeten the attitude of the government, they proposed to allocate fifty cents per thousand board feet to the United States Forest Service to be used for conservation. The movement floundered when the attorney general of Missouri obtained an injunction to prevent the merger, and his action prompted his counterparts in other states to take steps in the same direction.\textsuperscript{14}

Despite this setback, the Yellow Pine Manufacturers' Association kept plugging away at controls for the industry, urging its members in April to support legislation to make the Sherman Anti-Trust Act more lenient toward "reasonable" agreements to reduce the production of lumber. In June, it reported that members had achieved a steady decrease in stocks during the first five months of the year.\textsuperscript{15}

Although the Panic of 1907 was of short duration generally, the lumber industry remained in the throes of a general depression until late 1915. The YPMA and individual producers continued to try to influence the prices of their products, but in general were unsuccessful

\textsuperscript{14}Hickman, \textit{Mississippi Harvest}, 205.

\textsuperscript{15}George K. Smith to All Members, April 14, 1908, Kurth Papers, Box 135; Smith to Members and Manufacturers, June 4, 1908, \textit{ibid}.
because of the excessive productive capacity of the industry and
inordinate production increases at times when small upturns in prices
did occur.\textsuperscript{16} The association continued to plead with its members to
supply reliable statistics and reports, often to no avail, and it
continued to crank out a wide variety of statistical information:
monthly clearing house reports, comparative statements, monthly trade
conditions, monthly increases or decreases in stocks, market value
changes, building permits, and running time reports.\textsuperscript{17} As the associa-
tion came under the legal fire that eventually destroyed it because of
these activities, the secretary was reduced to outright begging for
support and issuing constant reassurances to members that participation
in the association's statistical programs would pose no legal problems.\textsuperscript{18}

Despite the overriding significance of the YPMA's statistical
efforts, this field by no means encompassed all its activities. Another
major interest of the association and its officers was the tariff. The
tariff had generally provided protection against lumber imports, parti-
cularly from Canada, when the white pine states of the Old Northwest
had been the primary lumber producing centers of the nation. However,
as these areas were cut over, northern lumbermen began to purchase

\textsuperscript{16}Hickman, \textit{Mississippi Harvest}, 205.

\textsuperscript{17}George K. Smith to Angelina County Lumber Company, June 29,
1908, Kurth Papers, Box 135.

\textsuperscript{18}Smith to Angelina County Lumber Company, April 12, 1909, \textit{ibid.},
Box 150; Smith to Members and Manufacturers from whom information as to
Weekly Running Time, Daily Cut, Shipments, Orders Booked, etc. is
requested, April 30, 1909, \textit{ibid.}; Smith to Members of Basic Price List
Committee, June 29, 1909, \textit{ibid.}, Box 155; Smith to Members, May 28, 1912,
\textit{ibid.}, Box 251.
Canadian timber that could be easily rafted to mills in the United States. They favored free entry of lumber into the United States, because they knew that a tariff on rough Canadian lumber would bring a retaliatory Canadian export duty on logs. By 1888, then, there was a good deal of sentiment among northern lumbermen for repealing or lowering the tariff on rough Canadian lumber, and the McKinley Act of 1890 brought a reduction from $2.00 to $1.00 per thousand board feet on low grade lumber. The Canadians, as expected, repealed their duties on logs, but placed restrictions on holders of cutting rights on government lands unless these men established mills in Canada.¹⁹

As Dixie became a major producer, southern lumbermen complained that the duty on rough Canadian lumber was too low, but their protests were in vain. The Wilson-Gorman Tariff of 1894 completely repealed the tariff on lumber and permitted Canadian rough lumber to enter the United States duty-free. Competition from the low-grade Canadian lumber seriously hurt southern producers, and in 1896, the Southern Manufacturers' Association led a fight for restoration of the duties. Under the high-tariff McKinley Administration, Congress in 1897, passed the Dingley Bill which placed a two dollar duty on rough lumber. Canada countered with an export duty on unmanufactured logs and passed an act requiring that logs cut on Crown lands be manufactured into lumber before export, thereby forcing American lumbermen who owned such stumpage to construct mills in Canada.²⁰ Here the matter stood until pressure began to build up for abolition of the duties from a number of quarters.

¹⁹Hickman, Mississippi Harvest, 206-207.

²⁰Ibid., 207-208.
Conservationists believed that tariff revision would allow imported lumber to come into the United States more freely, thus reducing the drain on American timber, and consumers felt that rising lumber prices were partially a result of the high duties. Added to this was the pressure of the Americans who owned Canadian mills and timber. To combat these forces, the YPMA members were instructed early in 1909 that each should "consider himself a committee of one to bring to the attention of Congress the deplorable effect any change in lumber tariff [sic] will have on the price of low grade lumber. . . ."21 The association's annual meeting passed a resolution on the proposed tariff revision addressed to the House Ways and Means Committee. It pointed out that lumber manufacturers had just passed through a year of severe depression, and that removal of the tariff would seriously harm both the lumber and transportation interests of the South, as well as many related businesses and occupations. It told the committee that "such action would mean serious and widespread demoralization of all lumber interests and particularly to those located in all the Southern States."22

Southern lumbermen almost unanimously opposed the proposed reductions. They were particularly afraid of the competition of Canadian lumber north of the Ohio River, a consuming area that would be crucial to the fortunes of yellow pine manufacturers for many years to come.

The leader of the fight against reduction was peppery little Edward Hines

21Ibid., 208; George K. Smith to Angelina County Lumber Company, January 22, 1909, Kurth Papers, Box 149.

22"Resolution to Ways and Means Committee of the House of Representatives, January 20, 1909," ibid.

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of Chicago, who owned mills and timber in both Canada and the South. Hines, one of the most colorful industry figures and a future leader in the Southern Pine Association, attacked the Canadian lumbermen's advantages in cheap stumpage, low taxes, and inexpensive water transportation. Mississippi lumbermen sent delegates to Washington to fight for high duties, and a lobby committee was formed to oppose the free lumber provisions. J. E. Rhodes, who was to be the first secretary-manager of the Southern Pine Association, led the lumbermen's fight as treasurer of the committee. By April, 1909, a partial list of contributions to the committee from within the Yellow Pine Manufacturers' Association totaled almost $5,000, with several $250 and $100 grants, plus two contributions of $500.

The only member of the House Ways and Means Committee who favored retaining the duty on low grade lumber was Joseph Fordney of Michigan, who also happened to be part owner of the Gilchrist-Fordney Lumber Company at Laurel, Mississippi. Through some frantic horse trading, however, the southern lumbermen won a partial victory. The Payne-Aldrich Tariff carried a duty of $1.25 per thousand board feet on low grade lumber. With the advent of the Wilson Administration, however, the Underwood-Simmons Tariff was passed in 1913, and lumber was placed on the free list. Although southern lumbermen were still strongly

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23Hickman, Mississippi Harvest, 208-209.

24Ibid., 209; George K. Smith to Angelina County Lumber Co., April 10, 1909, Kurth Papers, Box 150; "Partial Memorandum of Contributors From Manufacturers of Yellow Pine," ibid.

opposed to free Canadian lumber, they accepted the inevitable and did nothing to fight it. 26

Southern concern about Canadian competition north of the Ohio River was reflected not only in the fight to retain the tariff, but also in the maintenance of the YPMA's Traffic Department. The department represented association members before the railroads and the Interstate Commerce Commission in determining rates for the shipment of southern pine lumber. The department conveyed semi-monthly rate information to yards east and west of the Mississippi River, and a separate Freight Claim Department handled claims for overcharges. Freight and traffic matters were also among the major concerns of the YPMA's successor, and the different interests and rates of producers on opposite sides of the Mississippi River would play a central role in associational affairs. 27

Another area of large-scale YPMA activity was advertising and trade promotion. To help its members enlarge their markets for southern pine products, the association maintained both advertising and trade promotion departments. The former was responsible for the preparation of literature advertising the virtues and uses of southern pine. In

26 Ibid., 210. There is nothing in the Southern Pine Association Records or the scattered records of the Yellow Pine Manufacturers' Association seen by the author to indicate that a concerted attempt was made to fight the Underwood-Simmons Tariff. While accepting the inevitability of a low tariff under a Democratic administration many lumbermen remained restive and hoped for a higher tariff, although they sometimes found it difficult to reconcile this position with their southern, low-tariff, Democratic Party backgrounds.

27 George K. Smith to Angelina County Lumber Company, June 29, 1908, Kurth Papers, Box 135. The matter of classification of lumber into rough or finished categories for rate fixing purposes was of great importance to the producers because finished products were charged a higher tariff than rough lumber. For an example of the association's concern over this matter see Smith to All Members, April 14, 1914, SPA Records, Box 39a.
addition to the production and distribution of literature, the Advertising Department furnished a free consultation service for potential customers. Closely tied in with advertising were the association's trade promotion activities. In fact, the Trade Promotion Department published a good deal of literature concerning the use of southern pine products which was quite similar to that of the Advertising Department. Among its publications were pamphlets dealing with the use of southern pine for silos, farm buildings, creosoted blocks, paving, and moulding. In order to combat heavy advertising campaigns by other lumber species, the YPMA maintained special funds supported by contributions that supplemented the regular costs of association membership. It made special attempts to furnish architects, builders, and retailers with information about the desirable qualities of southern pine. The YPMA also sent touring exhibits to expositions in major American cities, and by the latter part of the association's existence, it was spending approximately $25,000 per year for advertising.  

While seeking to increase domestic consumption of southern pine, the association also promoted exports to foreign purchasers. A major problem in doing so was the difference between European and American grading standards. There were several lumber exporting organizations in the United States designed to facilitate the sale of American products abroad. Even they found it necessary to employ foreign representatives to reinspect lumber produced in the United States and adjust

28 Smith to Members, June 8, 1912, Kurth Papers, Box 251; Advertising Funds Collected and Disbursed, Oct.-Dec. Inc. 1913, ibid., Box 312; Smith to Angelina County Lumber Company, June 29, 1908, ibid., Box 135.
disputes between American manufacturers and foreign buyers over grades and specifications. The Yellow Pine Manufacturers' Association failed to take effective action in this field, but discussions and papers at its annual meetings prepared the way for the renewed interest of its successor in this area.  

The association also failed to take effective action in the fields of forestry and conservation, but Secretary George K. Smith tried through letters and circulars to stimulate the interest and attention of his membership. Lumbermen in this early period had little use for the ideas of conservation, and the first industry conservationists were subjected to considerable scorn and ridicule. Despite the unfavorable climate of opinion, Smith doggedly churned out copies of United States Forest Service Reports, newspaper articles, and other related materials. As early as 1909, he succeeded in placing upon the association's annual meeting agenda papers by two prominent industry figures. One was "Conservation as Applied to Yellow Pine Forests" by J. B. White, and the other was "Public Interest in the Lumber Industry" by Robert Fullerton. Although the YPMA took no definite steps to deal with conservation, it is quite possible that Smith's efforts and the annual meeting topics stimulated industry figures who became pioneers in these areas. The selection of topics for the papers at the 1909 meeting also had a significant, although probably unintended, relationship, for

29 There is a discussion of the problems involved in the sale of American lumber abroad in James Boyd, "Fifty Years in the Southern Pine Industry," Southern Lumberman, CLXIV (December, 1931), 109-14. The interest of the Yellow Pine Manufacturers' Association in the export field is indicated by the presentation of a paper at the 1912 annual meeting by a leading industry figure, M. L. Fleishel, entitled "Advantages to be Derived from an Export Department in Our Association," SPA Records, Box 39a. The bulk of the large export producers were of course situated near the coast, and particularly along the Gulf Coast.
the industry's efforts in forestry and conservation came in response not only to the specter of empty mills, towns, and coffers, but to the increasingly strident cries of conservationists.\(^{30}\)

The last days of the Yellow Pine Manufacturers' Association and George K. Smith were tumultuous, stimulated by the heady vision of an age of "new competition" and finally shattered by a judicial decision which spelled the organization's demise. Smith was apparently a vigorous man whose interests reached out in several directions. During his tenure as head of the YPMA, he not only sent his members information on freight rates, advertising, and forestry and conservation, but also on other matters which he felt might affect the industry's welfare, such as agricultural conditions in various consuming areas which might influence the sale of yellow pine. In October, 1913, under the heading "The New Competition," Smith circularized his membership about the ideas of a Chicago lawyer, Arthur Jerome Eddy. Reporting that he was "impressed with suggestions contained therein," Smith sent the members a copy of a paper by Eddy concerning the new competition and asked them to submit their thoughts on the establishment of a central office for the interchange of information. In another letter, Smith announced plans to meet Eddy in Chicago to discuss the yellow pine situation and secure his suggestions and advice.\(^{31}\)

\(^{30}\)As in most other areas the extant or accessible information concerning the activities of the Yellow Pine Manufacturers' Association in forestry and conservation is extremely limited. There are scattered materials on these areas in the Kurth Papers, Boxes 118, 135, and 149.

\(^{31}\)George K. Smith to Angelina County Lumber Company, October 23, 1913, Kurth Papers, Box 312; Smith to Angelina County Lumber Company, February 4, 1914, ibid., Box 320.
Eddy's thesis was presented in a book, entitled *The New Competi-
tion*, published in 1911. This was only two years after the appearance
of Herbert Croly's *The Promise of American Life*, which ushered in an
age of business thought that wavered somewhat uncertainly from the
American ideals of free competition and laissez faire. Eddy called
for an end to the old, secretive, cutthroat competition. His new
millenium would feature an atmosphere in which competitors would freely
exchange information, and in which the Sherman Act would be abolished,
allowing the free operation of trade associations with some friendly
federal supervision. Ended would be the primitive days in which "com-
petition is war . . . and war is hell."\(^{32}\)

Eddy's approach inspired the "open-price," or "open-competition,"
associations spawned in the wake of the Supreme Court's decisions in the
Standard Oil and American Tobacco cases in 1911. With these cases it
became apparent that the Sherman Act applied to manufacturing and that
federal antitrust policy had tremendous importance for trade associa-
tions. Eddy's plan and the variations adopted by numerous open-price
associations required individual companies, or their representatives,
to furnish complete information to their associations or related organi-
zations concerning production, stocks on hand, unfilled orders, and
prices. The association's staff then processed the raw data and
channelled it back to the subscribers, so that each producer had an
intimate and comprehensive view of market conditions. Theoretically,

\(^{32}\)Eric F. Goldman, *Rendezvous With Destiny, A History of Modern
the open-price system was designed to create order and stability in extremely individualistic industries like that already prevailing in those which were highly concentrated. Eddy hoped to bring about more equitable and freer competition by eliminating the unintelligent and vindictive actions of individual producers. In actuality, the open-price system often provided simply another means of pursuing the old trade association objective of controlling production and prices.

According to its adherents, the overwhelming advantage of the open-market association was that it provided a completely legal means of achieving stability. The key was that members would not conspire to control future activities, but rather would provide complete information to one another about past transactions. If this was done with sufficient accuracy and speed, however, cooperators could obviously act in collusion to affect the future of the market. Eddy was so confident of his plan's legality that he maintained close contact with the United States Department of Justice and kept it informed about various open-price associations he helped form. The department in fact seemed for a while to look favorably upon the new organizations. For several years, the government made no effort to obtain a test case and determine the legality of the plan.33

Smith's meeting with Eddy in Chicago and his enthusiastic interest led to a December, 1913, gathering of yellow pine manufacturers in St. Louis which featured an address by the Chicago lawyer on the benefits of the "new competition." With Eddy's help, kindly rendered in return

33Louis Galambos, Competition and Cooperation, The Emergence of a National Trade Association (Baltimore: The Johns Hopkins Press, 1966), 78-81.
for a retainer of $2,500, the lumbermen heard committee reports and adopted a constitution and by-laws for the Yellow Pine Publicity Society. Smith appealed to all members of the YPMA to support the new organization, and reported that the St. Louis meeting indicated that about one hundred manufacturers with an annual producing capacity of nearly three billion feet favored the plan. Eddy’s charge was pro-rated among the fifty firms represented in St. Louis.  

Unfortunately for Smith, however, the grains of sand had run out for the YPMA because of its alleged production and price-fixing activities at the very time the secretary was trying to move toward a new, effective, and legal means of achieving the same objectives. The members were reluctant to support the new venture in light of the YPMA’s increasingly bleak legal situation. The ever-optimistic Smith circularized the manufacturers that plans for the new group were being temporarily dropped while a reorganization of the YPMA itself was under consideration, and that the Publicity Society might well be incorporated into the structure of the revised parent association.  

The Yellow Pine Manufacturers' Association's difficulties stemmed from alleged attempts to stabilize prices through production controls. The basic device for these activities had been the price list which YPMA members were urged to follow. Because of these activities, the Missouri Attorney-General brought a writ of quo warranto against

34George K. Smith to Angelina County Lumber Company, December 22, 1913, Kurth Papers, Box 312; Smith to Angelina County Lumber Company, February 4, 1914, ibid., Box 320.

35Smith and George R. Hicks to Angelina County Lumber Company, January 7, 1914, ibid., Box 320.
forty-one lumber companies on July 30, 1908. The writ sought to oust the companies from their franchises in Missouri and to fine them for violating the state statutes outlawing pools, trusts, and conspiracies. All of the companies were licensed to do business in Missouri. Thirty-five were incorporated under the laws of the state, with the other six merely operating there. All forty-one respondents were members of the YPMA, but the association was not mentioned as an entity in the suit. Charges against the defendants included issuing association price lists, curtailing output, agreeing to sell only to legitimate retailers, refusing to sell in carload lots to farmers' cooperatives, and dividing territory among retailers.

The case became known as the "Missouri Ouster Case" and was heard before the Missouri State Supreme Court. The court appointed a commissioner to gather evidence, and in May, 1911, he began to hear testimony. The commissioner eventually collected 3,000 printed pages and 200 pounds of exhibits, and filed this great mass of material, together with his findings of fact and conclusions of law, with the court.

While the manufacturers were under indictment, George K. Smith and the YPMA tried to maintain an optimistic outlook and facade, and it

36 The State ex inf. Elliott W. Major, Attorney-General, v. Arkansas Lumber Company et al., 260 Mo. 212 (1914); Missouri, Revised Statutes (1909), c. 98, secs. 10298-10301.

37 The State ex inf. Elliott W. Major, Attorney-General, v. Arkansas Lumber Company et al., 260 Mo. 212 (1914).

38 Hickman, Mississippi Harvest, 205.

39 The State ex inf. Elliott W. Major, Attorney-General, v. Arkansas Lumber Company et al., 269 Mo. 212 (1914).
appears that many of the lumbermen were not particularly alarmed by the charges. In June, 1912, the attorney for several YPMA members involved in the ouster proceedings addressed the association's semi-annual meeting. On the basis of his remarks, the secretary reported that every manufacturer could in good faith join the YPMA, because "the manner in which the organization is now conducted precludes the possibility of any legal entanglements. . . ."  

Despite the real or feigned optimism of the lumber industry, on December 24, 1913, the Missouri Supreme Court found twenty-five companies incorporated in Missouri and six foreign corporations guilty of conspiring to limit the output of yellow pine and of fixing prices. The court entered judgments of forfeiture against each of the guilty respondents, dissolving those which had Missouri charters and ousting all of them from their licenses to do business in the state. It also fined the guilty defendants a total of $436,000, with the assessment for individual companies ranging from $500 to $50,000.  

The decision made the YPMA's demise inevitable. However, George K. Smith and the manufacturers waged a desperate struggle to bring their organization into harmony with the law through basic changes in its stated purposes and structure. In January, 1914, Smith circulated the membership that the association's annual meeting in February would consider "some changes in the Constitution and By-Laws . . . to  

40 George K. Smith to Members and Manufacturers, July 17, 1912, Kurth Papers, Box 267.  
41 The State ex inf. Elliott W. Major, Attorney-General, v. Arkansas Lumber Company et al., 260 Mo. 212 (1914).
make them conform in all respects to the views of the Court in the recent decision. . . ."42

The YPMA's annual meeting heard a report by the Committee on Constitution and By-Laws, and on March 24, Smith advised the members that a general meeting in St. Louis on April 7 would consider amendments to the constitution which would "provide for a change in the statement of the objects of our association . . . and eliminate the gathering and disseminating of information regarding sales and marketing,"43 At the same time, he submitted to the members a petition to the Missouri Supreme Court which was to be filed by the respondents' attorneys in the Ouster Suit. Smith called the lumbermen's special attention to Paragraph Two, which promised that "severally and collectively they will move to so modify and amend the Articles of Association and By-Laws of the Yellow Pine Manufacturers' Association . . . as to conform in all respects to the opinion of this Court . . . and especially to eliminate from the purposes and practices of said Association that of collecting and distributing a price current, as condemned by this court in its opinion. . . ." The petition further pledged that the respondents would drop out of the YPMA if it was not satisfactorily reformed, and that they would no longer engage in the practices attributed to them.44

A special YPMA meeting convened in St. Louis on April 8, 1914, and leadership in attempting to reform the organization was taken by

42George R. Hicks and George K. Smith to Angelina County Lumber Company, January 7, 1914, Kurth Papers, Box 320.

43Smith to All Members, March 24, 1914, ibid.

44"In The Supreme Court Of Missouri En Banc, October Term 1913," ibid., Box 312.
two of the industry's most prestigious leaders. First, was the redoubtable Captain J. B. White, the famous pioneer in southern pine associational work, and second, was R. A. Long of the Long-Bell Company, who acted as chairman of the meeting in the absence of association President S. J. Carpenter. Long was most concerned about appearances and, in fact, was an extremely moral man in his personal life. He was quite dismayed and upset by the lumber companies' troubles with the Missouri Supreme Court.45

One can almost imagine the tenor of the April meeting with Long presiding. It must have been conducted in an atmosphere of great solemnity. Long was a quite ordinary looking man, belying his image as one of the barons of the "lumber trust." He was of average size, bespectacled, and usually clad in a somber manner befitting a humble man of the cloth. Long was soft-spoken, dignified, sedate, and, according to one observer, when dealing with him one might "think you were talking to a Quaker or a minister. . . ." He loved to retire to his family and palatial home, and particularly to play the organ at intimate filial gatherings. Long did not hesitate to dress down his associates when their conduct fell below acceptable moral standards.46

With Long in the chair, the April meeting amended the YPMA's constitution to eliminate references among its stated purposes to the dissemination of information relating to sales and marketing. At the suggestion of Captain J. B. White, a new addition to the associations' by-laws pledged:

46 Ibid.
Neither this Association, nor any officer, agent, or employee thereof, shall hereafter publish or issue in the name of, or for or on behalf of this Association, either directly or indirectly, any market report, price current or price list, or any other document or statement purporting to quote or to recite market prices or market values of yellow pine lumber; and it shall be the duty of the officers and board of directors of this Association to see that this by-law is rigidly enforced.47

The respondents' plea, which had been sent to the yellow pine companies in March by George K. Smith, ended with a request that the Missouri Supreme Court suspend the ouster judgments and reduce the fines. Having evidently been persuaded that the original decree was indeed too harsh, on July 2, 1914, the court announced that it would suspend its writ of ouster from corporate rights and franchises if the respondent companies would comply with certain conditions. Each defendant must pay its fine within sixty days and promise to treat all purchases equally. It must refrain from black-listing retailers or selling in open competition with wholesalers. The defendants were also forbidden to issue any price lists unless they represented actual and bona fide sales of their products and the prices paid therefor. However, despite these modifications, each defendant was required to file evidence that it had withdrawn from the YPMA and organizations of like character.

The court's decision mentioned the Yellow Pine Manufacturers' Association directly only once, saying it was powerless to act against the YPMA since it was not a respondent in the case. However, the court suggested that its decision might act as "rules of ethics by which it

47 Constitution and By-Laws of Yellow Pine Manufacturers' Association As Amended April 8, 1914 (n.p., n.d.), Kurth Papers, Box 93; "Proceedings of Special Meeting of the Yellow Pine Manufacturers' Association, held at Mercantile Club, St. Louis, Mo., April 8th, 1914, ibid., Box 320.

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[the YPMA] may square its behaviour, or as a chart by which it may hereafter steer its course. The irony of this statement was that there was to be no future in which the YPMA could attempt to "square its behaviour" or "steer its course." The court's decree requiring the respondents to withdraw from membership in the association made its demise inevitable. On November 10, 1914, the board of directors unanimously recommended the YPMA's dissolution.

The manufacturers continued to assert their innocence, and they declared that they had been persecuted by the State of Missouri. This position received some support from the United States Bureau of Corporations. In its 1914 report, which contained a survey of the lumber producing areas of the United States, the Bureau declared that the great diversity and wide geographical area of the yellow pine industry prevented the centralization of control over production and prices which was evident in some other species. The report also questioned the industry's adherence to the association's official price lists, which had been one of the major charges against the lumbermen.

With the dissolution of the YPMA, southern lumbermen immediately began to plan for the creation of its successor. On November 24, 1914, NIMA Secretary John E. Rhodes announced a New Orleans meeting of all


49 J. E. Rhodes to Gentlemen, November 24, 1914, Kurth Papers, Box 339.

yellow pine manufacturers in the name of the national association because of "its interest in the welfare of the yellow pine industry. . . ." The YPMA's board of directors had authorized such a call in their last meeting and recommended that any new organization should "carry on uniform grades and inspection only, with headquarters near the center of production. . . ." In order that the new association would not share the reputation of the YPMA, only its transportation tariff files and technical materials were preserved. The remaining files were destroyed upon the advice of counsel, so that the successor organization would have nothing to show that it was connected in any way with its defunct predecessor.52

The most tragic figure in the entire story of the YPMA's demise was Secretary George K. Smith, who had served long and valiantly in promoting organization and progress in the southern pine industry. Smith's eternal optimism and frantic efforts went unrewarded, and after the YPMA's fall, he worked briefly for a firm of St. Louis lumber wholesalers. The former secretary was then involved in an abortive effort to take over the YPMA's inspection service. According to general opinion in the industry, Smith believed he had been ruined by the scandal and fall of the YPMA, and he finally ended his life by jumping out of a St. Louis hotel window.53 It was thus in an atmosphere of personal

51 J. E. Rhodes to Gentlemen, November 24, 1914, Kurth Papers, Box 339.

52 Interview with H. C. Berckes, January 24, 1968.

tragedy, unsettled market conditions, labor turmoil, legal difficulties, and approaching warfare that the industry's greatest trade organization, the Southern Pine Association, was born.

While Captain J. B. White was the leading figure in early southern pine producers' associational activities, there is no doubt that he was succeeded as a dominating leader by Charles S. Keith, president of the Central Coal & Coke Company, with headquarters in Kansas City. Keith seized the initiative at the time of the Missouri Ouster Suit and led the temporarily-disorganized yellow pine producers into the new and stronger Southern Pine Association. At the time of the Missouri Ouster Suit, Keith, a vigorous man who had just turned forty, was nearing the pinnacle of a bright career in the lumber industry. Keith was born into a prominent Kansas City mercantile family and spent his entire life in that old lumbering capital. His father was president of the Keith & Perry Company, later expanded into the Central Coke & Coke Company with operations in eight states.

Keith was a quick, bright man who was particularly noted for his mastery of statistical information. R. A. Long once characterized him as the best informed lumberman in the United States. Keith graduated at eighteen from Fordham University and joined his father's firm. He started as an accounting clerk and moved up through the ranks becoming, successively, an engineer, traveling sales agent, and general sales agent. In 1902, at twenty-nine, Charles S. Keith became general manager of the company. Keith's father died in 1905, and his partner, W. C. Perry, became president, but Perry died two years later. Charles S. Keith thus found himself in his thirties directing one of the nation's
largest businesses. The Central Coal & Coke Company by this time controlled nine subsidiary companies operating mines, lumber camps, and manufacturing plants.\textsuperscript{54}

Keith differed from most of his associates in many ways. He was not a self-made man in an age and industry which was still strongly influenced by its pioneering elements. Despite his marked abilities, there can be little doubt that paternalism facilitated Keith's rise to the top. He was a university graduate among generally uneducated contemporaries who prided themselves on being able to hire a college man if they needed one. He was a Roman Catholic running operations concentrated in heavily Protestant areas. Finally, Keith was extremely young. In a sense, he was a link between the pioneering generation and the era of managers which was to come.

Perhaps because of his own distinctiveness, and the fact that he was used to success and respect, Keith exhibited little of the hesitation of some of his colleagues. He seemed able to reach decisions in the industry's time of trial. Keith withstood "waves and tides from all directions," and dominated the organizational meetings with his sharp mind and "authoritative voice." According to one of the industry's leaders, Keith was "sharp, brusque, like a bulldog . . . he got right after you. . . . there were a lot of people who weren't sure of themselves and hesitated to cross him." Charles S. Keith, with his qualities of leadership, "severe face," and "stern" demeanor was the man needed to lead yellow pine producers in a new effort at organization.\textsuperscript{55}

\textsuperscript{54} The Kansas City Times, October 10, 1945.

\textsuperscript{55} Interview with H. C. Berckes, January 24, 1968.
Keith was a member of the committee appointed during the YPMA's last days to devise a reorganization plan. The committee also included C. D. Johnson, H. H. Foster, and R. A. Long. Upon the advice of attorneys, the plan was never circulated or promulgated because of the Missouri Ouster decision. However, the committee members consulted with attorneys and devised plans for the Southern Pine Association. Articles of incorporation were filed with the Secretary of State of Missouri who referred them to the Attorney-General. The Attorney-General consulted with the Missouri Supreme Court and finally advised the Secretary of State to issue a charter.\(^{56}\) On October 21, 1914, the association was chartered as a corporation for fifty years under the provisions of Article Seven, Chapter Thirty-three, of the Revised Statutes of Missouri of 1909. Capital stock was listed at $2,000, divided into 2,000 shares with a par value of one dollar each. Legal headquarters were initially established at St. Louis.\(^{57}\)

Robert A. Long and Captain J. B. White were closely involved with Keith in organizing the Southern Pine Association. Judge John H. Lucas, a Kansas City businessman and lawyer, was the primary legal mind behind the organization. Keith, Long, and White scheduled a meeting for December 8, 1914, in New Orleans to win support for the SPA and put it into operation. Although the association had been chartered, it was not expected that a prospectus would be prepared in time for the New Orleans meeting.

\(^{56}\) Charles S. Keith to John Henry Kirby, November 27, 1914, Kirby Papers, Box 222.

\(^{57}\) "Prospectus; Incorporation, By-Laws, Departments," SPA Records, Collection Prospects, 8. In 1920 the legal headquarters were moved to Kansas City. "Minutes of a Meeting of the Southern Pine Association Board of Directors, July 9, 1920," \textit{ibid.}, Box 70b, 10.
meeting. While Long, White, and others worked on a prospectus, Keith turned to drumming up support for the new organization. One of his first steps was to call upon John Henry Kirby to attend the New Orleans meeting with an open mind. If Kirby could be persuaded to affiliate with the SPA, it would almost ensure success among the vitally important East Texas and western Louisiana producers.

The New Orleans meeting lasted three days and attracted over eighty per cent of the southern lumber manufacturing interests. The lumbermen made definite plans to set the Southern Pine Association into operation and chose directors. Kirby attended the meeting and was favorably impressed with its results. He hesitated about joining, however, until he had consulted his attorneys and learned "what others who had heretofore stood aloof intended to do." Kirby was happy that firms in his area that had previously abstained from associational activities were favorable toward the new proposition. He was particularly enthusiastic about the possibility of effective joint action in grading and inspection, statistics, advertising, and product research. Although he was selected as one of the SPA's directors, Kirby did not attend the directors' sessions which were held later in New Orleans.

During the latter part of December, communications between Keith and the directors filled the mails. Plans were made for an early January directors' meeting in St. Louis to work out details concerning SPA contracts, prices, and services. Preparations were to be made at

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58 Charles S. Keith to John Henry Kirby, November 27, 1914, Kirby Papers, Box 222.

59 Kirby to F. H. Farwell, December 17, 1914, *ibid*. 

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this session for a mass meeting of lumbermen in New Orleans on January 19. Keith also planned to "make arrangements . . . to secure the office furniture and other things belonging to the Yellow Pine Manufacturers' Association." The St. Louis directors' conference would fulfill the SPA's chartered obligation to have a directors' session in Missouri.  

In accordance with the board of directors' instructions made at New Orleans in December, Keith entered into negotiations with John E. Rhodes, secretary of the National Lumber Manufacturers' Association, for the same position with the SPA. On December 22, Keith received Rhodes' acceptance, thus giving the Southern Pine Association the services of a well-trained and industrious trade association executive. As Kirby said, "nearly everything depends upon the Secretary and this young man will bring a great deal of capacity and dignity into this new organization."  

Rhodes was originally a Minneapolis newspaperman. His initial connection with the lumber industry was as stenographer and secretary to the older Frederick Weyerhaeuser. Rhodes' first trade association work was as secretary of the Northern Pine Manufacturers' Association in the Great Lakes States. From that position he was hired by the 

60 Charles S. Keith to Kirby, December 18, 1914, ibid.  
61 Keith to the Southern Pine Association Board of Directors, December 22, 1914, ibid.  
Weyerhaeusers and installed in their St. Paul office to analyze sales conditions. Beginning in 1909, Rhodes studied sales orders for the Weyerhaeuser firms and, together with F. E. Weyerhaeuser, developed the idea of trade-marking and grade-marking lumber for species and quality. Rhodes had thus been active in one of the Southern Pine Association's most important endeavors—grade marking—long before he joined the SPA. Rhodes' ideas found little receptiveness in the Weyerhaeuser firm, and in 1912, he became discouraged and left. He then served as secretary of the Mississippi Valley Lumberman's Association and the National Lumber Manufacturers' Association.

At the time Rhodes became secretary-manager of the SPA he was widely-known among the lumber fraternity and well-versed in association work. He "was a small man, prematurely gray, wiry . . . very diplomatic and very impressive in what he said and did." Rhodes' diplomatic abilities were perhaps his outstanding asset. They were sorely needed during the association's early years. Rhodes was widely respected within the industry and could, therefore, deal with lumbermen on a basis of equality. However, he was careful not to become an intimate of any particular individual or clique and thereby destroy his effectiveness. According to his closest associate within the association, "to harmonize all of these men in the first eight years of the Southern Pine Association was . . . some job . . . and he did it, and did it well." There


64Interview with H. C. Berckes, January 24, 1968.
is a tragic side to the story of J. E. Rhodes and the Southern Pine Association, for when he came South he was incurably ill. Rhodes was a Christian Scientist and told no one of his affliction. Rather, he toiled valiantly for the survival of the new organization and assiduously trained the man he had selected to be his successor. 65

Before their December 8 New Orleans meeting, the lumbermen's common interests had been handled on a voluntary basis under the shadow of the dissolution of the Yellow Pine Manufacturers' Association. Activities centering around the effort to organize a workable successor were conducted through "informal meetings . . . just as if you and some others got together and organized a fishing club or any other club . . . discussing it among themselves." 66 With the actual formulation of plans for the new association and the organizational meeting in New Orleans completed, Secretary Rhodes and leaders in the new endeavor turned to the most important matters at hand: convincing southern pine lumbermen that the SPA was organized in a way that would avoid legal difficulties and then winning their moral and financial support.

The basic difference between the structure of the Southern Pine Association and other trade organizations was that it was chartered as a non-profit corporation created to perform certain services for southern pine manufacturers who should subscribe and pay for them. Since the lumbermen were not members of the association, but merely subscribers for its services, they had no legal responsibility for the organization's

65 Ibid.
66 Ibid.
actions. This was the key legal distinction between the SPA and its predecessors. The objective was "to organize a company that could sell a service to the sawmills all over the South that would be perfectly legal." When a subscriber had any doubts concerning the legality of his relationship to the association, the board of directors provided a means by which he could withdraw. If the subscriber's attorneys considered an SPA action illegal, they could confer with the association's counsel. If the conference disagreed about the legality of the disputed matters, a third lawyer was to be selected as a referee. A majority decision among these attorneys was to be final. The subscriber was permitted to cancel his contract after giving ten days' notice, if the SPA's actions were ruled illegal, and if it did not discontinue the disputed practices.

Although southern pine manufacturers did not actually belong to the SPA, they controlled the organization and dictated the services it performed. The directors were "suggested" by the subscribing companies from among their own officers, and they held all the stock. Although under no legal obligation to do so, the board of directors at each annual meeting asked the subscribers to submit names to a nominating committee appointed by the president for possible election by the stockholders to the board. New directors received their predecessors'
shares of stock. The directors chose the corporation's officers from among their own number. The president always served as chairman of the board.70

The president and vice presidents of the Southern Pine Association acted largely in a general policy-making capacity. The secretary-manager was the actual administrative head of the organization. He was responsible for all record keeping, correspondence, personnel, the allocation of duties among departments, and for representing the association in its relations with other organizations. The number and functions of departments varied from time to time, but there were usually about ten. Initially, they were concerned with trade extension, research, inspection, legal matters, accounting and statistics, traffic, forestry, filing and library, bookkeeping, and mailing.71

In addition to its headquarters organization, the SPA had several standing advisory committees. Their members and functions also changed periodically. The original committees dealt with grading, trade extension, advertising, accounting, transportation, forestry, standard weights, sales and distribution, and terms of sale. According to the by-laws, the board of directors was to appoint each committee. Every committee was to consist of representatives from one or more manufacturing establishments in each southern pine association state.72

70"Proceedings of Fifth Annual Convention of Southern Pine Association, March 16, 17, 18, 1920," ibid., Box 73b, 240.


actual practice, the board named only the chairmen, and they in turn selected their committee members without regard to the proper geographical distribution. As a matter of fact, in order to facilitate committee work members were usually chosen from a rather limited area.  

The association's secretary-manager called committee meetings upon the request of their chairmen. Records of these meetings, together with all other information concerning their activities, were filed with the secretary-manager so that they would be available to all subscribers. Each association committee was assisted by the appropriate departments. The departments investigated various subjects and made reports which were submitted to the committees through the secretary-manager. Copies of these reports also went to the board of directors and other interested committees. The board of directors' approval was required for any committee undertaking involving the expenditure of substantial sums of money.  

The Southern Pine Association obtained its funds from fees paid by subscribing companies. Each subscriber was required to pay a stipulated monthly sum for every thousand board feet of lumber it shipped. The decision to base the charge upon lumber shipments was made after considering other possible criteria, particularly the capacity or production of each manufacturing concern. This proposal was rejected, because these factors did not necessarily reflect a company's financial

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position or ability to pay. In fact, the industry was plagued by overproduction which brought on financial stringency and made it difficult for some mills to pay the subscription fees. A charge based upon lumber shipments, or sales, it was concluded, would provide the best and most dependable source of income.\textsuperscript{75} To ensure that each subscriber paid his fair share, the association reserved the right to ascertain his production and shipments at any time and to cancel his contract for any violations.\textsuperscript{76} The only lumber shipments exempted from the charge were those the subscriber intended to use in his own operations.

Since the subscribers actually controlled the Southern Pine Association, they established the amount of the fees. When the association was organized in late 1914, the subscription rate was set at five cents per thousand board feet of lumber sold. In 1915, the board of directors voted an increase to ten cents in five semiannual raises of one cent each, but the subscribers in their annual meeting approved an increase to only seven and one-half cents. The board modified its decision in conformity with their wishes. With the general inflation accompanying World War I and the expansion of the SPA's services came further increases. The subscription fee was thereafter periodically readjusted in accordance with fluctuations in the industry's economic health. From time to time, there were special assessments for


\textsuperscript{76}"Prospectus: Incorporation, By-Laws, Departments," \textit{ibid.}
concentrated efforts to meet problems of immediate importance in areas such as advertising and transportation.  

The Southern Pine Association's income was spent under the general supervision of the board of directors and its supervisory committee. The board had to authorize all substantial expenditures made by the advisory committees and departments, and the details of all such expenditures were available to the subscribers upon request. At their insistence, the SPA supported and carried out only activities directly connected with the work which it contracted to perform for subscribers. An auditor kept the association's accounts under the supervision of an independent accounting firm, and checks were signed only by the treasurer, the secretary-manager, or his assistant.

Since the Southern Pine Association's income depended upon both the amount of the subscription fee and the number of subscribers, Secretary-Manager Rhodes gave first priority to securing new members and attempting to bring old YPMA supporters into the fold. In January, 1915, Rhodes sent each SPA director a list of manufacturers in his state showing whether they had been affiliated with the YPMA or had supported its statistical activities and if they had signed SPA subscription

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77"Minutes of a Meeting of the Southern Pine Association Board of Directors, February 26, 1915," ibid., Box 70b, 2.


79"Minutes of a Meeting of the Southern Pine Association Board of Directors, February 26, 1915," ibid., Box 70b, 2.

80"Minutes of a Meeting of the Southern Pine Association Board of Directors, April 2, 1917," ibid., 38.
contracts. The secretary-manager asked each director to call a manufacturers' meeting in his state to spur the membership drive. 81

Organizational meetings were held throughout the southern pine region. In Texas the redoubtable John Henry Kirby summoned a gathering at the Lumberman's Club in Houston. Representatives of fifteen prominent Texas firms attended. The meeting was carefully scheduled for a Saturday morning, so that the lumbermen could spend the afternoon and Sunday fraternizing on the golf links. 82 The Louisiana session was headed by W. H. Sullivan, and Philip S. Gardiner was the Mississippi sponsor. 83 Similar meetings were scheduled for Montgomery, Alabama, and Little Rock, Arkansas. 84

Kirby was most responsible for swinging East Texas and western Louisiana into the Southern Pine Association. Despite his own fears about legal difficulties and his record of reticence in routine associational activities, Kirby actively recruited support for the new organization almost from the very beginning. The Texan's efforts were even directed toward convincing other manufacturers of the nascent association's legality. In the pursuit of his goal, Kirby first had to overcome his own legal advisors' objections and then in turn to battle the

81 J. E. Rhodes to Southern Pine Association Board of Directors, January 28, 1915, Kirby Papers, Box 222.

82 Interdepartmental memorandum, B. F. Bonner to John Henry Kirby, February 5, 1915, ibid.


84 "Minutes of a Meeting of the Southern Pine Association Board of Directors, February 26, 1915," SPA Records, Box 70b, 1.
counsels of other companies. Lutcher and Moore of Orange, Texas, for example, stayed out of the association for a while simply because they received an adverse report on SPA legality from their attorney. Kirby's campaign brought him into direct negotiation with the Lutcher and Moore counsel to try to convince him of the error of his decision—with the full approval of the firm's general manager.

Lutcher and Moore eventually supported the Southern Pine Association, and there were still others who hesitated and finally joined. Even crusty old Robert A. Long had to be shown after the decision in the Missouri Ouster Case. These men and firms could be counted on in the final analysis. However, others consistently refused to join the organization for one reason or another and did not even follow the practice of many who drifted in and out. The Weston Lumber Company in Mississippi, for example, stayed out of the SPA, because it produced mainly for export and saw no particular benefit in the services of the association. Others, like J. A. Bentley of Alexandria, Louisiana, were individualists who had fought heated battles with competitors over timber purchases. In the words of a long-time industry figure, "a lot

85 Kirby's lawyers advised him to stay out of the Southern Pine Association in a five page letter that was summed up in the warning that "we regard it as unwise that the Kirby Lumber Company participate in the Southern Pine Association. . . ." Andrews, Streetman, Burns and Logue to John Henry Kirby, December 23, 1914, Kirby Papers, Box 222.


87 Interview with H. C. Berckes, February 10, 1968.
of them just didn't want 'sit down at the same table with these other fellows..."  

Organizations like the Bentley firm posed a tremendous problem for the fledgling SPA, which had to overcome the industry's senseless competition and individualism. In such cases, the big guns of the industry and association were trained on the slacker. Secretary-Manager Rhodes tacitly acknowledged personal defeat in the Bentley matter in November, 1915, and called upon John Henry Kirby to intercede as "the only man who can possibly secure his subscription." Kirby's action was quick, heavy-handed, and unsuccessful: "Why don't you join us? We need you and you need the Association. . . . There must be a reason why you have not co-operated with us in the past and have not come in for your portion of these necessary expenses. Let me know what the reason is. I want you with us." Bentley remained aloof from the Southern Pine Association.

The Bentley experience was, however, not typical. Most organizational efforts were successfully directed toward firms considered of key importance in bringing entire regions into the SPA. In Texas, Kirby's confidants advised him that "with the Lutcher-Moore people, Alexander Gilmer, and the Sabine Tram coming in and becoming subscribers . . . the remaining Manufacturers in Texas would all fall right

88 Ibid.

89 J. E. Rhodes to John Henry Kirby, November 9, 1915, Kirby Papers, Box 222.

90 Kirby to Joseph A. Bentley, November 10, 1915, Ibid.
The emphasis in dealing with these concerns was on the benefits and legality of the association.

To Texas firms Kirby also emphasized the SPA's services in the areas of "strict rules for grading . . . settling disputes concerning grades . . . the dissemination of information . . . [and] an intelligent advertising campaign. . . ." Appeals to these producers stressed the fact that SPA headquarters would be in New Orleans near the center of southern pine production, although the corporation was legally domiciled in Missouri. A strident letter to the Lutcher-Moore people reminded them that "you fought so hard years ago to get the headquarters of the Yellow Pine Ass'n. removed from St. Louis to New Orleans. This new organization, the Southern Pine Association will have their headquarters in New Orleans."

The decision to incorporate the SPA in the State of Missouri was a deliberate one which, as one lumber journal said, "makes the Association a ward, so to speak, of a hostile Court and insures the plan of organization against the possibility of criticism by the courts of any state in which it may seek to do business." The Missouri location, however, was opposed by many southern lumbermen who believed the old YPMA had not been sufficiently responsive to their desires. The president of the Carter-Kelley Lumber Company of Manning, Texas, typified this point of view:

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91J. Lewis Thompson to Kirby, February 17, 1915, ibid.
92Kirby to W. H. Stark, December 23, 1914, ibid.
93J. Lewis Thompson to F. H. Farwell, February 16, 1915, ibid.
94Collier, The First Fifty Years of the Southern Pine Association, 42.
I am very much opposed to going into an organization of this kind with its headquarters in Kansas City, although there may be something under the chip that I do not know. . . . The largest part of the business done by the association would be in the department of inspection of grades and arbitration. This I believe could be handled to very much better advantage with its headquarters located in the south . . . and when trouble comes up such as we had during the I.W.W., the men on the ground behind the guns are the fellows who have to take care of the situation, and I feel in this we should have the association organized in some of the southern states where it can be close to the manufacturing points, and where we can attend meetings conveniently.95

Kirby answered this objection by again emphasizing that the association's headquarters were to be in New Orleans. He allayed another common fear by stating, "I have not found any disposition among the Missouri Lumbermen to run things. They are willing that others shall have all the honors and take all the responsibilities if they will but recognize that some character of vigorous organization is indispensable [sic] to the success of the industry."96

In the Kelley case Kirby was successful. Kelley replied:

... if the association is put in motion under the right kind of management located in New Orleans I see no reason why it should not succeed. Heretofore the members knew but very little about the inside workings of the association . . . I know you are familiar with all the workings of the new association and if you think we will get value received for the money we put into the new organization, then I will be heartily in favor of it, and will give it all of my support.97

During its first year of existence, the Southern Pine Association's principal effort was directed toward securing members.98 This

95 G. A. Kelley to John Henry Kirby, December 24, 1914, Kirby Papers, Box 222.
96 Kirby to Kelley, December 28, 1914, ibid.
97 Kelley to Kirby, December 30, 1914, ibid.
98 The assistance of leaders like Kirby was greatly appreciated by the staff, and Secretary-Manager Rhodes expressed his reaction to
effort reached its successful culmination at the first SPA meeting of 1915, held in New Orleans' plush new Grunewald Hotel, after President Charles S. Keith laid matters squarely on the line. He read a long list of those companies which had already signed subscription contracts and then told his audience that unless a minimum production of four billion board feet could be enrolled in the association, "now is the time to step." According to contemporary reports, the response was overwhelming, and "as fast as two assistants to the secretary could accommodate them . . . contracts were signed." During the SPA's first year, the total output of southern pine was 14,463,804,000 feet. Of this figure, the association commanded a production of 4,053,000,000 board feet from 108 subscribers operating 127 mills.

Kirby's activities toward the end of the year when he said: "the fact that a man of your large interests was sufficiently interested in the work of, and loyal to the Association . . . influenced them to a considerable degree in their willingness to maintain their affiliation with us. . . . With loyalty of this kind I am sure that we can continue to produce satisfactory results for our subscribers." J. E. Rhodes to Kirby, November 9, 1915, ibid.

99 This hotel remained the traditional SPA meeting site under its old name and after it became The Roosevelt.

100 The first to do so was S. H. Bolinger & Company of Shreveport, Louisiana.

101 "Pine and Patriotism," SPA Records, Box 85b, 8.
CHAPTER IV

THE FORMATIVE YEARS OF THE SOUTHERN PINE ASSOCIATION, 1914–1917

Although securing members and funds was obviously fundamental during the Southern Pine Association's early days, the organizers and Secretary-Manager Rhodes wasted no time in establishing machinery to place the SPA in actual operation. The formative years were plagued by the sort of difficulties one might expect in assembling a new staff and formulating policies that would prove acceptable to the members of a highly individualistic and competitive industry that had recently suffered a crushing external legal blow. However, although they virtually had to start from scratch in a time of stress and conflict, the Southern Pine Association's founders did their job well. By the time World War I came, requiring the industry to pour all of its efforts into the defense effort, the SPA was well-established and operating rather smoothly. It was well suited to act as the main channel of communication between lumbermen and the government.

The association began operations in downtown New Orleans, as Secretary-Manager Rhodes started to assemble his staff and grapple with the industry's problems. Staff work began in March, 1915, in temporary headquarters in the Hibernia Bank Building. Permanent offices were then established in the old Interstate Bank Building at Canal and Camp
streets. The physical beginnings were inauspicious. The employees hammered up shelves and arranged their limited equipment themselves. They were settled before the advent of the long and humid New Orleans summer which they faced without the air conditioners and window screens later generations would find indispensable. In fact, although it later moved to better quarters, the SPA never had elaborate equipment or offices and consciously cultivated a frugal image. As longtime Secretary-Manager H. C. Berckes said, "a lot of Associations that had our influence had much better offices than we did. You know lumbermen are a different type of people. When you get a fellow out there with a small sawmill and he comes in to see you and you're puttin' on too much dog, he don't like it." From its spartan headquarters the association began to struggle with industry problems, including the perennial one of manufacturing and grading standards. In this area there was at least a foundation to build upon—the standards and procedures established by the old YPMA. The actual work of the Southern Pine Association in this field, as in all others, was done by an SPA department under the supervision of a committee which acted through the secretary-manager. The Grading Committee prescribed standard specifications for grading yellow pine lumber and, through the association's Inspection Department, enforced them at its subscribers' mills. In addition, it arbitrated disputes over grades. The committee acted through seven 


2 Interview with H. C. Berckes, January 24, 1968.
subcommittees organized according to products. Each subcommittee studied the problems falling within its particular area of responsibility and made recommendations to the full committee. In making investigations, the subcommittees were authorized to visit the mills and yards of association subscribers and to solicit suggestions. 3

The Yellow Pine Manufacturers' Association's grading rules were generally accepted in the industry prior to 1914, and when the SPA was organized it adopted, copyrighted, and changed them when necessary. 4 When a subcommittee of the Grading Committee, either on its own initiative or at the request of a subscriber, favored a change in the rules, it first consulted other interested subcommittees and then presented its proposal to the parent committee. The Grading Committee might then accept the change, subject to the approval of the board of directors. Before acting, the board solicited the views of association subscribers, and even of retail lumber dealers who were not subscribers. If their response was favorable, the directors approved the alterations and they became official. 5 The association was always concerned that


its specifications and grading rules be accepted throughout the industry. Therefore, copies of the rules and all changes were available to anyone who wanted them.6

Actual grading and inspection of southern pine lumber was done by a corps of inspectors, who varied in number from between ten and twenty-five during the association's early years. The SPA hired many members of the old YPMA inspection staff after George Smith's abortive coup, and they formed the nucleus of an efficient inspection force. Heading the inspection and grading staff was a chief inspector who supervised activities. There was also an instructor of grades who trained association inspectors and conducted schools for the subscribers' graders at their mills. In order to check the effectiveness of its grading and inspection service, the association developed an elaborate system of records covering the performance of both its own inspectors and the graders at each mill.7

During 1915 and 1916, for example, serious hurricanes hit the Gulf Coast of Louisiana and East Texas. Considerable timber was downed, and much that remained standing was affected by the heavy winds through swaying movements that caused shakes or checks in the manufactured lumber. The association thus had to decide the amount of allowable wind


shake in certain grades in an atmosphere charged with self-centered opposition between those the storms had affected and those who had escaped their ravages. Intra-family friction even emerged in cases where one mill of a large company was cutting wind-damaged timber and another was not. At one point the discussions became so heated that a recess was called and a twenty-four hour cooling-off period instituted to allow mills of the same companies to adjust their differences before the entire Grading Committee reached a decision.  

According to Secretary-Manager John E. Rhodes, however, despite disputes and controversies, during the SPA's first year of operation its Grading Committee "accomplished more . . . towards establishing a recognition of uniform grades for Southern Yellow Pine than has been done in any previous year. . . ." During the year, on the recommendation of the Forest Products Laboratory, the committee adopted a density rule which was copyrighted by the American Society for Testing Materials. The rule defined the relationship between the density and strength of lumber. The committee also studied the test weights of timbers and other structural materials, the moisture content of southern pine, and kiln drying practices. All of these matters would be of continuing interest to the SPA, the consuming public, and the government.  

By 1917, the Grading Committee had facilitated lumber inspection by placing its subscribers' mills in eleven inspection districts. A system was worked out to improve the industry's quality standards.

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9 "Lumber Awakes!," SPA Records, Box 85b, 22.
Association inspectors filed reports with each subscriber whose mills they visited and sometimes discussed their findings with the mill graders. The SPA awarded efficiency cards to graders demonstrating a high level of proficiency, and to assist them, it also reissued and distributed copies of its grading rules. On the Grading Committee's recommendation, the board of directors also established an inspection department branch in the New York City area. It was expected that this office, by assuring that southern pine lumber sold in the vicinity met association specifications, would increase southern pine markets in New England and the middle Atlantic Coast area.

The problem of industry grading standards was closely related to many industry leaders' desire for the SPA to initiate a program of grade-marking to ensure the integrity of the stock and grades sold by association subscribers. SPA leaders also believed, of course, that grade-marking, or branding, lumber would increase association membership, because manufacturers who could not use the organization's grade-marks would be at a competitive disadvantage. Prior to the SPA's organization, many within the industry practiced hammer-marking of large timbers, but this did not bring protection to the users of items generally found in home and small construction.

In January, 1916, the board of directors appointed a special committee on branding lumber to investigate and test branding machines


and made a small appropriation to support its work. A month later, at
the first annual SPA meeting, Charles Green of the powerful Eastman-
Gardiner firm in Laurel, Mississippi, made his first report as chair-
man of the branding committee and recommended that a branding program
be adopted as rapidly as possible. In 1917, the committee had machines
installed at two sawmills to experiment with the branding of lumber.
These machines proved unsatisfactory and, with the advent of World War I,
the experiment was dropped. The quest for satisfactory grade-marking
equipment and procedures was postponed until after the conflict.\(^{13}\)

The difficulties of placing a grade-marking program in operation
were not due solely to mechanical problems or World War I's interrup-
tion. Grade-marking was closely related to the matter of grading
standards, and again internal divisions and factions hampered SPA
efforts. In fact, Chairman Green, himself a producer of longleaf
lumber, became lukewarm about grade-marking out of self-interest.\(^{14}\)

When the Forest Products Laboratory established a density basis
for determining the strength of southern pine lumber, it triggered a
controversy that complicated the effort to establish grading standards,
side-tracked the grade-marking movement, provoked an effort to unseat
the SPA's secretary-manager, and almost wrecked the SPA itself. It
brought into the open differences between producers of two varieties
of southern pine lumber—dense shortleaf and longleaf. The latter

\(^{13}\)Ibid., 118; James Boyd, "Grade Marking of Southern Pine Lumber,"
SPA Records, Box 77a, 1-2.

\(^{14}\)Berckes, "The Pitch in Pine," 118.
feared that the designation of dense shortleaf pine as being strong as original growth longleaf would depress the value of their product.

For many years, the longleaf operators resisted the adoption of a southern pine density rule that would put dense shortleaf and longleaf on a parity. The cleavage spread beyond the merits of the density rule and, as was noted above, contributed to the delay in establishing industry grade-marking. Longleaf mills held that they did not want the same grade-mark used on both longleaf and shortleaf, thus depreciating the premium price they received for their lumber. They believed their product so superior to shortleaf that it would not serve their interests to have an identical mark on the same grade of both varieties. This difference of opinion was finally resolved when disputes over the adoption of a density rule were settled, but in the meantime, this and other difficulties, plus the interruption of World War I, impeded the establishment of a grade-marking program.\(^{15}\)

The association was active in the confusing and chaotic field of transportation, as well as in grading. SPA transportation interests were entrusted to a transportation committee and the Traffic Department. The committee consisted of three members, one representing subscribers east of the Mississippi River, another those west of the river outside Arkansas, and the third those in Arkansas. Transportation Committee decisions, like those of the Grading Committee, were subject to the board of directors' approval. It kept under surveillance such matters as freight rates charged by common carriers, railroad car supply, bills

\(^{15}\text{Ibid., 28, 118.}\)
of lading, freight claims, and the classification of lumber for shipment. The committee's sectional composition reflected serious differences among subscribers that at times seemed to threaten the very life of the association.

The Traffic Department, which worked with and under the Transportation Committee, was headed by a traffic manager. He was appointed by the secretary-manager with the approval of the Transportation Committee and the board of directors. While having general supervision over all lumber traffic, his principal duty, like that of the committee, was to assure that the railroads maintained fair and equitable freight rates on southern pine lumber, so that it could compete with products from other areas in common markets. There was also an assistant traffic manager who acted as coordinator of the department's varied activities. He reviewed the reports of the several state and federal rate-making bureaus and supervised the preparation of rate studies. The assistant traffic manager also handled routine correspondence.

Transportation activities were important to the SPA's development, not only because of the problems handled, but also because of the men brought into the association to deal with them. Two individuals hired in an almost haphazard fashion to work with transportation matters during the SPA's earliest days remained to become undoubtedly

\[16\] A. S. Boisfontaine, "The Southern Pine Association in Retrospect; Seventeen Years of Trail Blazing in the Trade Association Field," *Southern Lumberman*, CXLIV (December, 1931), 109.

the most significant career employees during a long span of Southern Pine Association history.

The first of these was A. G. T. Moore, who toiled for almost four decades as traffic manager and then as head of the association's conservation activities. Like most of the SPA staff, Moore was a native New Orleanian. He was trained in transportation rate work while in the employ of the Louisville and Nashville Railroad where he began as an office boy. After learning the intricacies of rate-making and the rate structure, Moore moved into a job as assistant rate clerk and traffic manager with the New Orleans Board of Trade. He eventually left the board of trade and spent some time as secretary of the Chamber of Commerce in Gainesville, Florida, before returning to the Crescent City to seek employment in his old line of work. He applied for a job as SPA traffic manager and was hired by Secretary-Manager J. E. Rhodes, who then ordered Moore to "go get somebody" to assist with his work.18

Moore did not have to look far to find his assistant. His choice was H. C. Berckes, who had also worked for the board of trade. Berckes' humble beginning with the SPA did not give any indication that he was destined eventually to become its highest professional officer. Berckes was also a native of the Crescent City, with a touch in his speech of the New Orleans brogue that seems so delightfully out of place in the historic old southern city. He was descended from a Protestant German family which had settled originally in the vicinity of Buffalo, New York, and had emigrated to New Orleans after the Civil War.

18 Interview with H. C. Berckes, January 24, 1968.
Berckes' origins were middle-class—one grandfather ran a restaurant, the other was a barber. His family included five brothers. Berckes attended the New Orleans public schools and in 1910 was graduated from Boys' High School. Upon finishing high school, Berckes went to work for the New Orleans Board of Trade and worked for that organization from 1910 to 1915.

During his tenure with the board of trade, Berckes worked as a stenographer and rate clerk, but he spent his evenings learning all he could about transportation and the railroad rate structure. As Berckes later recalled, "I'd go over to the Board of Trade . . . I'd spend my night time learning, looking over tariffs, see how they worked. You just gotta' go into it, you don't graduate in it, you gotta' pick it up." Berckes never lost his lust for learning. After joining the Southern Pine Association, he attended night classes at the Tulane College of Commerce, and it was probably this desire for knowledge and ambition that Moore remembered as he looked for an assistant.\footnote{The material on the early life of H. C. Berckes is taken from interviews with Mr. Berckes on January 24 and February 10, 1968.}

The beginnings of SPA transportation work were rather inauspicious. It, together with grading rules and some old equipment, represented the only observable direct tie with the old Yellow Pine Manufacturers' Association. At the time of its demise, the YPMA had been working on the preparation of a transportation rate book, but this activity was naturally stopped after the death blow struck by the Missouri Ouster Case. By this time, the YPMA had built "a wonderful
file of freight rate tariffs. . . ." The tariffs were brought down to New Orleans from Missouri and stored in a warehouse for use by the SPA in compiling its first rate book. Moore's and Berckes' "first job down in a sweaty warehouse, was to take those freight rate tariffs that came down in boxes and dust them off and clean them off and see which ones we needed and bring 'em up to the office to see if we could use 'em."

Berckes and Moore spent about six weeks examining and sorting the material from the YPMA, and finished their task just in time to be caught up in one of the persistent inner conflicts of the southern pine industry, almost losing their jobs in the process.20

The yellow pine industry's development was intimately related to the extension of railroad lines into the South. The somewhat haphazard way in which this penetration took place is at least partially responsible for the chaotic and confusing railroad rate structure in the South, as indeed in the rest of the nation.21 Before the Civil War, the carriers' charges were limited to a certain extent by the terms of their charters and by the competition of boats. Transportation costs during the antebellum period in the South decreased, but southerners still suffered under a higher rate level than their northern counterparts due


to a number of factors including a relatively small, widely-scattered population; great variations in the seasonal flow of commerce; and the fact that the flow of traffic tended to be one-way—raw materials going out of the region without much finished goods coming in, thus reducing the efficiency and profits of southern roads.\footnote{This very brief summary of the antebellum southern transportation and rate structure is based on Joubert, \textit{Southern Freight Rates in Transition}, I-16.}

From the end of the Civil War until the depression of 1873, southern energies were naturally directed toward rebuilding Dixie's shattered transportation system. During this period, the general character of southern transportation and rate-making was established. It had tremendous implications for many sectors of the southern economy, including the lumber industry which at this time was beginning its migration from the Great Lakes region into the southern piney woods. Rates during the postbellum period were shaped by a continuing struggle among different routes to dominate both southern internal and inter-sectional trade. The period was characterized by excessive competition among railroads which were already in generally bad financial straits. Rates, however, remained higher than those in the North because of low traffic density and the financial difficulties of southern roads. Dixie railroad managers believed that a high general rate level would bring increased revenues and solve their financial difficulties. No coherent or uniform rate structure was established because of seasonal variations in competing water rates and because of excessive rate cutting among the roads themselves. However, the increasing importance of long-haul,
rather than short-haul, considerations in the fight for through traffic in and out of the South created a background which called for the publication of freight tariffs and the use of freight classifications. Steps were being taken toward systematization of the southern rate structure, "but real progress came only in the aftermath of the depression of 1873."23

After 1873, unbridled competition was replaced by cooperative agreements among the roads as the major determinant of southern freight rates. The first major combination was the Green Line, organized on January 1, 1868, after a series of conferences between representatives of several southern railroads. The organizers' two most important purposes were the control of freight rates and the facilitation of through traffic between the West and South by means of an exchange system for freight cars. Eventually, all important southern railroads except those in the Mississippi Valley participated in the Green Line. Other roads cooperated in similar, but smaller and less influential, organizations. The Green Line's major contributions to the development of the southern rate structure were the encouragement of lower rates on westbound freight in order to encourage the traditionally slow western movement; the elimination of some competition between southern roads for the West to South trade in order to stabilize rates; increasing the number of joint rates between southern roads themselves and between southern roads and those in other sections; and the encouragement of the use of basing points to determine rates.24

23 Ibid., 16-30.
24 Ibid., 31-40.
The Green Line was finally dissolved because of disagreements between its members over car misuse in 1881-1882. Its functions were eventually absorbed by the Southern Railway and Steamship Association which was established in 1875. The new organization was open to all railroads south of the Ohio and Potomac and east of the Mississippi, as well as to steamship lines connecting these roads with North Atlantic ports. The objectives were to eliminate excessive competition and secure a fair distribution of business among the roads.\(^5\) From 1878 through 1887, the power of the Southern Railway and Steamship Association over southern freight rates was virtually unchallenged, and a congressional report credited the pool with correcting two evils: violently fluctuating rates and discrimination in the treatment of shippers.\(^6\) The association came to an end in 1887 as a result of the passage of the Interstate Commerce Act with its restrictions on pooling. The main effect of the law was an almost complete abandonment of the maintenance of rates. With the decision of the Trans-Missouri Case in 1897, in which the Supreme Court declared pooling agreements illegal under the Sherman Act of 1890, the association ceased operation.\(^7\)

The association helped bring order out of chaos in the southern rate picture, and was responsible for reducing first class rates from other territories into parts of the South. However, its interest was concentrated on through rates, and its policies tended to bolster the

\(^{25}\)Ibid., 41-44.  
\(^{26}\)Ibid., 50-51.  
\(^{27}\)Ibid., 57-58.
positions of basing points and important through shippers at the expense of smaller communities and short-haul shippers. Furthermore, during the period in which the Southern Railway and Steamship Association dominated southern transportation, consolidation of the southern railway systems proceeded at a relatively slow rate compared with the rapid progress of the North. The demise of association control over freight rates in the early 1890's brought complete disorganization to the southern rate structure, but it ushered in a period of consolidation and combination as southern railway corporations fought to restore stability.  

Thus, by the time the Southern Pine Association came into existence, the outlines of the southern freight rate structure were established, the movement toward consolidation of southern roads into comprehensive rail systems was well underway, and the framework of the federal regulatory mechanism was established. However, the SPA had to operate in the oft-confusing world of rate making described by one observer as "a highly developed science of relativity." According to one work on the southern rate structure, understanding this environment entails a knowledge of five terms: classification, classification territory, rate territory, class rates, and commodity rates.  

Classification refers to the grouping of similar items in terms of physical composition, value, or competitive relationship into one "rating" or "classification" group thereby permitting a single scale of

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28 Ibid., 62-63.

29 Lively, The South in Action, 3.
charges for many different articles and eliminating the need for individual rates for each article moved. The determination of an article’s classification depends on tradition, competition, the cost of handling due to bulk and weight, ability to bear costs, liability to damage, and the rates on competing goods. In the early days before pooling arrangements, consolidations, and federal regulation, each railroad made up its own classification. There was no attempt at uniformity. One early railroad published its rates under five headings: "heavy goods," "light goods," "case goods," "logs," and "whiskey." Gradually the practice developed of giving a single key rate to first class in the several classifications or territories with other classes as percentages of the first class rate.  

The United States is divided into three major classification territories—"Official," "Southern," and "Western." Official classification covers the area north of the Ohio River and a line running from Cincinnati through West Virginia to Norfolk, Virginia, and east of the Mississippi River and a line running from the head of Lake Michigan through Milwaukee to the Illinois state line. The Southern classification territory covers the area south of the Official east of the Mississippi River. The area west of the Official and Southern is included in the Western classification territory. Thus Southern Pine Association subscribers came from two different classification territories—Western and Southern. The territories evolved from arrangements made by the railroads during the nineteenth century and were made official with the

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30 Ibid., 3-4.
approval of the Interstate Commerce Commission in 1919. There are differences in the ratings given in each territory, and an article given a certain rating in one territory may receive a completely different rating in the others.31

As if the matter of classification were not enough, the country is also divided into five rate territories in which first class rates are established at different levels. This means that goods having the same classification move at different rates in the several rate territories. The five rate territories include the Official, Southern, Southwestern, Western Trunk Line, and Mountain Pacific. For movements between the territories, the rates are blended to arrive at a through rate with no single scale determining the rates between any two territories.32 Again the SPA's subscribers operated in two territories—Southern and Southwestern. The fact that the Southern Pine Association's subscribers fell into different classification and rate territories divided by the Mississippi River complicated the tasks of the Transportation Department and at times threatened the continuance of the association's transportation work, if not the SPA itself. Remembering the association's early hectic traffic endeavors, H. C. Berckes remarked, "like we always said, God, if only the Mississippi River had dried up we'd be all right."33

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31 Ibid., 4-6; Potter, "The Historical Development of Eastern-Southern Freight Rate Relationships," LCP, XII (1947), 417.


33 Interview with H. C. Berckes, January 24, 1968.
The South has generally suffered from higher rates than the other classification and rate territories. However, it has been difficult to demand redress, because the southern disadvantage is primarily due to higher class rates, and the class rate structure does not control the entire movement of goods in southern and interterritorial commerce. Class rates are designed to cover the needs of the occasional shipper and the shippers of high cost products. Producers who ship frequently or who ship large quantities of a product may find class rates prohibitive. These people may, through consultation with the railroads, litigation before the Interstate Commerce Commission, or threats to ship their goods by other means, receive special rates which are exceptions to the class rate structure. These changes in the basic rate structure are called commodity rates, and they are generally given to shippers producing heavier or less valuable goods which would be unable to bear the costs imposed by the regular class rate structure. More than ninety-five per cent of all freight traffic throughout the country moves on such exceptions to the class rate structure, and lumber is among the freight shipped under commodity rates. In fact, the South has generally had lower commodity rates than other areas on a number of important raw materials, such as brick, fertilizer, coke, lime, logs, lumber, pig iron, pulpwood, sand, gravel, crushed stone and slag, iron and steel scrap, and iron ore. According

to many critics, this has helped to impose and retain the mantle of raw extractive material production upon the South.  

Within the rate system and structure outlined above, the Southern Pine Association carried out its activities on behalf of the varied transportation interests of its subscribers. These activities centered around attempts to fight actions by the railroads which would directly injure the interests of southern pine producers or aid their competitors from other lumber producing sections and the manufacturers of substitute materials. Naturally, the main focus of association activity was upon direct negotiation with the carriers themselves whenever possible and presentation of the Southern Pine Association's position before the Interstate Commerce Commission and other federal agencies if necessary. The SPA seemed continually at odds with the railroads during much of its existence, and this seems to have been true of lumber associations in other sections as well. In fact, one of the major reasons behind the formation of many lumber trade organizations was the manufacturers' concern over transportation. However, the Southern Pine Association was in a more precarious situation than most due to the fact that extremely powerful subscribers were located in different rate and classification territories and thus did not always have identical interests.


The rate structure became crucial to the southern pine industry as production out-stripped the needs of local markets. The completion of the railroads and the consolidation of the southern rail and water systems permitted southern pine to enter northern markets, where it immediately encountered competition from other producing sections. The origin of freight rates on southern pine in the Southwest and its entrance into Official Territory markets was described by the general freight agent of the St. Louis, Iron Mountain & Southern Railway, who recalled how "the yellow pine development in the Southwest started on our line at Leeper, Mo., and on the Frisco at Grandin, and moved mainly to St. Louis and the Missouri river." "At the Missouri river, of course," he continued, "it encountered the competition of the white pine of the North. Therefore, it became necessary for the Frisco and the Iron Mountain to make rates to that territory no greater than the white pine rates from Chicago. . . ." 37

The official said that Missouri producers made no attempt to send their products east of the Mississippi River in the early days, confining their marketing to St. Louis and the western territory. However, the development of yellow pine lumbering in Arkansas, especially after 1888, brought penetration into Official Territory in Illinois and Indiana. Large-scale yellow pine production east of the Mississippi, in Georgia, Mississippi, Alabama, and the Carolinas, started about the

same time, but its distribution was confined primarily to the Atlantic seaboard and the eastern part of the country, while the producers west of the Mississippi River monopolized the Illinois and Indiana markets.\textsuperscript{38}

By the turn of the twentieth century, southern pine was marketed throughout the entire nation east of the Rocky Mountains with approximately ten per cent of the annual production going into the export trade.\textsuperscript{39}

By the time the SPA was organized, however, southern pine producers were facing not only the rate problems within their own section but also the competition of other kinds of lumber and substitutes for their national markets, thus giving them an intense concern for the rate structure in other sections. The dramatic development that shaped the transportation and marketing conflicts of the association's early history was the opening of the Panama Canal in 1913. According to E. A. Frost of the Frost-Johnson Lumber Company of Shreveport, Louisiana, an important and influential SPA subscriber, "when they cut the Panama Canal they cut our throats."\textsuperscript{40} With the opening of the canal, lumber from the West Coast began to move via water to the East Coast where it gradually replaced southern pine.

The principal western competition came from fir, and some members of the association and its staff came to believe the railroads were actively supporting the expansion of the western fir markets. According to this point of view, the transcontinentals persistently pushed the

\textsuperscript{38}\textit{Ibid.}
\textsuperscript{39}Berckes, "The Pitch in Pine," 47.
\textsuperscript{40}\textit{Ibid.}
interests of the western producers, while southern railroads and intermediate and final destination carriers in the North tended to ignore the interests of southern pine because of the erroneous belief that the southern pine region, like earlier great producing regions, would soon be cut out. Therefore, the carriers attempted to "get as much as we can while the cow is still giving."

SPA leaders who accepted this interpretation believed the association should vigorously oppose any reduction of rates from the West Coast unless they were matched by corresponding concessions to southern producers.

However, there were others who did not enthusiastically support SPA efforts to keep the fir producers out of southern pine markets. At times, these individuals were active in the upper echelons of association affairs. Their motives were mixed. Some were men who had invested in western operations as their southern holdings became depleted and thus had a foot in both camps. Men in this situation complicated SPA activities in a number of areas and sometimes their presence threatened to bring the entire association's structure tumbling down. Others believed that competition between the various lumber producing regions should be deemphasized in the interest of national lumber resistance to the inroads of substitute materials. Many of these men were sincere nationalists who believed there should be a common bond and cooperation between all species. Others were probably what their detractors considered them to be—men with "ambitions for

\[41\text{Ibid.}\]

\[42\text{Ibid., 48.}\]
personal preference and reputation in National affairs..." The SPA staff was often involved in this and other disputes within the subscribers' ranks.

Association Traffic Manager A. G. T. Moore and his assistant, H. C. Berckes, were caught in the middle of one of these controversies almost before they had finished sorting and organizing the tariffs inherited from the YPMA. Moore was an extremely able person who "was a valuable man for this industry . . . a watchdog . . . and in order to keep the watchdog like he oughta' be you hadda' give him a lot of lattitude that other people didn't like." Moore "understood the lumber structure of the United States and nobody feared him more than the West Coast Lumbermen's Association . . . he built up a great reputation with the Interstate Commerce Commission. . . ." Moore was eventually allowed a great deal of lattitude by the association's leadership. He kept a boat and stayed away from the office for long periods of time, but when it was necessary, he would "be in the office night and day on his cases." However, he barely survived the first great transportation conflict within the association's ranks.44

The clash was between producers east and west of the Mississippi with production facilities in the Southern and Southwestern rate territories, respectively. Perhaps the most important basing point for southern pine producers was Cairo, Illinois, which was the standard for the entrance of southern lumber into Official Territory via other

43Ibid., 49.

Ohio River crossings at Evansville, Louisville, and Cincinnati.\footnote{Boyd, "Fifty Years in the Southern Pine Industry," SL, CXLIV (December, 1931), 62.}

Eastern producers had a two-cent rate advantage over their western counterparts on shipments to Cairo. At one of the first SPA meetings, John Henry Kirby rose and said, "I recommend that the Traffic Department try to get the two-cent differential taken off." Immediately, W. L. Sullivan, manager of the powerful Great Southern Lumber Company operation at Bogalusa, Louisiana, sprang to his feet and bellowed, "if you do that, we're out of the association." In an atmosphere charged with tension, Kirby shouted back, "if you don't do it, we're out."

The change would have amounted to approximately fifty dollars per car, and two of the industry's most powerful firms with the influence to lead entire sections out of the SPA were standing in heated confrontation. In the crisis the cool-headed J. E. Rhodes took the chair from President Charles S. Keith and quickly adjourned the meeting for lunch. "So they went and had lunch and talked a little, and they came back and they agreed that they'd abolish the Traffic Department . . . they'd keep us . . . and Mr. Rhodes . . . and Mr. Moore . . . , but if any traffic matters came up on which they'd be in unanimous agreement we would handle it. So we got back in, and little by little a whole big Traffic Department was back again."\footnote{Interview with H. C. Berckes, January 24, 1968.} The Traffic Department was allowed to continue its day-to-day activities until the SPA's first important transportation case could be resolved.\footnote{"Meeting of the Transportation Committee of the Southern Pine Association, April 18, 1916," SPA Records, Box 67a.}
This case came up soon after the department's creation in 1915. It concerned one of the most important transportation issues ever to face the lumber industry, involving, as it did, railroad freight rates on rough and finished lumber. The case grew out of two decisions handed down by the Interstate Commerce Commission in 1915 and 1916, stating that existing freight rates on lumber and lumber products were discriminatory in treating rough and finished products alike. The commission had invited the carriers to prepare a new schedule of rates removing this discrimination by distinguishing between lumber in its several stages of processing.\(^{48}\) The railroads formed a classification committee which submitted to the I.C.C. a revised plan for the classification of lumber freight rates providing for the levying of higher charges on dressed lumber than on rough. The plan also proposed that when two or more items of lumber and lumber products were shipped in one car the charge for the entire shipment should be computed at the rate fixed for the item with the highest classification.

The Southern Pine Association was one of the first lumber organizations to protest the proposed reclassification plan. It charged that the plan would result in increased freight costs on southern pine lumber up to twenty per cent on certain shipments and an average of five per cent overall.\(^{49}\) The SPA questioned whether the roads had properly

\(^{48}\) Eastern Wheel Manufacturers' Association et al. v Alabama and Vicksburg Railway Company et al., 27 I.C.C. Reports 382 (1913); Anson, Gilkey and Hurd Company et al. v Southern Pacific Company et al., 33 I.C.C. Reports 342 (1915).

\(^{49}\) James Boyd, "Transportation; Greatest Medium for Industry and Consumer," SPA Records, Box 77a, 7.
interpreted the commission's wishes and expressed the opinion that, should rates on finished lumber be raised, those on rough lumber ought to be correspondingly reduced. The association and other lumber interests filed a formal complaint against the new rate proposals.

On July 15, 1915, the Interstate Commerce Commission opened an investigation of lumber freight rates and classification throughout the United States. It sent questionnaires covering the effects of the proposed rate changes to the Southern Pine Association and other interested organizations. While preparing to reply to this questionnaire, the SPA decided to join the National Lumber Manufacturers' Association and others in the industry to fight the reclassification plan. These organizations took the position that there should be no change in lumber freight rate classifications and authorized the National Lumber Manufacturers' Association's president to appoint a special committee to represent them before the Interstate Commerce Commission. This group was known as the National Executive Committee and represented twenty-eight organizations, including the Southern Pine Association, with an annual production of nearly seventeen billion board feet of lumber.

In addition to its cooperation with other lumber organizations, the Southern Pine Association had its own six-man reclassification committee appointed by the board of directors to take care of southern


51 "Lumber Awakes," ibid., Box 856, 161.

52 Ibid.
pine interests during the I.C.C. investigation. The SPA and seven other organizations also employed an attorney who worked with the reclassification committee and the traffic manager in handling the case. All of their efforts were successful, for in 1919, after extended hearings, the Interstate Commerce Commission rejected the carriers' reclassification plan.

Although the reclassification case was the most important single matter the Transportation Committee and the Traffic Department faced in 1915, they were involved in other activities. For example, they complained to the I.C.C. about the practice of some shippers who used so-called "transit" cars as rolling warehouses, rather than delivering their contents as quickly as possible and freeing the cars for use by other shippers. They also advocated the retention and strict enforcement of reconsignment charges on all shippers who detained cars for the purpose of reconsigning their shipments, and did what they could to assure an adequate car supply for SPA subscribers. The Transportation Committee further sought a greater freight allowance from the carriers for the car stakes and dunnage provided by its shipper-subscribers.

The reconsignment penalty was the subject of controversy for a number of years, but due to the continued support of the Southern Pine Association and other lumber organizations, it was retained. The question of freight allowances for dunnage and car stakes also remained alive for

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53 Ibid.

54 Boyd, "Transportation; Greatest Medium for Industry and Consumer," Ibid., Box 77a, 7.
a long time, with the SPA insisting that it was too low and the railroads holding that it was too high.\textsuperscript{55}

In 1916, one of the Transportation Committee's main concerns continued to be the shortage of railroad cars. The shortage was undoubtedly a result of heavy shipments of agricultural and industrial products to East Coast ports for delivery to the Allies. In order that subscriber requests for information on lumber transportation might be quickly supplied, the board of directors, on the recommendation of the Transportation Committee, directed that a complete set of lumber tariffs applying to all sections of the country, a record of the decisions of the Interstate Commerce Commission, and other pertinent data be kept on file in the association offices. Soon after its creation, the Traffic Department began the publication of rate books, which gave the lumber freight rates from every southern sawmill shipping point to all destinations in southern pine consuming territory. This practice was continued.\textsuperscript{56}

In 1916, the subject of freight rates came before the Transportation Committee in a new form, centering around the SPA's biggest fear in traffic matters. This concern was that other species might invade long-time southern pine markets through advantages in the rate structure.

\textsuperscript{55}"Minutes of a Meeting of the Board of Directors of the Southern Pine Association held in the Lumbermen's Club, Memphis, Tennessee, Friday, February 26th, 1915," \textit{ibid.}, Box 70b, 5.

\textsuperscript{56}"Minutes of a Meeting of the Board of Directors of the Southern Pine Association Held at the Gayoso Hotel, Memphis, Tennessee, Tuesday, April 18th, 1916," \textit{ibid.}, Box 67a, 3.
The railroads in 1916 reduced their rates on lumber shipped from the Northwest to traditional southern pine market areas, like the Middle West. The SPA board of directors instructed the committee to protest these rate reductions to the carriers and to employ its full resources to protect southern pine from encroachments upon its territory. The following year, the Transportation Committee not only succeeded in assuring that the railroads would make no adjustments in freight rates which would be inimical to the southern pine industry's competitive position, but it also successfully opposed a fifteen per cent general rate advance sought by the carriers. The association thus established an enviable record in traffic matters during its first years and was well-equipped to handle the transportation difficulties engendered in the industry by World War I.

The problems and activities of the Southern Pine Association in transportation and grading were closely related to its endeavors in advertising and trade promotion, a third major SPA interest. Grade and trade-marking were obviously the foundations for advertising the quality standards and uniformity of southern pine lumber, while transportation and advertising were twin concerns in the association's endeavors to retain southern pine markets against the incursions of products from competing regions and substitute materials. Southern pine manufacturers, however, did not tend to be very consistent in their

attitudes toward advertising. At times, they emphasized advertising at the expense of all other SPA activities, while on other occasions they wished to eliminate advertising entirely as an economy measure. Naturally, the nature and intent of the association's promotional efforts also changed over the years.

Originally, there were three SPA agencies dealing with advertising—the Trade Promotion Department and the Trade Extension and Advertising Committees. These bodies always worked closely together, and the Trade Extension and Advertising Committees were eventually consolidated. The Advertising Committee had general supervision over SPA advertising campaigns, determining the products to be advertised and the potential markets at which advertisements were to be directed. The Advertising Committee's decisions during the association's formative years were generally carried out by the Ferry-Hanly-Schott Agency in Kansas City, Missouri, under a yearly contract.

The Trade Promotion Department's main function was to support SPA advertising campaigns with direct mail distributions designed to inform the lumber-consuming public of the advantages and uses of lumber produced by Southern Pine Association subscribers. The department also educated subscribers in the production of better lumber and helped retail lumber dealers develop better merchandising methods. The Trade Extension Committee was responsible for research into new uses and markets for southern pine lumber. It was composed of the chairmen of

58 James Boyd, "Advertising," ibid., Box 77a, 2.
subcommittees dealing with building construction, paving blocks, sales, lath and by-products, other kinds of wood and wood substitutes, new uses for yellow pine, substitutes for wood in railroad construction, fire prevention, and export sales. The committee's work was done primarily through consulting, construction, and paving engineers and other technical experts employed by the association's secretary-manager.\textsuperscript{60}

The Southern Pine Association was formed on the heels of an unsettled period during which cooperative advertising and promotional efforts in the industry had been virtually non-existent. The association set out to rectify this situation and was very active in promoting the use of southern pine, even during its first years of existence. A decision was made to redirect the focus of industry promotional efforts from a basic dependence upon distributors to a balanced message aimed at the consumer, specifier, and general public. This decision was reflected in campaigns to interest farmers, home builders, architects, and engineers.

During this early period, the southern pine industry was in a sense waging a defensive battle because of the incursions of other producing regions and substitute materials. Many, or perhaps most, industry figures did not visualize the extension of southern pine markets through developing new uses for their product. The SPA's early endeavors in advertising and trade promotion may, therefore, seem quaint and even ludicrous to a later age, although they were deemed crucially important by contemporaries. The association during its formative years

\textsuperscript{60}James Boyd, "Trade Promotion," \textit{ibid.}, Box 77a, 1.
waged strenuous fights against laws and ordinances restricting or abolishing certain uses for lumber, such as wooden sidewalks, curbs, shingles, and bridges. The SPA also fought the elimination of wooden railroad cars and vigorously pushed southern pine for the construction of wooden cisterns, tanks, and silos. One of the most intensive efforts was designed to encourage the use of creosoted wooden blocks for paving streets.61

The decision to channel association promotional efforts through two separate committees partially reflected a division in industry thinking on these matters. Advertising through newspapers, trade journals, and national magazines intended for the general public was a rather new concept for the southern pine industry. While this sort of effort was widely practiced by firms with northern headquarters, companies located strictly in the South with their officers generally on the scene of manufacturing operations had traditionally favored promotion leaning toward retailers, architects, engineers, contractors, specifiers, and salesmen. They favored such devices as motion pictures, traveling convention exhibits, promotional literature, samples, souvenirs, and other direct contact techniques. While the two approaches were considered complementary, each had staunch advocates. Therefore, two committees were organized—one for advertising and the other for trade promotion. The committee chairmen reflected the interests of the two camps. R. A. Long of the Advertising Committee was a leader

among large timber owners and a logical choice to sell the idea of national advertising to the southern pine industry. W. H. Sullivan of the Great Southern Lumber Company and the Trade Promotion Committee was closely identified with the basic problems of manufacturing and selling, and he was interested in all forms of effective promotion.62

During its first year of operation, the Advertising Committee supervised the preparation of forty-eight different pieces of literature, 750,000 copies of which were distributed to the public. It was also responsible for placing advertisements in fifty-eight farm papers, thirteen lumber trade journals, eight daily papers, four engineering papers, six architectural papers, three builders' publications, and eighteen general magazines. More advertisements were placed in farm publications than any others, and three-fourths of the money spent for advertising went to agricultural papers.63 Altogether, the publications in which the SPA advertised covered the entire United States, except the northern states and the Pacific Coast. The campaign elicited an average of twenty to three hundred daily inquiries about southern pine products. The association sent each inquirer the literature requested and also wrote the retail dealer in his area, so that the retailer could follow up with a personal solicitation.64

62Ibid., 44-45.


64"Lumber Awakes!," ibid., Box 25b, 31, 38-39.
While the Advertising Committee promoted southern pine products, the Trade Extension Committee concentrated on wood block pavement and silos. Its subcommittee on wood blocks tried to interest principal creosoters in organizing a bureau to develop new markets for wood block pavement. It also contacted officials in many cities directly and tried to persuade them to use wood blocks to pave their streets.

In 1916, the Trade Extension Committee created two important subcommittees. The first was that on retail dealers, which was so successful that it persuaded retailers of southern pine products to spend more money for local advertising that year than they had in the preceding five years combined. This subcommittee aroused to an unprecedented degree the retail lumber dealers' interest in the manufacturing, grading, and merchandising of southern pine, and in the role of the Southern Pine Association in conducting these activities.65

To establish a similar rapport with lumber salesmen, the Trade Extension Committee formed a subcommittee on sales and distribution. The subcommittee held a school of salesmanship in St. Louis in June. The school was attended by 471 salesmen, many of whom not only did not represent association subscribers, but indeed, sold competing species of lumber. At the school, the subcommittee led in organizing a Southern Pine Salesmen's Service Association to encourage and assist them in performing their work more effectively. Thus, the SPA became

65 James Boyd, "Cooperation With Retail Lumber Dealers," *ibid.*, Box 77a, 1.
the first lumber manufacturers' organization to adopt measures to train its subscribers' salesmen and make them species conscious.\textsuperscript{66}

Despite some curtailment, the Advertising Committee remained active in 1916. It supplied copy to over 400 retail lumber dealers. This was published in local newspapers at the retailers' expense, the only SPA cost being the price of the cuts. The committee printed twenty-one different booklets on southern pine products and their uses and distributed 154,700 copies during the year. It also placed an exhibit at the Exposition of the Reconstructed City in Paris. All of this was done despite the feelings of some influential SPA subscribers and leaders that advertising expenses, and even the salaries of SPA employees, should be reduced in the face of the industry's economic difficulties.\textsuperscript{67} In fact, over the strong objection of President Charles S. Keith and other association leaders, 1916 SPA advertising expenses were reduced to less than half their 1915 level.\textsuperscript{68} Thus, in advertising, as in other fields, the SPA approached World War I with a somewhat mixed record of accomplishment despite internal disagreements.

In other areas the SPA made little or no progress during its organizational years, and only the pressures of World War I and its aftermath produced any concerted association activities. From almost the beginning, the SPA committees dealt with the problems of cut-over

\textsuperscript{66}"School of Salesmanship," \textit{ibid.}, Box 68b, 1, 2.

\textsuperscript{67}W. H. Sullivan to Charles S. Keith, May 15, 1916, John Henry Kirby Papers, Box 222 (University of Houston Library, Houston, Texas).

lands and forestry, but there were no major developments until after the war. In the field of labor relations, the record was even bleaker. Southern lumber manufacturers did not seem even to realize they had a problem until World War I brought a critical labor shortage in Dixie's mills and woods. Apparently forgetting or ignoring the labor situation which had existed on the eve of its birth, the Southern Pine Association entered World War I with scarcely a glance toward the laboring masses of the piney woods.

No such neglect was evident in the old trade association area of accounting and statistics. Perhaps one of the reasons for the SPA's strong early interest in this field was the fact that President Charles S. Keith was a well-known industry leader in statistical activities and knowledge. Of course, there was also the well-remembered tradition of the southern lumber trade associations, particularly the Yellow Pine Manufacturers' Association, which had emphasized statistical activities to a marked degree.

Whatever the reason, the SPA immediately embarked on a program that matched the philosophy and beliefs of a later secretary-manager, who said, "the biggest thing in any trade association is information, accurate information, whether it's on shipments, production ... or anything else ... they've got to have it, they know that. ..." 69 At the time of its establishment, the SPA organized a committee on accounting and statistics which was to supervise the gathering and

dissemination of information regarding the accounting systems of association subscribers and to make studies of southern pine lumber production costs. The committee was also to direct the compilation of statistics on southern pine production, shipments, and stocks on hand. To assist the committee in the performance of these functions, the SPA established a statistical department. 70

While actual SPA operations in accounting and statistics varied, they were typified by and centered around activities such as the preparation of a publication, called "The Weekly Trade Barometer," which was distributed to all subscribers and other interested parties. The "Barometer" was a prototype which was later picked up and copied by other associations. It showed the production, orders, and shipments of SPA subscribers during the week, and in the eyes of the Federal Trade Commission, served as "a device . . . by which, through concerted action, the association instructs its membership how to restrict production and thereby to increase the price of lumber, by an artificial control of supply as balanced against current demand." 71

The "Barometer" in its original form contained devices to tell producers whether the market was advancing or declining and whether they should increase or decrease production. The memory of the YPMA's


experience was still fresh in the minds of many subscribers, however, and direct words of advice were taken off the barometers. However, the lessons remained graphically clear so that, as President Keith said, "while we are not advising our people what to do, the barometer itself will tell the story." On the other hand, the Accounting and Statistics Committee, which had been planning in 1916 to prepare a compilation of prices at which lumber had been sold by SPA subscribers, received very little cooperation primarily because of the subscribers' fear of running afoul of state and federal antitrust laws.

The following year, however, statistical exchanges were established at Kansas City, Missouri, Hattiesburg, Mississippi, Alexandria, Louisiana, and Little Rock, Arkansas, for the purpose of receiving, compiling, and disseminating information on prices charged for lumber products by cooperating mills. These exchanges reported their price summaries to the SPA which consolidated them for distribution among its subscribers.

The Federal Trade Commission questioned the legality of this price reporting system, but it was defended by the SPA, and nothing was done immediately to alter or eliminate its operations.

72 Ibid., 58-59.
73 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association Held at the Grunewald Hotel, New Orleans, La., Thursday, December 14, 1916," SPA Records, Box 70b, 5, 6.
74 James Boyd, "Philosophy of Price Structure," ibid., Box 77a, 9.
Nevertheless, the Federal Trade Commission was convinced that the Southern Pine Association and its leaders, often acting in conjunction with lumber trade journals, were "busily engaged in a movement not only to curtail production but to advance prices." These activities, getting under way in the formative years of the SPA, were to erupt into major controversies during and after World War I as the association and its leaders were lashed with stinging charges of failing wholeheartedly to support the defense effort and of war profiteering.

CHAPTER V

THE SOUTHERN PINE ASSOCIATION DURING WORLD WAR I

The activities of the Southern Pine Association and its subscribers during World War I encompass a mixed record with both patriotism of the highest order and "business as usual." The outbreak of war in Europe seemed at first to threaten the southern pine industry's well being, but it then became a shot in the arm for lagging sales. With America's entrance into the conflict, however, the struggle could or should no longer have been viewed primarily in economic terms by southern lumbermen. Since the southern pine region was the nation's most extensive wood producing area, it bore the brunt of providing material to construct cantonments, ships, railroad cars, piers, wharves, and warehouses in the United States and France.\(^1\) The Southern Pine Association, representing over fifty per cent of southern pine production, was the logical agency to secure and coordinate the industry's cooperation with the government.\(^2\) As the southern pine industry and SPA confronted their responsibilities during the mobilization and war efforts reputations were won and lost,


\(^2\)Ibid.
great achievements and miserable failures were recorded, and many problems and situations developed that strongly influenced the evolution of the association and industry.

When the war started in Europe in August, 1914, it may have struck southern lumbermen, as most Americans, "like lightning out of a clear sky," but it certainly did not shatter the "midsummer's dream of comfort and security" that blanketed the cotton-belt South. Like their agrarian neighbors, however, Dixie's lumber producers were intensely concerned about the disruption of export markets.\(^3\) The southern pine industry had not enjoyed a good year since the depression of 1907. Nineteen thirteen had been "bad all the way through; 1914 was little better, getting a bad start, strengthening about the middle of the year and then being smashed flat by the sudden starting of the Great War. . . .\(^4\)

The first effect of the war was the receipt of cables from Europe cancelling all lumber shipments. The export market appeared to be ruined. All lumber export contracts had cancellation clauses in case of war, and export operations were immediately stopped. In the important East Texas-western Louisiana area, the curtailment directly affected some seventy sawmills representing about four to five per cent of that region's production. Many ships carrying southern pine were on the high seas headed for Europe. Those still in port and only partially


filled were unloaded. On August 3, the major cotton exchanges failed to open, and that industry plunged into a deep trough which helped trigger a decline in all kinds of normal lumber orders by September. The downturn was also influenced by the collapse of other facets of the United States' export trade. In September, the Gulf Coast Lumberman reported that lumber manufacturers were being forced to curtail their output because of reduced demand. The journal warned that scores of mills were closed entirely, while more were shutting down, and it predicted that hundreds of plants would be completely idle within a month.

Early in 1915, however, the trend began to reverse, and the United States as a neutral producer and carrier began to profit from Europe's torment. The American economy received a tremendous shot in the arm as several billion dollars of purchasing power were pumped into the country through money borrowed in the United States by the Allies plus the amount realized by the sale of their American securities between January, 1915, and April, 1917.

The efforts of American producers and shippers in supplying the Allies during the flush period before the United States declaration of

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7"European War and Its Results," Gulf Coast Lumberman, II (September 1, 1914), 7.

war against Germany on April 6, 1917, were not controlled or guided by any sort of governmental machinery. Allied purchasers were forced to pay whatever the traffic would bear, and their confusion and frustration were matched only by that of American businessmen who were forced to fight for labor, raw materials, and facilities. Although the United States made some preparations for hostilities prior to 1917, not until the actual declaration of war was it possible for the government to exercise the necessary legal power to bring order, stability, and control to the American mobilization effort.⁹

The United States had fought previous wars without truly effective coordination between the military establishment and the private economic sector. Even within the military there had been no systematic cooperation between the services, or even within the various bureaus of a single service in purchases and supply matters. These traditions had to be overcome, in the face of the need for concerted advance preparations and planning for a modern, mechanized war. In order to bring order and planning into the joint efforts of the private sector and the government, a plethora of control agencies were created and revised before a workable situation was achieved.¹⁰ The confusion and turmoil of the planning and settling process undoubtedly contributed to some of the difficulties the SPA and its subscribers experienced during the course of the war effort.

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⁹Soule, Prosperity Decade, 7-8.
¹⁰Ibid., 9.
The idea of coordination between the military services and the civilian economy was introduced for congressional consideration as early as 1910, but was not adopted. In 1915, the idea of industrial coordination began to rise, and as a result of President Wilson's message to congress on December 7, 1915, the United States began to construct "a navy second to none" and a large merchant marine. A Naval Consulting Board headed by Thomas A. Edison was created to coordinate the program's industrial requirements. In August, 1915, this board created a Commission on Industrial Preparedness to deal with the possible requirements of both the Army and Navy. The committee was supported by private contributions and concerned itself primarily with the United States potential for munitions manufacturing. Its members were transformed by their experiences into strong and influential advocates of industrial preparedness.\(^{11}\)

The southern pine industry was immediately affected by the decision to construct large military and mercantile fleets. The government's shipbuilding program began in 1916 and called for the construction of one thousand ships, each requiring at least a million board feet of lumber. Gulf Coast ports began to hum, and the southern lumber industry strained to produce timbers under government regulations controlling production, prices, and shipments. In Texas, Beaumont and Orange became major shipbuilding centers with many lumbermen having financial ties with the construction companies. In the two cities by the end of 1916, there were eleven vessels planned and under construction for the ocean trade.\(^{12}\) In

\(^{11}\)Ibid., 9.

\(^{12}\)Easton, "History Of The Texas Lumbering Industry," 287-89.
November, the *Gulf Coast Lumberman* reported the launching of the schooner "City of Orange" which was the largest ship "ever built on the Gulf of Mexico or its tributaries. . . ." The vessel was composed entirely of longleaf southern pine lumber and timbers.\textsuperscript{13} Not surprisingly, the year was extremely prosperous for the southern pine industry.\textsuperscript{14}

In its relations with the government, the Southern Pine Association had dealings with a number of agencies which were created to mobilize and direct the economic aspects of the nation's military effort. One of the most important of these was the Council of National Defense. It was created by the Military Appropriations Act of August 29, 1916. This body was composed of a number of cabinet officers, but its work was done by an advisory commission composed of leaders outside government. The council's legal authority was based on the Military Appropriations Act and the National Defense Act of June 3, 1916, which gave the President authority to place orders for war material directly with suppliers, to commandeering plants if necessary, and to set up an industrial mobilization board. Despite some congressional misgivings, the advisory commission started planning for the eventualities of war. Commissioner Bernard M. Baruch, who was particularly concerned about shortages in raw materials, began organizing industry committees so that resources in various areas could be surveyed and tapped for the preparedness effort.\textsuperscript{15}

\textsuperscript{13} "Orange Will Celebrate," *Gulf Coast Lumberman*, IV (November 1, 1916), 30.

\textsuperscript{14} Easton, "History Of The Texas Lumbering Industry," 201.

When America's declaration of war came, the nation still did not have a coordinated and centralized preparedness structure. The War Department, in despair, abandoned efforts to coordinate the various bureaus of the Army and finally asked Congress for a lump sum appropriation. The advisory commission's efforts to coordinate munitions purchases between the military bureaus and civilian suppliers were similarly unsuccessful. Finally, on July 8, 1917, the Council of National Defense attempted to introduce centralization and systematization through the creation of the War Industries Board consisting of five civilians and one representative each from the Army and Navy. However, the board initially lacked executive authority and failed to coordinate government purchases. It simply provided a mechanism for contacts between industry and the government. The board's first two chairmen were frustrated and left because of its impotence.\(^{16}\)

A number of other important agencies were spawned by the Council of National Defense. Within the council, various committees to deal with particular problems were organized and eventually evolved into full-fledged administrative organs. Through this process, the council's committee on transportation became by act of congress the Railroad Administration, and the Food and Fuel administrations were spawned by other committees, as were the War Trade Board and the United States Shipping Board.\(^{17}\) The War Industries Board remained a subordinate body to the Council of National Defense which had only advisory powers.\(^{18}\)

\(^{16}\)Soule, \textit{Prosperity Decade}, 12.

\(^{17}\)Baruch, \textit{American Industry In The War}, 20-21.

\(^{18}\)Ibid., 24.
The War Industries Board had several subordinate sections and committees, including supervisors or commissioners of raw materials, finished products, priorities, and labor. The committees were designed to represent the views of individual industries to the board and were composed of experienced figures from those industries. The committees grew in importance and became the main vehicles for the conveyance of information from the industry level to the divisions and agencies of government that made general policies. At first, however, the committees had difficulty in reaching or representing all members of a particular industry and thus began to depend upon groups who could "represent before the commodity sections and the functional divisions of the Board the interests of all members of the respective trades to be affected by a war regulation." The Southern Pine Association, of course, was such a group and became the main channel of information from its industry to the government.

By the summer of 1917, the War Industries Board had defined the main outlines of its problems. It felt there would be an insurmountable shortage of certain commodities, and in order to supply the nation's military needs for these goods, the government would either have to outbid other purchasers in the open market or attempt to control production and prices. According to Bernard M. Baruch, "the most significant, and for us the most novel, functions of the Board were the solutions which it developed for these problems in the form of the priority system and the price-fixing plan." During the summer and fall of 1917, priority

19Ibid., 23.
20Ibid., 21.
rules were put into effect, prices were fixed, and projects to increase production were inaugurated through voluntary agreements with the industries. These efforts were conducted with the support of the President and the Secretaries of War and the Navy, as well as other legally constituted agencies. The board had no legal responsibility, however, and it was sometimes difficult to impose board decisions on other governmental agencies.  

Among the major problems facing the United States at the outset of war were its distance from Europe and the fact that German submarines had decimated Allied shipping. Long before the United States entered the conflict, there was tremendous agitation from the business community for building up the American merchant marine for both commercial and military reasons, and although specific government action did not come until late in the year, American shipyards boomed, turning out a greatly increased tonnage in responses to orders from both American and foreign governments.

Finally, in September, 1916, Congress passed and the President signed a bill creating the United States Shipping Board to control shipping for the government and appropriating fifty million dollars for a subsidiary corporation to build new ships. Ten days after the United States declaration of war, the subsidiary, the American Emergency Fleet Corporation, was chartered in Washington, D. C. Following early quarrels between officials of the Shipping Board and Fleet Corporation, the original leaders were replaced. In July, 1917, Edward N. Hurley, a Democratic

21Ibid., 24.
22Soule, Prosperity Decade, 29.
politician from Chicago, became chairman of the Shipping Board, where he remained until the end of the war. Direction of the Emergency Fleet Corporation was finally taken over by Steel Executive Charles M. Schwab on April 16, 1918. These men were in direct contact with the Southern Pine Association, as were R. H. Downman, who became head of lumber under the Raw Materials Division of the Council of National Defense on April 7, 1917, and his successor, Charles Edgar, who took over on January 1, 1918.

The United States declaration of war brought an immediate need of over one billion feet of lumber for cantonments, and the lumber committee of the Raw Materials Division of the Council of National Defense was immediately organized to develop a plan by which the government could purchase lumber directly from sawmills at reasonable prices. Since it produced the leading construction timber at the time, and because it was located near the sites of the proposed cantonments, the southern pine industry was the logical source of supply. The use of southern pine for army cantonments and wooden ships created such a boom in lumber production that by mid-April, 1917, over seventy per cent of the southern pine mills west of the Mississippi were producing exclusively for government orders, and by August the government had already purchased more than 700,000,000 board feet of southern pine.

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23 Ibid., 29-31.
25 Baruch, American Industry In The War, 211.
26 Tindall, The Emergence of the New South, 55-56.
Despite the magnitude of the early achievements, they were not made without a modicum of difficulty and conflict. The Southern Pine Association had anticipated both the entry of the United States into the war and the difficulties the industry would face in meeting the government's needs. Before the United States declaration of war, the SPA's subscribers in their annual meeting on February 7, 1917, adopted a resolution which was sent to President Wilson advising him that the southern pine manufacturers were offering their facilities to the government "in any manner that may best serve to maintain the dignity and honor of the Nation." 27

The SPA's first official contact with the war effort came on April 12, 1917, in the form of a wire from Frederick W. Allen, a member of a sub-committee of the Council of National Defense representing Chairman Bernard M. Baruch of the Commission on Raw Materials, to President Charles S. Keith suggesting that he attempt to line up the association's subscribers in order to facilitate the immediate negotiation of agreements for the delivery of lumber supplies to the government, especially for the shipbuilding program. 28 Allen also asked Keith if it would be possible to appoint a committee with authority to represent southern pine manufacturers in establishing prices for their products and binding the industry to furnish and deliver lumber required by the government war effort. 29 Two days later, F. A. Eustis, subagent of the

27 James Boyd, "It Is War!" SPA Records, Box 77a, 1.

28 Senate Committee on Commerce, Hearings, on S. 170, Building of Merchant Vessels Under The Direction of The United States Shipping Board Emergency Fleet Corporation, 65th Cong., 2d Sess., 1918, 10.

United States Shipping Board, wired Secretary-Manager John E. Rhodes about the possibility of forming an industry committee to fix prices and distribute orders for southern pine lumber needed by the Emergency Fleet Corporation. Both President Keith and Secretary-Manager Rhodes gave their assurance that southern pine manufacturers would furnish every assistance in their power to the war effort.

Following the receipt of the Allen and Eustis messages, Rhodes telegraphed SPA subscribers asking them to authorize the board of directors to appoint a committee with power to represent them in negotiations with the Council of National Defense and to bind their companies to furnish lumber needed to supply the government's war program. Within three days, over ninety per cent of the subscribers, with an annual production of over five billion board feet of lumber, agreed to the creation of the proposed committee and promised to place their stocks and production facilities at its disposal and to abide by any commitments concerning quantities, specifications, and prices which the committees might make with the Council of National Defense or other government agencies.

Even before its mobilization structure was established, the SPA was thrust into the defense effort. During the first week of the war, the association received a government request to supply six million feet of lumber for the immediate construction of cantonments at Camp

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30 Hearings on Senate Resolution 170, 11.
31 Ibid., 10-11.
32 Boyd, "It Is War!" SPA Records, Box 77a, 2-3; "Report of Southern Pine Emergency Bureau," ibid., Box 84b; "War Activities Of The Southern Pine Association," ibid.
Pike, Arkansas. The request came on a Saturday when the SPA office was officially closed, but three association employees worked through Saturday night and Sunday contacting mills in Arkansas and north Louisiana and railroad shipping agents in order to fulfill the government's request. On Monday, lumber began rolling into Camp Pike in such quantities that a temporary halt in shipments had to be ordered because of a shortage of storage space and railroad cars. Such intensive efforts were by no means limited to this occasion. Later, during a similar emergency, as much as twenty-five billion feet of lumber were loaded and shipped within three days.

On April 24, 1917, the SPA board of directors met in Memphis and appointed an Emergency Committee composed of one representative from each state with association subscribers. The chairman was W. H. Sullivan of the Great Southern Lumber Company in Bogalusa, Louisiana. The committee was to secure information about government lumber requirements and report to SPA subscribers. It was also empowered to bind subscribers for the amount of lumber they should furnish, depending upon their facilities, to recommend specifications and inspections, and to fix minimum prices and divide orders for all government southern pine purchases.

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34 Clarkson, Industrial America in the World War, 421.

35 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association Held at the Gayoso Hotel, Memphis, Tenn., Tuesday, April 24, 1917," SPA Records, Box 70b, 2-3.
The Emergency Committee promptly traveled to Washington, where by April 30 it was conferring with the United States Shipping Board, the Emergency Fleet Corporation, and the Lumber Committee of the Council of National Defense, and establishing specifications and prices for ship and cantonment lumber. The committee also established a Washington office and appointed an industry representative who served as a liaison officer with the several government purchasing agencies. On May 23, several hundred SPA subscribers and nonsubscribing southern pine manufacturers met in Memphis to hear the Emergency Committee report on its Washington activities. The subscribers approved the price schedule and authorized the committee to distribute orders and arrange for the delivery of lumber to the government, directing it in so doing to treat non-SPA subscribers equitably.

At the same meeting, the Emergency Committee was made into a permanent organization, called the Southern Pine Emergency Bureau, and its membership was enlarged by the addition of representatives for nonsubscribing southern pine producers. Although it was no longer exclusively representative of the Southern Pine Association, the SPA promised to furnish the bureau its information on locations of mills, production capacities, stocks on hand, shipping facilities, and freight rates. The association also contributed $2,000 to meet the bureau's organizational expenses. Operating income was to be derived from assessments upon producers' sales to the government, whether made through the

bureau or not. The original assessment rate was five cents per thousand board feet, but this was subsequently raised to ten, and later fifteen, cents.\(^{37}\)

At first, the Southern Pine Emergency Bureau represented no clearly-defined area, but as its activities developed, Charles Edgar, lumber director of the War Industries Board, outlined its territory to cover the southern pine producing region west of the main line of the Louisville and Nashville Railroad in Alabama and south of a line drawn west from Montgomery, Alabama, to Meridian, Mississippi, all of the state of Mississippi south of the Alabama and Vicksburg Railroad, and the entire states of Louisiana, Arkansas, Missouri, Oklahoma, and Texas. The bureau thus did not represent southern pine producing areas along the South Atlantic Seaboard and in the southeastern part of the country. While maintaining the office established by the Emergency Committee in Washington, the Southern Pine Emergency Bureau established its main office in New Orleans, the most centrally-located city in the southern pine producing territory. The New Orleans office's work was divided into five categories: (1) ship schedules for the Emergency Fleet Corporation; (2) cantonment lumber, requirements of the Army and Navy, other government business, and lumber requirements of the Allied countries; (3) car material for the United States Railroad Administration; (4) auditing department; and (5) production department.\(^{38}\)

\(^{37}\)Ibid.

\(^{38}\)Ibid.
The Southern Pine Emergency Bureau's principal function was to allocate lumber orders received from the Emergency Fleet Corporation, War Department, Railroad Administration, and Allied purchasing agents to the manufacturers it represented. The Washington office maintained close contact with all government agencies concerned with procuring southern pine lumber. The bureau's capital personnel worked especially closely with the Lumber Committee of the Council of National Defense, which later became the Lumber Section of the War Industries Board. In fact, upon formation of the War Industries Board, the Southern Pine Emergency Bureau, like bureaus representing other groups of lumber manufacturers, was recognized as a semi-governmental organization working under the director of the Lumber Section's supervision.\(^{39}\) The Southern Pine Emergency Bureau handled only those orders of government and Allied purchasing agencies which were duly authorized and recommended by the Lumber Section of the War Industries Board.

The Washington office also helped government engineers determine the specifications of lumber to be used in buildings, ships, and other construction projects. It kept the proper departments and agencies fully advised of orders placed with particular manufacturers, each day's shipments, and other useful information. The office also handled problems, such as producers' delinquencies in filling orders and controversies over terms of settlement.\(^{40}\)

\(^{39}\)Ibid.

Periodically during the war SPA subscribers and other southern pine firms were accused of profiteering and of failing adequately to supply the government's needs. It was charged that the southern pine producers preferred to save their timber supply for more profitable private markets. The first clash came in June, 1917, when the lumber committee of the Raw Materials Division, Council of National Defense, called representative southern pine producers to Washington to consider cantonment requirements. At a meeting on June 13 between R. H. Downman and the producers, basic southern prices were agreed upon, but only after a figure higher than the going market price was momentarily adopted. The lumbermen said their attempt to make the government pay more than the public was justified because of the emergency nature of the order, but this explanation was rejected.\textsuperscript{41} This was the first, but not the last time that the facts contradicted later industry statements that the lumbermen acted with "little thought of cost and profit."\textsuperscript{42} or that the government was "well pleased with prices..."\textsuperscript{43}

Prices continued to be a matter of controversy between producers and the government. Prices for all government agencies, except the Emergency Fleet Corporation, were initially established by agreement between the committee and representatives of that body.\textsuperscript{44} Later, these

\textsuperscript{41}"Pine and Patriotism; Official Report of the Third Annual Meeting of the Subscribers to the Southern Pine Association Held at Grunewald Hotel, New Orleans, Feb. 19, 20, 1918," \textit{ibid.}, Box 85b, 95.

\textsuperscript{42}Berckes, "The Pitch in Pine," 68.


\textsuperscript{44}"Report of Southern Pine Emergency Bureau," SPA Records, Box 84b.
prices were periodically adjusted by agreements between the Southern Pine Emergency Bureau and representatives of the Lumber Section of the War Industries Board and the Emergency Fleet Corporation. In the fall of 1917, and again a short time later, the Federal Trade Commission undertook investigations of the costs of lumber production. On the basis of these inquiries, officials of the appropriate government agencies insisted upon price reductions, and they were made.  

However, lumbermen regarded prices in the industry to be too low, and during the latter part of 1917 and early 1918, Edward Hines of Chicago's Hines Lumber Company, with other leading southern pine lumbermen and SPA officials, took the lead in attempting to increase prices in the industry through correspondence and meetings. The manufacturers could get higher prices for their lumber in the civilian market than from the government, and their "often heroic" efforts in supplying the government's needs were "not untinged with the color of human weakness and errancy." Their attitude was typified by the statement of the Kirby Lumber Company's sales manager, that "these Government prices are so much lower than the regular commercial market, that we of course do not want to take any more than our share of the orders. . . ."  

47Clarkson, Industrial America in the World War, 423.  
During the early part of 1918, lumber prices in the commercial trade advanced to a point where they were five to seven dollars per thousand board feet above those paid by the government. For a number of reasons, the government believed that production for civilian purposes should not be stimulated by high prices.\textsuperscript{49} Conservation of the softwood supply was a factor, but the primary consideration was the conservation of other materials and transportation needed for the war. Reducing non-military production would conserve men, machinery, materials, and transportation facilities. Civilian lumber needs were considered deferable.\textsuperscript{50}

The industry's size and fragmentation put it beyond the possibility of general commandeering, and so the War Industries Board attacked the problem through manipulating priorities and price fixing. The Non-War Construction Section of the War Industries Board's Priorities Section discouraged production beyond minimum civilian requirements by requiring lumber manufacturers and distributors to sign pledges to deliver lumber only for essential purposes or on express, written permits. Southern pine was not placed on the board's preferred list of essential war industries and was thus deprived of any general priority classification. However, for government production the lumbermen were given top priority privileges.\textsuperscript{51}

Early in 1918, the War Industries Board concluded that it was necessary to fix maximum prices for southern pine lumber. For that

\textsuperscript{49}Baruch, \textit{American Industry In The War}, 212.

\textsuperscript{50}Clarkson, \textit{Industrial America in the World War}, 423, 426.

\textsuperscript{51}Ibid., 423, 425-26.
purpose, in March, the producers were granted a hearing before the War Industries Board's Price Fixing Committee. No changes were made, however, until after further hearings on June 12, 13, and 14, 1918, when an agreement was reached to fix prices on the basis of cost figures provided by the Federal Trade Commission's production cost studies. The manufacturers also agreed that commercial sales would be subject at any time before delivery to an option in favor of the government. They further agreed to comply with War Industries Board directions with reference to filling commercial requirements in the order of their importance. In general, prices were fixed at levels low enough to discourage production, and in many instances they actually caused a curtailment. Southern pine prices were controlled from June 14 through December 23, 1918.

Prices were only one of the problems facing the southern pine industry. Despite efforts to reduce production for domestic use, the industry faced a tremendous task in attempting to supply the government's wartime needs. Perhaps most pressing was the shipbuilding program inaugurated in late 1916, which called for the construction of one thousand ships, each of which was expected to require at least one million feet of lumber. The peak demand for southern pine ship materials came in October, 1917, when Gulf Coast mills were instructed


54 Easton, "History Of The Texas Lumbering Industry," 287; Soule, Prosperity Decade, 31.
to hold all longleaf timbers measuring twelve inches by twelve inches by twenty-four inches and larger for the shipbuilding program. The mills were instructed not to accept any new orders for such materials and not to fill old orders. On November 2, the government's demand was extended to cover all southern pine timber thicker than two inches, wider than ten inches, and longer than twenty inches which could be used for ship construction. Government agents were sent into the South to watch the sawmills and be sure that timbers suitable for war use were not diverted into the domestic trade.

The tremendous government demands impelled drastic efforts in the southern pine industry. To procure the extra large sizes needed for ship timbers, southern lumbermen penetrated far beyond their normal logging operations to secure specially selected trees. The manufacturers instituted a speed-up program by which they hoped to increase the output of ship timbers from 850,000 to 2,000,000 linear feet daily. Machinery was overhauled and reorganized and new equipment was installed as many mills worked night and day to meet the government's demands.

During the first ten months of America's involvement in World War I, the southern pine industry furnished 37,803 carloads, or 750,000,000


56"Government Conscripts All Lumber Over 2 Inches Thick," Gulf Coast Lumberman, V (November 15, 1917), 22.


58"Forcing Ship Timber Production," Gulf Coast Lumberman, V (November 15, 1917), 22.
210 feet, of lumber to the military and supplied ship timbers at the rate of seventy-five carloads, or 1,500,000 feet, per day. In addition, southern pine supplied huge quantities of lumber for war industries, foreign governments, war housing, and other purposes. However, as was inevitable in a task of such magnitude undertaken with extreme urgency, the southern pine industry encountered some difficulty in meeting the government's demand. During the latter part of 1917 and early 1918, the industry was subjected to public criticism due to its alleged failure to fill government orders satisfactorily both in quantity and price.

Newspapers publicized the fact that, late in 1917, the Shipping Board found it necessary to obtain large ship timbers, ordered originally from southern pine producers, from West Coast manufacturers in order to meet production schedules. In the spring of 1918, the United States Senate's Committee on Commerce investigated this matter. At the hearing, the industry's spokesman denied that the Shipping Board had been forced to secure West Coast lumber because of southern pine producers' failure to fulfill their commitments. Rather, he declared, the Shipping Board had acted on the suggestion of the southern pine manufacturers in securing fir timbers for certain larger sizes, and they ought therefore to be commended for their "pre-vision."  

Southern pine producers were having difficulty delivering large timbers used for keels, keelsons, ribs, frames, and side timbers in the wooden ship construction program. Speaking before the SPA's annual

60 Hearings on Senate Resolution 170, 24-25.
meeting in February, 1918, J. O. Heyworth, director of the Wooden Ship Division of the Emergency Fleet Corporation, stated that 100,000,000 board feet of such timbers were required for the backbones and frames of ships then on order, but that only 38,000,000 feet had been shipped. It had thus been necessary for the Emergency Fleet Corporation, at the request of the southern pine producers, as noted above, to order more than half the total requirement from West Coast manufacturers. Nevertheless, the need for yellow pine timbers remained great, and Heyworth exhorted the industry to maximize its efforts. Responding to Heyworth's call, President Keith wrote all southern pine manufacturers, urging them to exert themselves to the limit to satisfy the needs of the ship construction program. "Any manufacturer," he wrote, "who does not do his part by going in advance of his logging for the necessary timber, and who will not refuse to take orders for material which interferes with Government orders is a slacker and a traitor, and is encouraging and assisting our enemies."61

Heyworth's concern was shared by other government officials and by prominent figures in and out of the southern pine industry. Edward N. Hurley, chairman of the United States Shipping Board, wrote the Southern Pine Emergency Bureau that "there is a strong feeling in the country that there is only enough lumber to complete three hundred and sixty ships each year . . . The sooner you present some facts to counteract this information, the better it will be for the lumber industry."

61"Pine and Patriotism," SPA Records, Box 85b, 111-12.
62Boyd, "It is War!" ibid., Box 77a, 7a.
Stating that "we have not received enough lumber to keep our program going. . . ." Hurley said "It is up to the lumbermen. . . so far the southern pine people have not produced sufficient timbers of large sizes to carry out our program."\(^63\)

Having the same concern, the editor and general manager of the Manufacturers' Record in Baltimore wrote John Henry Kirby to get the Texan's reaction to charges against his industry. According to the editor:

There is a feeling in Washington that the Southern pine lumber people have very badly fallen down in the promised deliveries of timber for wooden ships, and in the minds of those who have been studying the matter, there is a question as to whether this is due to the inability to get the timber specified, or whether the lumber people have been taking care of their private trade at the expense of delaying the fulfillment of their contracts to provide timbers for ships.

As you know a large amount of timber is being brought across the Continent from the Pacific Coast to Southern shipyards. If this is to be continued, it will mean that the wooden ship program when existing contracts have been finished, will naturally probably be switched to the Pacific Coast. . . .

To what do you attribute the delay in the delivery of pine to Southern shipyards which has brought about a delay of four to six months in the completion of ships under contract as compared to specifications when they were begun?

Have the lumber operators done their best to hunt out in their timber properties for trees big enough to provide the necessary lumber, or is there an actual shortage of such trees? . . . \(^64\)

The last part of the question was answered in a manner favorable to Kirby's own operations by an Emergency Fleet Corporation official. He reported that he had been to most of the Kirby mills and found "their managers have instructions . . . to cut every piece of timber possible . . .\(^63\)


\(^64\) Richard H. Edmonds to John Henry Kirby, February 25, 1918, John Henry Kirby Papers, Box 144 (University of Houston Library, Houston, Texas). Hereinafter cited as Kirby Papers.
that will go into ships and to spare no expenses whatever in getting these pieces." The official further stated:

I also found that in their logging operations they have had a man in the woods to go four miles ahead of the operations and mark trees suitable and the men in the woods hauling them to their tram. All of these trees that I have seen are very fine, and it seems that the Kirby Lumber Company as a whole, are doing everything possible to increase the production over what they had been doing and I already had evidence that they were doing that. . . .

The situation in both industry and government was somewhat confused in the spring of 1918. When J. O. Heyworth addressed the SPA in February, the reaction was mixed. The producers made no effort to present to him their feeling that part of the production difficulties were due to the fact that southern pine manufacturers were being called on to produce timbers for shipbuilding which would better have been obtained on the Pacific Coast, and vice versa. In fact, Heyworth was introduced with an admission that "We have not done our duty. . . . It is perhaps not possible to get out everything demanded by the Fleet Corporation, but in some respects we could have done better than we have done." Heyworth, however, replied, "no man here . . . need be ashamed of the product or the production of the last six or seven months. . . ."

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65 Frank Comstock to Wood Beal, March 9, 1918, ibid., Box 192.
68 Ibid., 111.
In actuality, at this very time the Federal Government was investigating the southern pine industry's performance in the war effort, and the manufacturers were restive under what they regarded as unwise and unfair governmental policies. In the spring of 1918, the government turned to the man who had led the industry through earlier periods of difficulty—John Henry Kirby. Kirby's efforts predictably brought fireworks to the southern pine situation.

Kirby became active in the war effort shortly after America's entry into the conflict. On April 27, 1917, Kirby received a telegram from Bernard Baruch containing President Wilson's wish that he serve as a member of the Raw Materials Committee of the Council of National Defense. Kirby accepted and moved to Washington to perform his duties. In May, Kirby became President of the National Lumber Manufacturers' Association, while continuing to work for the government. In March, 1918, he was requested by Chairman Edward N. Hurley of the United States Shipping Board to become Lumber Administrator for the South, in order to secure the timbers and other materials needed so badly for the Emergency Fleet Corporation's wooden ship program. It was hoped that Kirby could bring order and increased production out of the chaotic southern industry.69

Kirby accepted the position with the blessing of J. O. Heyworth, who said that he was "sure a direct personal attention by a man like you will straighten matters out and will give to Southern Pine Producers a much better chance to deliver."70 Kirby immediately moved to New Orleans,


70James O. Heyworth to John H. Kirby, March 11, 1918, Kirby Papers, Box 144.
and on March 21, 1918, took charge of the timber section of the Emergency Fleet Corporation as Lumber Administrator for the South. He was assisted by twenty-one industry leaders from all parts of the region who served the government without pay. They included not only SPA subscribers but members of other organizations and independents.

Kirby's appointment coincided with a governmental decision that seemed to foreshadow better days for the industry in meeting the government's ship timber needs. As we have seen, southern lumbermen from the first recommended that some large timbers which were scarce in their timber stands should be obtained in the West where they were more plentiful. W. H. Sullivan, chairman of the Southern Pine Emergency Bureau, had expressed this attitude in January, 1918, to Edward N. Hurley.

Early in 1918, because of charges in the press that southern pine lumbermen were failing to meet their responsibilities to the shipbuilding program, the southern pine industry requested a hearing before the Committee on Commerce of the United States Senate which was investigating the ship-construction effort. On March 10, 11, and 12, 1918, a group of lumbermen representing approximately twenty per cent of southern pine production came to Washington, where they met with the United States Shipping Board. At this conference, the recommendations which had been consistently made by southern pine producers were finally adopted by the Shipping Board. As early as December 1, 1917, the board

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71 Lasswell, John Henry Kirby, 161.

72 John Henry Kirby to James O. Heyworth, March 13, 1919, Kirby Papers, Box 144.

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had started obtaining large sizes in the western fir forests, and the
March conference resulted in an agreement that this practice would
continue to be followed, and also that the government would begin
permitting the use of laminated, or built-up, materials which would
make it easier for the southern pine industry to meet the government's
requirements. Because of the Shipping Board's decision, the industry
decided merely to file a statement of record rather than taking up the
Commerce Committee's time with long hearings. In this statement it
predicted that the appointment of Kirby as Lumber Administrator would
straighten out conditions in the industry and its relations with the
government.

Official notice of the Kirby appointment came on March 15 in a
letter from the General Purchasing Officer of the Emergency Fleet
Corporation which outlined the Texan's duties as having "charge of
supplying lumber for ships built on the Atlantic and Gulf Coasts and
such other lumber for shipyards and other purposes as may be needed by
the Emergency Fleet Corporation from time to time." Kirby was notified
that he was "expected to use whatever new methods that may occur to you
in order that lumber may be obtained at a sufficient rate that the

73F. L. Sanford to Duncan U. Fletcher, March 12, 1918, ibid.;
L. C. Boyle, "The Southern Pine Lumbermen's Co-operation In The
National Wood Ship Program, Statement on Behalf of The Southern Pine
Association and Southern Pine Emergency Bureau, Before The Committee On
Commerce, United States Senate, Sixty-Fifth Congress, Second Session
on S. Res. 170," SPA Records, Box 143b.

74Boyle, "The Southern Pine Lumbermen's Co-operation In The
construction of wooden ships will not be delayed." W. J. Haynen, the assistant purchasing officer, was to act as Kirby's direct assistant.

Late in April, 1918, came the first rumblings of matters that would eventually involve Kirby and the southern pine industry in difficulties with the government. SPA Secretary-Manager John E. Rhodes advised his board of directors that, because of the demands of retail dealers and their associations that they should receive lumber at the same price as the government, and due to the fact that many mills preferred to take higher-priced commercial orders rather than accept those for government material from the Emergency Bureau, Chairman Baruch and Assistant Director of Lumber Edgar hoped the lumber industry would agree with the government on southern pine prices for the government and public alike. Rhodes reported, however, that President R. H. Downman of the National Lumber Manufacturers' Association had left New Orleans for Washington, where he would "vigorously protest against the plan of the government to fix a price for retail trade." Nevertheless, on June 14, after three days of conferences with the southern pine manufacturers' representatives, including Kirby, Charles S. Keith, W. H. Sullivan, R. A. Long, and M. J. Scanlon, Dr. F. W. Taussig, acting chairman of the War Industries Board's Price Fixing Committee, drew up a list of maximum prices for all lumber sales,

75 Frank A. Brown to John H. Kirby, March 15, 1918, Kirby Papers, Box 144.

76 J. E. Rhodes to Board of Directors, April 29, 1918, ibid.
Kirby was soon called to task by his superiors on grounds of conflict of interest, for serving as chairman of the southern pine industry's committee to negotiate prices with the government, while acting at the same time as lumber administrator for the Emergency Fleet Corporation. Kirby explained that he saw no conflict of interest, because the prices of ship timbers, which he was procuring in his government job, were not discussed. Furthermore, his government position had nothing to do with setting prices:

As lumber administrator I have nothing to do with the matter of the price which the government pays for the timbers it acquires. That is a matter of agreement between the producers and the purchasing officer of the Shipping Board or with the Lumber Director of the War Industries Board. The Purchasing Officer or the Lumber Director or both will fix the price by agreement with the producers and when that factor has been determined the Purchasing Officer passes to me an order to distribute among the consenting mills, in accordance with their capacity to produce logs for the timbers required.78

Kirby continued, "the lumber manufacturers were opposed to the government's price fixing program both on price and as a matter of current governmental policy." However, said Kirby, "the manufacturers waived their own opinions and convictions on the subject and entered in good faith upon the discussion looking to an agreement with the government fixing a maximum price, both to the trade and the government. . . ." Kirby concluded that he had "not understood that it was any part of my duty or prerogative to have any views in the matter of fixing or

77"June 14, 1918. Maximum Prices for and Procedure for Distribution of Southern or Yellow Pine Lumber," ibid.

78John H. Kirby to Charles Piez, June 15, 1918, ibid.
agreeing upon a price. . . ."\(^{79}\) A few days later, in his capacity as president of the National Lumber Manufacturers' Association, Kirby issued a bulletin to all lumber manufacturers calling upon them to support the government's war efforts through the various lumber associations, and announcing that "manufacturers of lumber in spirit of patriotism have yielded their convictions on subject of price fixing. Are attempting in good faith and in proper spirit to put into efficient action rules which government at Washington has prescribed for them [sic]."\(^{80}\) Kirby's statements in regard to price-fixing would prove interesting in the light of his later activities and words.

Just three days later, on June 28, Kirby, along with R. A. Long and Charles S. Keith as members of a committee representing southern pine interests, sent a telegram to Dr. F. W. Taussig of the Price Fixing Committee stating:

\[\ldots\] we have just learned that the order of June fourteenth \ldots\ fixing the maximum for southern pine lumber items as approved by the President, contains the language that the price fixed was reached by agreement. This is an error. Aside from the question as to whether Southern Pine interests will accept the prices as fixed, we do want it understood at the outset that we have not agreed to the price. \ldots\ nor did we consent to administrative features covered by the order. We respectfully request that these errors be called to the President's attention and the order corrected to conform with the facts.\(^{81}\)

Kirby quickly received a telegram from Bernard M. Baruch asking if Kirby had indeed signed the Taussig telegram, saying that because of "the

\(^{79}\)Ibid.

\(^{80}\)"Bulletin No. 38, June 25, 1918," Kirby Papers, Box 144.

\(^{81}\)Telegram (undated copy), ibid.
understanding I had when you left" the telegram had "caused me surprise and astonishment. . . ." Baruch continued that he "would be surprised and regret exceedingly to have a confirmation of such telegram especially in view of your personal attitude when I last saw you."

Kirby wired Charles S. Keith for instructions, and was advised to "wire Mr. Baruch that you signed telegram" and to tell him that Kirby, Long, and F. W. Stevens were on the way to Washington, and that Kirby would confer with Baruch on his arrival. Kirby carried out Keith's instructions and also informed Baruch that a large meeting of southern pine manufacturers in Memphis had passed a resolution requesting an additional conference with the War Industries Board and had appointed Long, Kirby, and Stevens as a committee to represent the industry. These communications marked the beginning of a fiery clash between Baruch and Kirby.

The meeting in Memphis mentioned in the Kirby telegram had been a heated one in which the government's price for lumber and its administrative figures came under heavy fire. Kirby, Long, and Keith portrayed the June 14 price-fixing session with the War Industries Board as stormy, and all three centered their criticism on Charles Edgar, acting director of lumber on the War Industries Board. At one point, the Memphis meeting adopted a resolution saying that the industry had no faith in Edgar's ability to treat pine manufacturers fairly. The resolution was reconsidered and rejected on the advice of industry leaders, because it would have embarrassed southern lumbermen in trying to

82 B. M. Baruch to John H. Kirby, June 28, 1918, ibid.

83 John H. Kirby to Chas. S. Keith, June 29, 1918, ibid.; Keith to Kirby, June 29, 1918, ibid.; Kirby to B. M. Baruch, June 30, 1918, ibid.
negotiate new prices with the government. SPA President Charles S. Keith pledged that the industry would continue to meet its commitments to the government and expressed confidence that the industry would eventually receive fair treatment, but, he concluded, "I don't accept Mr. Baruch and Mr. Edgar as my government and I strongly favor appealing from their decision in fixing prices for our product."  

On July 1, Kirby left New Orleans for Washington after writing Keith and asking if he approved of Kirby's telegram to Baruch. Kirby voiced his concern over wire service reports which quoted the Federal Trade Commission as the authority for statements that lumber manufacturers were "among the present selfish interests which are profiteering in a reprehensible way." Kirby said that he did "not know how far that thought has currency in Washington, but I trust it will not be serious or embarrassing to our committee."  

On July 3, the southern pine committee arrived in Washington, went into conference, and drew up a letter setting forth their reasons for opposing the June 14 price-fixing agreement. Among these was the fact that the agreement set prices F.O.B. mills to the public on the

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84. *The Commercial Appeal (Memphis)*, June 29, 1918.

85. John Henry Kirby to Charles S. Keith, July 1, 1918, Kirby Papers, Box 144. The report which bothered Kirby quoted the Federal Trade Commission's report on profiteering, which charged southern pine producers with making unnecessary and unusually large profits "running as high as 121 per cent on the net investment." It claimed that forty-eight southern pine companies had made an average profit on net investment of seventeen per cent during 1917 as opposed to only about five per cent in 1916. During 1917, according to the report, forty-seven per cent of the footage of the covered companies brought a profit of over one hundred and twenty-one per cent net on investment. *Houston Post*, June 3, 1918.
same basis as those for the government. The lumbermen said this would disrupt normal and established channels of trade, since many mills sold through commission men, brokers, and wholesalers. In addition, there were many other distribution variations which made it difficult to set prices effectively and clearly. The committee also charged that prices for the public should be higher than government prices, since the costs of producing for the public were higher. Price-fixing, it added, was not necessary to assure adequate government supplies. Furthermore, the prices set were too low and did not adequately consider widely varying conditions in the industry. The efficiency and structure of some firms might enable them to survive under the government's prices, while others could not. The lumbermen said that labor and material costs were changing so rapidly under war conditions that cost figures used by the government in determining prices were too low and did not adequately protect the industry. Thus the committee recommended that the fixed prices should be adjusted every thirty days. Finally, they asked the government to stop placing extremely large orders at the current prices on the eve of new price adjustments. 86

Armed with a copy of this letter, Kirby called on Bernard M. Baruch. According to Kirby, he was kept waiting for two hours, and when he finally got to see Baruch, the first thing the chairman said "was that as a condition precedent to any discussion, we must withdraw the telegram to Dr. Taussig and accept the order of June 14 as having been put in by agreement, because he had represented to the President that

86 John H. Kirby, R. A. Long, and F. W. Stevens to Members of the War Industries Board, July 3, 1918, Kirby Papers, Box 144.
it was by agreement, and the committee must not put him in the attitude of having made a misrepresentation." Kirby contested the statement that lumbermen had agreed to the June 14 order, but Baruch "said if this new committee would accept that order as by agreement, he and the War Industries Board would then go into all our grievances with us and do everything they thought possible to conform to our ideas and give us the relief sought." Kirby then filed his letter with Baruch, who sent copies to members of the War Industries Board, and the men arranged for the committee to meet with Baruch on Monday, July 8, and try to settle matters. Kirby expressed his hope that the matter could be handled without a hearing before the full board, and said the lumbermen "were perfectly willing to leave . . . matters to his [Baruch's] sole adjudication." On Monday, Kirby called for an interview with Baruch, but was told the chairman was too busy, and that the lumbermen could present their case before the entire board on Tuesday, July 9, "provided we would file at once an agreement." Kirby later complained that "we were combatting this thought all the time. To our minds it was a species of coercion [sic] that was wholly indefensible. . . . We were told positively, definitely, unequivocally, and I might say irritably, that the War Industries Board would not give us a hearing, nor would any other tribunal give us a hearing until we had formally agreed in writing that

87John H. Kirby to Chas. S. Keith, July 10, 1918, ibid.
88Ibid.
89Ibid.
the order of June 14 was predicated upon an agreement between the Price Fixing Committee and the lumber industry."90

On July 9, under the War Industries Board's pressure the lumbermen's committee finally adopted a reluctant statement that the price-fixing order "may be considered as now agreed to as of June 14th."91 However, they strongly qualified their statement with a reminder that "the committee that was in charge of this matter for the Southern Pine industry left Washington June 22nd, with the distinct impression that no agreement had been entered into." They said further, "the committee now acting for the industry came to Washington on this occasion in the firm belief that no agreement had been reached. However . . . as we are not permitted to discuss our problems except this element is eliminated, we have, as stated, agreed to waive all objections to the recital in the order that it had been assented to."92

Having fulfilled this condition the committee was granted a hearing before the board in Baruch's office. The session began with Baruch calling for the filing of the committee's assent to the June 14 order, upon which Kirby presented the committee's July 9 written statement. Kirby then read a list of southern pine industry grievances. The grievances were basically the same as those cited in the committee's July 3 letter to the board. The committee also suggested that the board accept it or a similar body to "be recognized by the Government as a

90Ibid.
91John H. Kirby, R. A. Long, and F. W. Stevens to the War Industries Board, July 9, 1918, Ibid.
92Ibid.
standing committee representing the Southern Pine industry, and that as important questions arise affecting the economic or commercial status of the industry, this committee be called into conference for suggestion and counsel." They also urged that "all lumber sold the Government shall be billed at the price in effect at the time of shipment, rather than at the price in effect when the order was placed." Finally, the committee asked that railroad orders be placed through the emergency bureaus, and that the industry be permitted to continue its traditional practice of allowing discounts for prompt payment. 93

The board claimed no jurisdiction over the price-fixing committee, whose power they said rested with the President, but they did agree to set up a subcommittee to consider complaints dealing with administrative features of the price-fixing agreement. 94 The subcommittee eventually suggested that producers in the Southern Pine Emergency Bureau territory choose a permanent representative committee of all manufacturers to represent them before the War Industries Board, that railroad orders be placed through the Emergency Bureau, and that "on all Government orders on which the price is fixed by the Government the price in effect on the date of delivery rather than the price in effect on the date the order is placed shall control. . . ." Matters concerning price adjustments and terms of sales were referred to the price-fixing committee. 95

93"Exhibit 'C' Statement Filed By The Southern Pine Lumbermen Before The War Industries Board," ibid.

94John H. Kirby to Chas. S. Keith, July 10, 1918, ibid.

95"Exhibit 'D' Memorandum Of Report By A Committee Of The War Industries Board Appointed To Hear The Protest Filed By The Southern Pine Lumbermen," ibid.
The price-fixing committee adopted the suggestion that prices in effect on the date of shipment, rather than those in effect at the time an order was placed, would apply to government orders.\(^96\)

At this point, the situation began to deteriorate and acrimonious words and actions flew between the lumbermen themselves and between industry and government leaders. In the process, Kirby was relieved of his duties with the government, some said under a cloud of dishonor, others claimed because he had the temerity to tangle with Baruch, Charles Edgar, and other government officials. For whatever reason, on July 16, J. L. Ackerson, assistant to the director general, acting for the vice president of the Emergency Fleet Corporation, wrote Kirby announcing that, because of administrative consolidations within the Fleet Corporation, the positions of lumber administrator and assistant lumber administrator were being abolished. Ackerson very formally expressed "the Emergency Fleet Corporation's appreciation of the service you have rendered," and expressed the "hope that your connection with the Fleet Corporation has been as satisfactory to yourself as it has been to us." The letter did not, however, announce a fait accompli, rather it anticipated actions "if this consolidation is as successful as we hope."\(^97\)

At this point, in the middle of July, Kirby had not been publicly severed from his government position, and the next step in the developing controversy was a public dispute between the Texan and another

\(^96\)J. E. Rhodes to Manufacturers of Southern Pine, July 16, 1918, \textit{ibid}.

\(^97\)J. L. Ackerson to J. H. Kirby, July 16, 1918, \textit{ibid}.
prominent industry figure, R. H. Downman, a New Orleans-based cypress manufacturer and Kirby's immediate predecessor as president of the National Lumber Manufacturers' Association. Downman had early become associated with the war effort, serving as chief of the government's Building Materials Division. Charles Edgar, a retired lumberman with extensive experience in Wisconsin, Minnesota, Arkansas, and elsewhere, served as one of Downman's chief assistants and later succeeded Downman as chief of the War Industries Board's Lumber Division. It is possible that much of the southern lumber manufacturers' animosity toward Downman and Edgar was due to the fact that they were active or former lumbermen, and when they vigorously represented the government in dealings with manufacturers they were in a sense regarded as traitors to the industry.

H. C. Berckes, who worked with Kirby for many years as secretary-manager of the SPA, later could recall no particular animosity between Kirby and Downman, and in fact remembered one lumbermen's meeting in New Orleans when he had to fetch the two men out of a hotel bar which they were jointly patronizing in order to secure their presence at the meeting. It is doubtful that the two men were seen together in such cordial surroundings in June or July, 1918.

The Downman-Kirby feud began on July 17, 1918, when Downman sent a letter to the President and Board of Directors of The National Lumber Manufacturers' Association resigning his position on the board. Downman

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99 Ibid., 423-24.

100 Interview with H. C. Berckes, January 24, 1968.
chronicled at length his version of the price-fixing arrangements with the government, stressing that the original committee of southern pine manufacturers chosen at Chicago on May 23, and consisting of Kirby, R. A. Long, Charles S. Keith, W. H. Sullivan, and M. J. Scanlon, had proceeded to Washington and that their "first step was to agree with the Lumber Director [sic] Office that they would agree to fixing the price for the public, as well as for the government." "On or about June 10," said Downman "the Lumber Director received a document from this committee signed by its Chairman, Mr. Kirby that they would agree to the principle of fixing the price for both the government and the public." Downman then cited conflicting reports, bulletins, and telegrams of the Southern Pine Association, Long, Keith, and Kirby concerning the matter of whether or not prices had been fixed by agreement. He further stated that to the best of his knowledge both W. H. Sullivan and M. J. Scanlon, members of the original southern pine committee, understood that matters with the government had been agreed upon and settled during that committee's June meeting with the Price Fixing Committee. Downman said that Sullivan "at the Memphis meeting stated openly that the agreement had been reached and as far as he was concerned that his mills proposed to abide by it, whatever others might do." Scanlon, said Downman, made the statement in front of several members of the Lumber Director's staff that "it was his understanding that the whole matter had been agreed upon and settled and that he could not understand how Mr. Kirby, Mr. Long, and Mr. Keith could subsequently state otherwise." Downman advised that he was resigning from
the NLMA Board because of the activities of Long, Keith, and Kirby, since "such actions on the part of any officer of the Association do not in any way meet with my views, nor does he in any way represent me as a lumber manufacturer, or a member of the industry." 101

Kirby replied to Downman's charges a little more than a week later in a ponderous twelve-page letter written from Seattle, Washington, where Kirby was attending an NLMA meeting. Kirby immediately placed the dispute on a personal basis, saying that he knew if he was elected NLMA president "your resignation from this board and your retirement from active affiliation with the Association would shortly ensue, but I did not, of course, know upon what ground you would predicate your action." He said it was regrettable that Downman had seized upon the industry's controversy with the Price Fixing Committee and the War Industries Board to carry out his "previously fixed intention." Kirby further charged that the dispute had cleared the air between the industry and government, and blamed past difficulties on the failure of Downman and his assistant "to carry out agreements and keep faith with the industry." The "Prince of the Pines" said that Downman's letter of resignation had been "thoroughly Downmanesque in that it is in total disregard of and distortion of the facts." Kirby then proceeded to refute point-by-point Downman's account of the southern pine committee's adventures in Washington and constantly emphasized the fact that the industry had not voluntarily agreed to any price-fixing arrangements.

101 R. H. Downman to the President and the Board of Directors of the National Lumber Manufacturers' Association, July 17, 1918, Kirby Papers, Box 192.
He charged that Downman and Edgar had tried to push the lumbermen into a rapid agreement with the War Industries Board's Price Fixing Committee. Kirby also disputed Downman's report of W. H. Sullivan's reaction to the price-fixing episode. The Texan concluded that "nothing I have said here . . . is said for the purpose of seeking your approval of what was done. I am merely making a record for those lumbermen whose approval and respect I have, that they may understand the defamatory character of your letter of July 17th, and may not be misled thereby."\(^{102}\)

While Kirby and Downman battled, the Southern Pine Association Board of Directors met in Chicago to hear a report by the special committee composed of Kirby, R. A. Long, and F. W. Stevens which had negotiated with the War Industries Board early in July. Kirby reported that the War Industries Board's sub-committee which had met with him, Long, and Stevens in Washington had recommended that "the lumber manufacturing industry in the Southern Pine Emergency Bureau territory, in its own way, select . . . a trade committee . . . who will permanently represent the lumber manufacturers within that territory as a whole in dealing with the War Industries Board, and not any particular association, group of mills or faction of the industry."\(^{103}\)

The SPA board then dissolved the Southern Pine Emergency Bureau and authorized the SPA president to appoint a permanent, five-man, War Service Committee of the Southern Pine Industry. The committee was

\(^{102}\)John H. Kirby to R. H. Downman, July 25, 1918, ibid.

\(^{103}\)"Minutes of a Meeting of the Board of Directors of the Southern Pine Association Held at the Blackstone Hotel, Chicago, Illinois, July 20, 1918," SPA Records, Box 70b, 6-7.
authorized to represent the association, its subscribers, and cooperating manufacturers in all matters involving the production and sale of their lumber under conditions set by the War Industries Board.\textsuperscript{104} The committee members were immediately appointed by President Keith, and they included the old familiar names of R. A. Long, F. W. Stevens, and John H. Kirby, plus those of A. L. Clark and Charles Green.\textsuperscript{105}

The imperious action of the SPA board was simply not acceptable to the government's representatives, who had reached the end of their rope with the southern lumbermen. A contemporary involved in the mobilization of industry during World War I later recalled that "the greatest friction between the lumbermen and the Board was with three members of the Southern Pine Association."\textsuperscript{106}

The men referred to were of course Long, Kirby, and Keith, and Baruch's decision to have nothing more to do with them was expressed in a telegram to R. A. Long on July 30. Baruch said the SPA board's

\textsuperscript{104}Ibid., 7.
\textsuperscript{105}Ibid., 8.
\textsuperscript{106}This writer notes that the three SPA subscribers fought many battles with Charles Edgar of the War Industries Board. According to his account Edgar "was a veteran in the industry and knew it from the woods to the dry-kiln. His old associates affected to think that he was a sort of trade traitor because he was adamant for fair prices. They made extraordinary efforts to get rid of him. Even Baruch thought at first that Edgar lacked diplomacy. But these men were not subjects for diplomacy. They drove to their ends with the brutal energy of a donkey engine jerking a lurching log through the forest. Baruch found that out later when they sought to batter him down. Then, like Edgar, he tossed diplomacy out of the window, and figuratively speaking, threw the three obstructionists after it. He refused to have anything to do with any bureau or committee which included them. Whereupon the axemen were retired to obscurity for the rest of the war. Thereupon the lumber sailing of the War Industries Board was smooth." Clarkson, \textit{Industrial America in the World War}, 423-24.
Chicago action abolishing the Emergency Bureau and setting up the new War Service Committee was not in accord with the wishes of the War Industries Board's sub-committee, because the "Chicago committee was not selected by the lumber manufacturers but by [the] Board of Directors of [the] Southern Pine Association which association does not include a large number of independent and small mills in that territory." Furthermore, Baruch said he had read Kirby's letters to Keith of July tenth and thirteenth which had been published in the lumber journals, and he thundered, "I am astonished at the representations contained therein and advise you that [the] War Industries Board will deal with no committee of which those responsible for these representations or their circulation are members."107

Charles Edgar, Director of Lumber for the War Industries Board, immediately acted to explain Baruch's and the Board's position to prominent members of the southern pine industry. On July 31, he wrote W. H. Sullivan of Bogalusa, Louisiana, the sometime Kirby foe, that the War Industries Board still considered the Southern Pine Emergency Bureau, of which Sullivan was chairman, a functioning organization until such time as the southern pine industry could hold a general meeting and form a truly representative committee to deal with the board. Edgar attempted to refute Kirby's statement about the price-fixing episode and stated that Kirby "definitely understood the ruling was to be written by agreement."108 Edgar also submitted statements by two of his assistants that

107B. M. Baruch to R. A. Long, July 30, 1918, Kirby Papers, Box 144.

108Charles Edgar to W. H. Sullivan, July 31, 1918, ibid.
they had heard M. J. Scanlon, a member of the original southern pine committee which met with the Price Fixing Committee, state that it was his understanding that prices had been fixed by agreement and that he could not understand why Kirby, Keith, and Long had said otherwise.109

Kirby's public statements, which were circulated throughout the industry, seem to have been the final straw in his break with Baruch. Ironically, Kirby had received a promotion of sorts in July, moving from Lumber Administrator for the South to National Lumber Administrator, and the step up came at about the same time as his letter of July 10 to Charles S. Keith reporting on the industry committee's activities in Washington and accusing Baruch and his cohorts of coercion. Apparently the promotion was made, however, before Kirby's letter was published and circulated. The letter infuriated Baruch, and members of the industry saw a relationship between the letter incident and Kirby's later difficulties.110

On July 31, shortly after the publication of Kirby's letter, newspapers throughout the country carried a story from Washington that Kirby was no longer Lumber Administrator of the Emergency Fleet Corporation. Emergency Fleet Corporation officials were quoted as saying that the wooden shipbuilding program was being "seriously hampered . . . because southern yellow pine interests have not met more fully and promptly the demand for heavy timbers required in ship construction." Chairman Baruch of the War Industries Board was said to be considering

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109 Both statements are attached to letter from Charles Edgar to W. H. Sullivan, July 31, 1919, ibid.

110 "Mr. Kirby and the Southern Pine Industry," Gulf Coast Lumberman, VI (August 15, 1918), 9.
commandeering the yellow pine industry "unless the government's needs are fully supplied." Kirby was identified as a prominent member of the Southern Pine Association, who owned large timber resources in the South, "virtually controlling it is said, with two other yellow pine operators, the yellow pine industry." Since the time yellow pine lumber prices were approved by President Wilson, it was reported, "difficulties have constantly arisen as to interpretation, discounts, and territory to be covered by the Southern Pine Association." The story said that the decision to dispense with Kirby's services was made by Director-General Schwab and Vice-President Piez of the shipping board, and that the Texan's resignation had been announced the previous evening in New Orleans.\footnote{111}

When the newspaper report appeared, Kirby was still on the West Coast in connection with his duties as NLMA president. His associates in the South immediately notified him of the public statements and press stories. One of Kirby's closest advisors sent him a telegram giving a full account of the newspaper stories and advising, "I discussed this with Hayworth and telephoned Kendall and we are all of the opinion that the incorrect statements made should not go unchallenged by you. . . ."\footnote{112} Kirby also received a letter from the same man presenting "the whole rotten story as given out from Washington by some of the pinheads now in charge of our government affairs." The letter

\footnote{111}{\textit{The Globe And Commercial Advertiser} (New York), July 31, 1918.}

\footnote{112}{Billy to John H. Kirby, July 31, 1918, Kirby Papers, Box 144. "Billy" was probably William Farris, a close Kirby associate and confidant.}

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told of discussions about the matter among Kirby's friends in Houston and New Orleans and listed the errors they found in the newspaper stories. 113

The lumber industry's response to Kirby's dismissal was instantaneous. The Gulf Coast Lumberman ran a full page account of Kirby's July 10 letter to Charles S. Keith under the heading "A Test and Proof of Patriotism" and an article on Kirby's resignation suggesting that he had been "spanked" for his report as an SPA committeeman that the War Industries Board's price-fixing activities represented "coercion." Kirby's "spanking" consisted of his removal as Lumber Administrator and the appointment of W. J. Sowers, manager of the Southern Pine Emergency Bureau at New Orleans, as Lumber Administrator for the War Industries Board, a new office covering the jurisdiction of the Emergency Bureau, and the naming of W. J. Haynen, Kirby's assistant, as lumber representative of the Emergency Fleet Corporation for the entire nation. The journal was not uncritical of the southern pine industry and characterized Sowers as a firm man who would have the power to order mills to fill government orders. The GCL considered this "entirely right and justifiable" if it would eliminate the "game hogs"

113 Billy to Governor, July 31, 1919, ibid. "Governor" was a pet name for Kirby used by his friends and associates. Among the errors in the newspaper stories cited by Kirby's friends were the charges that the wooden ship program had been hampered since Kirby's appointment, that some government operations were behind schedule because of southern pine shortages, that Kirby virtually controlled the yellow pine industry, and that there was a disinclination among southern pine manufacturers to cooperate with the government.
in the industry. The publication probably reflected the common feeling about the Kirby affair within much of the southern pine industry.\textsuperscript{114}

The next month was filled with charges and counter-charges as Kirby attempted to clear his name and salvage the reputation of the southern pine industry. The Texan eventually won the support of Chairman Edward N. Hurley of the United States Shipping Board, who praised Kirby's performance in the war effort and stated "I want the lumbermen of America to understand that we of the Shipping Board and the Emergency Fleet Corporation do appreciate John Henry Kirby and the very wonderful work he and his fellow lumbermen did for us and for the nation."\textsuperscript{115}

By the middle of August, as Kirby put it, the "Washington situation" seemed to be "rapidly clearing up." But, according to the Texan, the industry seemed leaderless, because "Washington's antipathy to Keith and to all of the other real leaders in the industry has deposed all of the commanders under whose councils we could safely act. . . ." Kirby noted, however, that plans were being made to call a mass meeting in New Orleans at the initiative of Charles Green, a southern lumberman who had been conferring with government figures in Washington along with his associate, Philip Gardner of Laurel, Mississippi. At that conference a committee had been selected to call a mass industry meeting which would appoint new committees and leaders.\textsuperscript{116}

\textsuperscript{114}"Lumber Administrator Changes," \textit{Gulf Coast Lumberman}, VI (August 1, 1918), 6. The same issue contains the "A Test and Proof of Patriotism" story on page 7.

\textsuperscript{115}"For the Lumber Press," undated, Kirby Papers, Box 144.

\textsuperscript{116}John H. Kirby to B. F. Bonner, August 13, 1918, \textit{ibid.}
By this time, Kirby was convinced that Baruch's animosity was due mainly to the publication of his letter of June 10 and that "his anger applied especially to Mr. Keith and myself since he thought us soully [sic] responsible for the publication and that it was done with the deliberate intention of giving him offense." Kirby's account of the episode is interesting when compared with the much later recollections of a man who was intimately involved in industry matters at the time. Kirby stated that when he sent his letters of June 10 and June 13 to SPA President Charles S. Keith, he also mailed copies to the association's secretary-manager in New Orleans with orders that the information should not be given out without Keith's order. Kirby said that Keith telegraphed SPA Secretary-Manager Rhodes in New Orleans "to edit the letter and give to the subscribers such briefs of it as he might deem wise and proper." However, when the telegram reached the Crescent City Rhodes was out of town, and "a clerk in the office gave out the whole document and perhaps without modifications." Kirby concluded that his impression was that nothing was left out of the letters when they were published, but asserted that his and Keith's instructions that Rhodes should edit the letter "conclusively show that we were striving to avoid the giving of any offense to Mr. Baruch or the War Industries Board and I think when the attitude of Mr. Keith and myself toward this publication is brought to the attention of Mr. Baruch his irritation in respect to our course in this particular matter will disappear."\textsuperscript{117}

\textsuperscript{117}Ibid.
H. C. Berckes, long-time secretary-manager of the SPA, was starting his rise from the position of clerk before and during the period of the Baruch-Kirby incident, and his recollections of an episode involving himself and the two men, although somewhat different in detail, have a remarkable similarity to the incident just described. Berckes recalled that:

... one time during that war. ... Kirby had some dispute with Baruch, I'll never forget, he dictated to me a two-page letter in which he tore the hide off of Baruch, and I went back to our building and wrote it and brought it back to him and he said 'Give it to the press.' Well, it made quite a stir up in Washington, when he said 'Now, what are we going to do?' I said, 'There's only one thing to do, Governor, you just tell 'em I made a mistake and did it ... I'm just a clerk, it couldn't mean anything to me, it'll get the industry and you back in good with Baruch.' And as far as I'm concerned, that's how it ended.\textsuperscript{118}

The fact is that whether this was the same or another incident, Kirby hoped to wriggle out of his difficulties with Baruch and the government by blaming his actions on the mistakes of a subordinate. This was just another way in which an association could be helpful!

Finally, at least an outward appearance of peace was achieved between Kirby and government officials. On August 27, the Texan received a letter from Charles M. Schwab, Director General of the United States Shipping Board's Emergency Fleet Corporation, expressing his thanks for Kirby's efforts as Lumber Administrator. Schwab said that he was "QUITE SURE THE WORK WHICH YOU DID WAS BASED ON PURELY

\textsuperscript{118} Interview with H. C. Berckes, January 24, 1968.
Patriotic motives and was no doubt at a considerable sacrifice of your own interests."\(^{119}\) Kirby replied in kind, expressing his thanks for the vindication of himself and the southern pine industry.\(^{120}\)

As a matter of fact, however, the industry's problems and the charges against it continued right through the end of the war. Pious words and expressions of gratitude from both the industry and government could not completely patch over the strained feelings on both sides. As late as November 1, 1918, the southern pine industry's War Service Committee was facing charges from Washington that the industry was dragging its feet on orders intended for railroad and car material, because the orders had been placed early and thus carried lower prices than more recent ones. Although denying the charge, the committee urged industry members to use their "very best efforts to clean up . . . old orders for car material so that the industry may be cleared of any suspicion of delaying those orders. . . ."\(^{121}\)

Kirby's feelings were reflected in a letter to his close confidant, Senator Joseph W. Bailey of Texas, as he predicted that the War Industries Board would soon abandon price fixing, and that "the Government will take its socialistic hand off of our throats and permit us to at least exist whether we thrive or not." While relations with Baruch had ostensibly been smoothed over, Kirby could still declare to his

\(^{119}\) E. J. Eyres to John H. Kirby, August 27, 1918, Kirby Papers, Box 144. This telegram quotes the Schwab letter.

\(^{120}\) John H. Kirby to Charles M. Schwab, August 30, 1918, ibid., Box 192.

\(^{121}\) George R. Hicks to Southern Pine Mills, November 1, 1919, Kurth Papers, Box 489 (Forest History Collections, Stephen F. Austin State College Library, Nacogdoches, Texas).
crony that "Mr. Baruch knows nothing about the lumber business. . . . He relies on certain advisors with whom he has surrounded himself and they are men of such small vision and such prejudices that you cannot get anywhere with them."

It was evident that the war experiences left a bad taste in the mouths of many industry figures. During the last days of the war, the advisory board which Kirby had selected to help with his duties as lumber administrator submitted a lengthy report on the achievements of Kirby's administration. The report was extremely critical of the conditions Kirby inherited from W. J. Haynen and concluded with the charge that Haynen had utilized an informer on Kirby's staff to spy on the Texan during his tenure as lumber administrator. The general tenor of the committee's comments was to the effect that Haynen had done every­thing within his power to discredit Kirby and the advisory committee.

The effort to discredit Kirby, if indeed there was one, was certainly not successful within the industry. When southern pine lumber­men assembled in New Orleans in August, 1918, to choose a permanent war committee, Kirby's services as lumber administrator were lauded and the Texan was introduced to "storms of applause." According to accounts of the meeting, "so rousing was Mr. Kirby's reception when he arose to speak that for some moments he was unable to proceed. He seemed notice­ably affected by the voluntary expressions of confidence displayed by

122 John H. Kirby to J. W. Bailey, November 9, 1918, Kirby Papers, Box 144.

123 "Report Of Advisory Board To The Lumber Administrator Of The U. S. Shipping Board, E.F.C.," ibid.
the audience." It was evident that the industry regarded Kirby as a victim and symbol of the charges leveled against the entire industry. In the latter part of 1918, the SPA began placing large advertisements in metropolitan newspapers playing up the industry's role in war mobilization. These campaigns were designed not only to repair the industry's image, but to demonstrate the broad adaptability of southern pine as a construction material.

On November 11 the armistice was signed, and the following day the government began cancelling contracts as an unplanned, headlong plunge toward demobilization began. Two days after the armistice, the War Industries Board began to remove price controls, and within approximately a month, no more priority orders were issued. The dollar-a-year men almost ran one another down in their haste to close down the war-created bureaucratic machinery and get back to civilian life. On November 23, Lumber Director Charles Edgar officially notified the Southern Pine Emergency Bureau that the War Industries Board would be making no further recommendations concerning the placing of lumber orders with the various bureaus. The SPEB immediately stopped taking orders, and its Washington office was virtually closed by December 1. The New Orleans office continued to function in a restricted fashion

124 Collier, The First Fifty Years of the Southern Pine Association, 67.

125 Ibid., 67-68.

126 Soule, Prosperity Decade, 81.
until February 15, 1919, when the last of the government orders was filled, and the Southern Pine Emergency Bureau went out of existence.127

By the end of the war, or more precisely by November 23, 1918, when the Southern Pine Emergency Bureau ceased to allocate government purchases, the industry had delivered a total of 1,904,308,523 board feet of lumber for the United States and Allied governments. Of this vast quantity of lumber products, 295,178,221 feet went to the Emergency Fleet Corporation for the construction of ships, and 1,345,648,542 feet to the War Department for the building of cantonments and other structures for the use of the army and related service organizations, like the Y.M.C.A. and the Knights of Columbus. The Railroad Administration received 224,722,713 feet for use in the construction of railroad cars, and 38,759,047 feet were shipped to the Allies.128 This was unquestionably a major accomplishment despite the war's controversies and conflicts between government and the industry. Furthermore, the industry had produced and delivered this material despite problems, notably in the fields of labor and transportation, which must be mentioned although they will be more fully discussed later.

The southern pine industry was constantly plagued by labor shortages resulting from essentially two factors: (1) the drifting of lumber workers into other more lucrative occupations with the help of wartime labor shortages, and (2) the migration of Negroes out of the South to work in northern war industries. Furthermore, the lumber industry was


128 Ibid.
not given a priority for labor by the government as were other industries considered essential to the war effort. In fact, it was not until the fall of 1918 that labor reached the stage of a "known and controllable factor" in the eyes of the government, and it was only then that the War Industries Board established a Labor Priorities Section. The first labor priorities order was issued on September 17, and lumber was not included on the list, because "its [the order's] chief purpose [was]... to procure an automatic flow of fuel and transportation service. ... Lumber... was not on the preference list because it was intended to discourage long hauls of that commodity for the use of civilians and to promote the use of wood as fuel. But as certain kinds of lumber were in great demand for war purposes, it was important that the labor supply should be husbanded."129

The industry itself seemed to have mixed opinions during the war's early stages regarding the labor situation. Those present at the SPA's annual meeting in New Orleans in late February, 1918, heard a warning from the secretary-manager of the West Coast Lumbermen's Association that the industry in that section was facing severe labor troubles because of "continued agitation on the part of official Washington... socialistic professors, speculators in philosophy, theorists having poetical ideas of political economy and... ex-walking delegates from mineworkers' unions..." He predicted the adoption of

129 Clarkson, Industrial America in the World War, 291-92. Baruch, American Industry In The War, 90, gives essentially the same explanation for lumber's exclusion from the priority list.
an eight-hour day by many operators, possibly by government order, and reported that in his section lumber wages were higher than those in shipyards. SPA President Charles S. Keith seemed to share the same fears for the southern pine region, conceding that "we have a labor problem to contend with," but he strongly condemned any effort to establish government wage requirements, either maximum or minimum, and he bitterly attacked the eight-hour day as "seditious and treacherous. . . ." 131

Two months later, however, War Industries Board Lumber Administrator John Henry Kirby described the industry's labor situation as "fair" and reported that "though somewhat short handed in a few instances, plants generally are running full time, and all government work is being turned out promptly." Kirby reported an average labor shortage of seventeen per cent as compared with normal, with shipyards, other occupations, and the draft making some inroads on the industry's labor supply. He said that southern pine mills were continuing to run on an "open shop" basis and operating ten hours a day, with only a few plants maintaining night shifts. In order to meet the labor shortage, lumbermen were offering increased pay and other inducements, and "in some cases negro women are being employed to do light tasks about mills." Kirby concluded that the manufacturers did not "anticipate any serious difficulties in maintaining operations during the present year" and that the territory was "practically free of labor trouble." 132

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130 "Pine and Patriotism," SPA Records, Box 85b, 139-40.
131 Ibid., 20.
132 John H. Kirby to Charles Piez, May 16, 1918, Kirby Papers, Box 144.
Kirby's sanguine report was at odds with conditions as seen through the eyes of others in the industry. In the latter part of 1917, the leading trade journal in Kirby's own region said, "according to general reports, there is more labor trouble at the mills of the south at the present time than ever before." The journal ascribed the trouble to the short labor supply caused by the war, saying that the shortage gave the demands of those left more power than usual, and it reported several strikes in progress and others "fomenting." By March, 1918, the *Gulf Coast Lumberman* was reporting the employment of the first woman sawmill engineer in the history of the Texas lumber industry, and by the middle of the summer, the industry's labor committee noted "a serious labor shortage" in a letter to the War Industries Board, and stated that constant advances in wages were "not sufficient to overcome the effect of the draft and the competition for labor by shipyards and other war industries." Labor shortages were common in the southern lumber industry through the end of the war and into the post-war period. To deal with this condition, the mills in some cases hired workers from new sources and increased their wages to more competitive levels. The major

133 "Labor Troubles at Saw Mills," *Gulf Coast Lumberman*, V (October 15, 1917), 49.

134 "Women for Sawmill Engineers," *Gulf Coast Lumberman*, V (March 15, 1918), 40; John H. Kirby, R. A. Long, and F. W. Stevens to Members of the War Industries Board, July 3, 1918, Kirby Papers, Box 144.

135 A mill-manager of the Sabine Tram Company in East Texas later reported that his company never employed Negroes until 1917-1918 when it employed both Negroes and Mexicans because of the war labor shortage. Easton, "History Of The Texas Lumbering Industry," 268. Ruth Allen in...
activity on an industry-wide basis was a Southern Pine Association attempt to increase the productivity of laborers through an extensive campaign featuring speaking tours of returned soldiers who visited the mills and logging camps and attempted to arouse the patriotic ardor and productivity of the personnel. The SPA estimated that these speakers addressed a total of approximately 50,000 people in 128 separate meetings. H. C. Berckes later recalled that "it was essential to show southern saw mill labor the essential part it was playing in winning the War," and he concluded that "the Association's efforts in this direction were most successful. . . ." Despite the success of such efforts, however, it appears true that labor shortages hampered the southern pine industry's war efforts, and the labor situation appeared bleak indeed as the industry looked toward the post-war period.

Equally bothersome to the industry in its efforts to meet war-time requirements were shortages and tie-ups in the nation's transportation system. The major problem was a shortage of railroad cars which first developed nationally in 1916 and continued throughout 1917, until the creation of the Railroad Administration. In 1916, the car shortage

her study of East Texas lumber workers says that the World War I labor shortage "seems to have had little effect upon wages paid in Texas. . . ." Ruth A. Allen, East Texas Lumber Workers, An Economic and Social Picture, 1870-1950 (Austin: University of Texas Press, 1961), 70.


138Soule, Prosperity Decade, 33-34.
became one of the main concerns of the Southern Pine Association's Transportation Committee. In the interest of car conservation and transportation efficiency, the association urged its subscribers to load their cars heavily to utilize space more fully. The SPA's Traffic Department generally did yeoman service during the war in helping the industry secure adequate car supplies to move the most critically needed material. However, like labor, transportation continued to be one of the southern pine industry's major difficulties in meeting the nation's wartime lumber needs.

In the afterglow of victory, the government and the southern pine industry momentarily forget the strife, conflict, and difficulties of the war years and basked in the glory of their accomplishments. The Southern Pine Emergency Bureau, the Southern Pine Association, and the southern pine industry received wide praise from high ranking government officials for their services in behalf of the United States' war effort. Among the more prized expressions of gratitude were those of former nemesis Bernard M. Baruch and of the director of the War Industries Board's Lumber Section, Charles Edgar. On December 5, 1918, Baruch wrote:

> I offer in behalf of my associates and myself a tribute of thanks to the patriotism and service shown by the entire commercial body of America. Its members have made service and not profit their rule. They have shown a desire to subordinate self and exalt public

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139"Minutes of a Meeting of the Board of Directors of the Southern Pine Association Held at the Gayoso Hotel, Memphis, Tennessee, Tuesday, April 18th, 1916," SPA Records, Box 67a, 3.

140"War Activities Of The Southern Pine Association," ibid., Box 84b, 30.

interest, and to this readiness to make sacrifice in the common cause has largely been due whatever success we may have been able to attain. I would be doing the industry of America an injustice if I did not make this acknowledgment. May I express the hope that this same spirit may continue in times of peace, so that the problems affecting all may be handled in the same spirit of helpful co-operation that had prevailed during the War. May I send this message of gratitude to the loyal co-workers in the great lumber industry which you have so ably represented.142

Following the end of the war, the southern pine industry, like the rest of the economy, was faced with the problems referred to by Baruch, and it looked to the Southern Pine Association to help lead it through the maze of matters postponed, created, or intensified by the wartime experiences and disruptions. The southern pine industry faced the problems of reconstruction, the return to "normalcy," and "profitless prosperity" of the post-war decade with the assistance of a well-organized trade association which had been tempered in the fires of war.

142 James Boyd, "Gross Darkness—Then Comes Dawn," SPA Records, Box 77a, 22.
CHAPTER VI

POST-WAR DECADE: SOUTHERN PINE ASSOCIATION ACTIVITIES
IN LABOR RELATIONS, SAFETY, CUTOVER LANDS,
AND FORESTRY-CONSERVATION, 1918-1929

The years after World War I and before the Great Crash which ushered in the depression of the thirties covered roughly a decade in the life span of the nation. The decade featured America's arrival as a leading world power and a generally booming economy whose prosperity was shared by most Americans. To southern lumbermen, however, these years brought difficult and often seemingly impossible adjustments to altered industrial and competitive conditions. In the southern pine industry the postwar years and the decade of the twenties would be wryly remembered as the period of "profitless prosperity."^1

The postwar decade, like most periods, cannot be completely isolated from the years that preceded and followed. In some cases problems and situations faced by southern pine producers during the 1920's stemmed directly from conditions spawned or intensified by the industry's experience in World War I. Some important matters of the twenties remained prominent on the industry's agenda as it encountered the crash of 1929 and the advent of the New Deal. Some of the problems cropped up only sporadically, others were of constant concern and dominate

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Southern Pine Association history during these years. In the latter category were reforestation and the disposal or utilization of cutover lands, labor shortages and unrest, increasing competition from other producing sections and substitute materials, declining association revenues, the cutting-out of large operators, legal difficulties centering around the association's statistical activities, and various quarrels within the industry itself. There were both accomplishments and failures, and they were accompanied by the arrival of new leaders in the industry and association.

One of the major problems faced by the southern lumber industry during World War I and well into the twenties was that of chronic labor shortages. Because the industry was not given a high labor priority during the conflict it had lost workers to other industries in the South. However, the most serious labor difficulty faced not only by the southern pine industry but by the South in general was a great exodus of Negroes from Dixie to better jobs and living conditions above the Mason and Dixon line. The southern pine industry and the SPA were in the forefront of efforts to stop this labor drain. They often acted in conjunction with the old Southern Lumber Operators' Association which had been so powerful in the Louisiana-Texas Lumber War. While many Negro laborers left the region, some of the whites attempted unionization in the "peaceful" southern lumber industry. On at least one occasion, these efforts culminated in violence comparable to the earlier Graybow incident.

Negro migration out of the South became a matter of major concern to southern lumbermen and other employers on the eve of World War I and
intensified during and after the conflict. The movement did not sud-
denly begin then; it had been developing since the end of the Civil
War, and it was not entirely unprecedented in its intensity. A migra-
tion of Negroes from the South to Kansas in 1879 and 1880 had created
sufficient excitement to bring about the formation of an "Exodus
Committee" in the United States Senate to study the movement.2 The
movement during and after World War I was prompted in part simply by
the attraction of better living conditions and jobs in war industries
in the North. Negroes also left because of bad conditions in the South.
These became the concern of southern employers who did not want the
blacks to leave.3

Near the end of World War I, the Southern Lumber Operators' 
Association conducted an investigation of the labor situation in the
piney woods. It attributed the exodus of Negro laborers to "labor
agents [who] are establishing headquarters in an endeavor to organize
the negroes [sic] to go north."4 To combat the problem, the Operators' 
Association recommended that its members circulate among their black
employees a magazine published by an Arkansas Negro which would "keep
the colored laborers of the South satisfied with their conditions . . .

2The story of this earlier migration is told in Walter L. Fleming,
"'Pap' Singleton, the Moses of the Colored Exodus," University Bulletin, 
Louisiana State University, VII (August, 1909), 61-82.

3For a brief account of the causes and development of the "Great
Migration" of Negroes out of the South see George Brown Tindall, The
Emergence of the New South, 1913-1945 (Baton Rouge: Louisiana State 
University Press, 1967), 146-56.

4Southern Lumber Operators' Association to All Members, March 3,
1917, John Henry Kirby Papers, Box 221 (The University of Houston 
Library, Houston, Texas). Hereinafter cited as Kirby Papers.
advise against the exodus of neighbors . . . [and] elevate their morals . . . ."

The association assured the lumbermen that "its articles and editorials will be closely scrutinized by this office." 

In keeping with its subscribers' awakening interest in the subject, in May, 1918, the board of directors of the Southern Pine Association established a Committee on Industrial Relations with jurisdiction over all questions relating to labor or employee relations. The board also suggested to association subscribers that they advance the wages of sawmill laborers in proportion to any increase in prices the government was willing to pay for southern pine lumber.

In addition to its other activities, the SPA engaged an investigator to make a comprehensive survey of the labor situation in the southern pine industry. He completed his report in August and submitted it to the Southern Pine Association's board of directors. It found a general improvement in the working conditions and wages of both blacks and whites in the industry, and commented that southern pine manufacturers took a "more generous view of the Negro than is general in the South," although they still believed that the only way to handle a black was to "keep him broke." The fact that the lumber industry was unorganized was attributed to racial antagonism between whites and Negroes, but the report warned that unionization was inevitable and

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5Southern Lumber Operators' Association to All Members, November 5, 1918, Kurth Papers, Box 489 (Forest History Collections, Stephen F. Austin State College Library, Nacogdoches, Texas).

advised the industry to prepare for its advent. The report optimistically stated that there was a sincere desire on the part of both labor and management for improved relations, and concluded that "the time has arrived for a more enlightened program."7

The SPA report's generally roseate portrayal of labor conditions and the possibilities of peaceful organization in the industry were not supported by other reports of the same period or by actual events. A state government report on lumbering conditions in Louisiana, an important Southern Pine Association state, found "conditions of employment at a very low ebb and practically every labor law on the statutes being violated."8 Furthermore, there was no real indication that the industry was by any means willing to accept unionization. The Southern Pine Association had watched with great anxiety and disapproval I.W.W. activities in the West Coast industry during the war, and strongly opposed unionization and labor's desire for a shorter working day, while American boys in uniform were making the supreme sacrifice on the "altar of patriotism in the battlefields of Europe."9 The year following the end


of the war brought dramatic evidence of the southern pine industry's opposition to organized labor in the form of a violent confrontation between a bi-racial organization movement and the powerful Great Southern Lumber Company of Bogalusa, Louisiana. The results of this episode differed only in detail from the earlier struggle at Graybow.\textsuperscript{10}

In 1919 both the Southern Pine Association and the Southern Lumber Operators' Association initiated strong action in an attempt to stem the continuing Negro movement out of the South. The two organizations now joined in urging industry support of the \textit{Negro Advocate}, published at Fordyce, Arkansas, which the SPA said would "attempt to overcome" the "vast amount of sensational and revolutionary reading matter" contained in "papers published in the North for circulation among the colored people of the South. . . ."\textsuperscript{11} The paper was published by a Negro minister named Milton Hampton.\textsuperscript{12} On the recommendation of the Southern Lumber Operators' Association's M. L. Alexander, the Southern Pine Association contributed five hundred dollars to the \textit{Negro Advocate} in February, and by the end of the year the SPA had endorsed the entire


\textsuperscript{11}Southern Pine Association to San Augustine County Lumber Company, April 22, 1919, Kurth Papers, Box 505.

\textsuperscript{12}Interview with H. C. Berckes, January 24, 1968.
program of the SLOA and authorized the employment at its own expense of two men to solicit members for the Operators' Association.\textsuperscript{13}

The SPA's activities went beyond this effort to keep the Negroes in the South and contented. The association actually tried to reverse the flow of labor and bring southern Negroes living in the North back to their old homes and jobs. By early 1919, the SPA was interested in the "surplus of idle colored labor in the North, particularly in the larger cities," and solicited from its subscribers information concerning their labor needs. The association reported that it had received suggestions that it employ a man in Chicago to assist in the return of blacks to the South and noted that "the great majority of idle negroes now in the North are unable to pay their transportation. . ."\textsuperscript{14} By the end of May, the SPA reported that there were "approximately 10,000 negroes in Chicago at the present time, about 73% of whom are non-residents," and it stated that "a surprising number of these negroes have at some time in the past been employed in the saw mills and woods in the Southern States." The association advised that "colored common labor can be gotten together on short notice and signed up for work in the South," and it noted that there were no federal or Illinois state laws prohibiting the recruitment of such workers. The SPA also cited the willingness of "the railroads radiating from Chicago to the

\textsuperscript{13}"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . June 16, 1919," SPA Records, Box 70b; "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . December 5, 1919," \textit{ibid.}

\textsuperscript{14}"Southern Pine Association to Subscribers, May 15, 1919, Kurth Papers, Box 516."
South . . . to render every possible assistance in encouraging the transportation of colored labor . . . and in endeavoring to see that the parties are kept together to destination."15

In June, the SPA board of directors authorized Secretary-Manager Rhodes to "prepare and submit to subscribers a plan for an assessment of 1¢ a thousand on their shipments, for the purpose of conducting propaganda to show colored workmen that it is to their best interests to return and to remain in the South." The fund was also to be used to pay railroad transportation charges back to the South with the understanding that "those firms which employ them shall not charge them for their railroad fares."16 At the end of the month, the association advised its subscribers that plans were being carried forward to bring about the return of Negro labor in conjunction with the Southern Lumber Operators' Association. The plan was to open employment offices in one or more northern cities, beginning with Chicago, with the one-cent assessment to be used for their maintenance. Each prospective employer was to guarantee "to pay the transportation of the number of men supplied, with the understanding that not more than 50 cents per day as reimbursement for transportation, shall be deducted from the wages to be paid them, and that if they remain at least six months, their fares will be returned to them." Details for ensuring that all laborers embarking for the southern mills would arrive there were outlined. The entire


16"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . June 16, 1919," SPA Records, Box 70b.
project was to be supervised by the SPA's Committee on Industrial Relations.17

Early in July, the SPA actually established an employment office in a Negro section of Chicago under the direction of a white man from the area who was supposedly familiar with the northern labor market. The office survived only until the end of August, but the reasons for its closing are hazy. Years later, a former SPA official attributed it to the fact that the labor agent was caught up in the Chicago riot of late July during "The Red Summer" of 1919.18 At any rate, because of unsettled racial and working conditions in Chicago and the fact that many Negroes were returning to the South, the SPA's secretary-manager advised his board of directors in August that association subscribers were reporting a sufficient labor supply. He noted that by the middle of August forty-five subscribers had contributed $1,818.22 to the special fund to conduct the work in Chicago. On the basis of this report, the board directed that the association's labor office be closed down as of August 31, and that its expenses be paid out of the SPA's general fund with the special contributions to be retained for "such further disposition as the Directors may hereafter determine."19 The Southern

17 Southern Pine Association to Angelina County Lumber Co., June 30, 1919, Kurth Papers, Box 516.

18 Interview with H. C. Berckes, January 24, 1968. The Chicago riot and the term "Red Summer" are mentioned in Tindall, The Emergence of the New South, 152.

Pine Association estimated that its employment bureau had been instrumental in returning some eight hundred experienced millworkers to jobs in the South.20

The employment bureau's success and the achievement of a satisfactory labor supply in the southern pine industry proved short-lived, and by the spring of 1920 the SPA was again concerned about the Negro exodus. The cause, reported Secretary-Manager J. E. Rhodes to the SPA board of directors, was the activities of "labor agents . . . actively at work among the sawmills and logging camps. . . ." Some of the nation's largest corporations, including the Goodyear Rubber Company and The Aluminum Company of America, he advised, were actively recruiting southern labor, black and white. Rhodes hinted at the necessity for more forceful measures to stop the labor outflow by pointing out that "few of the Southern states have laws preventing the recruiting and shipping of labor to other states, although all states require employment agents to obtain licenses." He added that some local officials were "taking vigorous steps to compel every able-bodied man to work, threatening to send those who do not to jail or work on the country roads as prisoners." "This," said Rhodes approvingly, "is beginning to force a good many idle negroes back to the camps in Florida, Georgia, and Alabama." He concluded that the continued movement of Negroes to the North would "have a detrimental effect upon the production of lumber," and he advised that "every effort should be made to stop the

By early June, the SPA's director of safety and industrial relations was urging southern pine-producing states to enact legislation "prohibiting the exportation of labor outside the confines of the State." The SPA's companion, the Southern Lumber Operators' Association, continued to urge support of the Negro Advocate in order to counteract the influence of "quite a number of VIOLENT Negro Magazines and Newspapers being freely circulated amongst the negroes throughout the South for the purpose of creating Race prejudice and inducing negroes to go North."

Despite the "get tough" policies of the southern pine industry and the South generally, the migration of the labor force continued.

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21 J. E. Rhodes to The Board of Directors, May 4, 1920, Kurth Papers, Box 549. For information on the devices utilized to impede the outflow of southern labor see Leo Alilunas, "Statutory Means of Impeding Emigration Of The Negro," The Journal of Negro History, XXII (April, 1937), 148-62; Henderson H. Donald, "The Negro Migration of 1916-1918," The Journal of Negro History, VI (October, 1921), 425-27; and Tindall, The Emergence of the New South, 148-49. The activities of local officials with regard to idle laborers remaining in the South, as mentioned above in the letter from J. E. Rhodes to the SPA Board of Directors, often resulted in gross miscarriages of justice with regard to both white and black laborers. In some cases, as Vernon Jensen points out in Lumber and Labor, "both Negro and white laborers were ... arrested and fined and imprisoned for no offense at all, or simply for being out of a job. Afterward, an employer would appear and pay the fine on condition that the debt would be worked out." Jensen, Lumber and Labor, 85. In one such case in the early 1920's a prominent Southern Pine Association subscriber was exposed to the glare of unfavorable national publicity because of the violent death of a young white laborer bound over to hard labor in one of the company's lumber camps by local officials acting in league with the manufacturer. An interesting account of this macabre story is found in N. Gordon Carper, "The Convict-Lease System in Florida, 1866-1923" (Unpublished Ph.D. dissertation, Florida State University, 1964), 330-80.

22 W. Graham Cole to George R. Christie, June 5, 1920, Kurth Papers, Box 561.

23 Southern Lumber Operators' Association to Members, June 10, 1920, ibid., Box 549.
A survey of its subscribers conducted by the SPA in May, 1923, revealed that the exodus of Negro labor was most serious in Mississippi, Arkansas, and Alabama, where the situation was "quite serious in a number of communities." Mills in Texas and Louisiana had not yet been seriously affected, "altho," it was reported, "the situation in these two states is likely to become aggravated." 24

An interesting facet of the SPA's analysis of the situation in 1923 was that although the old standard reasons for Negro emigration were given—the activities of labor agents, the glittering promises of the North—there seemed to be a realization on the part of some mill-owners of the fact that the South was far from a paradise for blacks. Several SPA subscribers reported that "persecutions, brow-beating and bulldozing by petit officers, who profit by arrests, is the cause of much dissatisfaction among negro labor in various localities." 25 Even though most mill operators held the traditional southern white view of the Negro, 26 the SPA survey revealed a wide-spread and deep conviction


25 Ibid.

26 For example, one subscriber replied to the SPA questionnaire that: "It is also my experience that the negro if let alone is satisfied and happy in his 'Shack' that while to us appears a poor meager outfit to call a home, yet it is a home to him and he prefers it to more commodious surroundings. The average mill negro 'Wants but little here below nor wants that little long.' He don't [sic] want any thing to hold him back when he gets ready [to] vacate between suns. So I have found that the negro dont [sic] want any house or furniture that will hinder his migration process when he imagines the place is too hot for him or too cold. In my opinion the wages offered North are simply an opportunity for the negro to accept in a case of imagined emergency on account of the advertised exploits of the Ku-Klux-Klan in the South; which he (the negro) considers a menace to his tranquil pleasures of
within the industry that Negroes were valuable to the South, necessary to the operation of the southern pine industry, and suffering from many undesirable and even intolerable conditions. Frequently mentioned suggestions for improving the blacks' lot offered by SPA subscribers included, "providing of better housing and living conditions for the colored labor, increased school facilities, fair wages and protection for the negroes against unscrupulous officers of the law."  

The major tactic utilized by southern lumbermen and others by the middle of the 1920's to fight the migration of the Negro was "showing him that his welfare lies in the South."  

As earlier, much of this effort was undertaken through supporting "safe" Negro publications and spokesmen. Typical of such publications was a newspaper called the National Negro Voice. It was edited and published in New Orleans by a Negro named R. A. Flynn. Flynn's paper was endorsed by the Southern Lumber Operators' Association as a "conservative Negro newspaper" that would counterbalance the influence of "a number of  

'Crap-shooting and bootlegging and escapades with his women folks.' There has been to [sic] much said about the K.K.K. for the Southern negro to appreciate and stay satisfied on the job when fancy offers and 'transportation free' is offered by the fellow 'Up north.' A negro enjoys a ride even [if] it be a free one to the jail or the penitentiary." Q. D. Sauls to John E. Rhodes, ibid. A folder entitled "Labor going North" in this box of the SPA Records contains the replies to the association's questionnaire which reveal a wide variety of reactions to the status of Negroes in the South.


radical negro publications freely distributed throughout the South which tend to breed Race hatred and discontent." The National Negro Voice's purpose was summed up in a Flynn editorial which appeared in the very first issue:

It shall be the policy of this paper: To show the Southland in its true light relative to its treatment of the colored citizenry—as against misleading and erroneous propaganda which would have the North and the world believe that the Negro has no opportunities in the South for racial betterment and that his state, therein, is but slightly higher than that of slaves in actual bondage.

The newspaper was literally full of articles warning or counseling Negroes against the lure of the North. They, however, were not greatly deterred by such propaganda or descriptions of bad conditions and turmoil in the North. As one black in Chicago was reported to have said when questioned about race riots there, "if I've got to be killed, I would rather be killed by my friends."

Not all of the southern lumber operators' energy was expended on propaganda. They apparently did make some effort to improve conditions for their workers. The National Negro Voice carried accounts of

29 Southern Lumber Operators' Association circular, October 6, 1925, Kurth Papers, Box 795.

30 National Negro Voice (New Orleans), January 1, 1924.

31 Ibid. A series of full page advertisements with cartoon portrayals of contrasting conditions in North and South pointing out the advantages and opportunities for blacks in Dixie appeared during 1923 in the New Orleans States as part of "A Series Of Frank Talks And Presentations Of Facts To The Colored Race By Prominent Leaders Thereof."

the improved facilities and services being offered workers in southern lumbering towns. Although these stories were probably exaggerated, the Southern Lumber Operators' Association's reports on conditions at its members' mills indicated that conditions had improved. A report on what was probably a typical large mill town in East Texas stated:

The houses furnished employees are in the best of repair and rentals very low. The store prices are reasonable and in fact labor has every reason to be loyal as everything is done in reason and fair treatment to make them comfortable and satisfied. No reports of any organized movement or agitation was found nor is there any friction between white and colored labor.  

The operators generally seemed to believe that they were doing a great deal to make conditions in the lumber camps and mills of the South more attractive. As one prominent operator declared, "we have tried to make it a more livable place—the sawmill—and we have worked with an idea of making a more contented crew, and I believe we have all accomplished a great deal along that line." However, the situation undoubtedly varied widely from mill to mill, and the smaller mills probably lagged behind their larger competitors in the improvement of their facilities.


34 "Inspection Report Southern Lumber Operators' Association," Kurth Papers, Box 803.


36 Jensen, Lumber and Labor, 80-81.
While conditions in southern lumber mill towns were improved in the early 1920's, wages continued to be lower and hours longer than they were in mills in other sections of the country. Furthermore, southern lumber mills were slow to improve safety standards. The attitude toward such matters in the South continued to be one of "apathy and indifference," and accidents continued to be unnecessarily frequent. In 1918 the SPA established a Committee of Safety which supervised a department of the same name. This department did little other than to prepare educational and graphic materials to indoctrinate the subscribers' employees in the use of proper safety precautions and to compile statistics showing the number of men employed in each lumbering operation and the number of accidents and deaths for workers in each category.

In the spring of 1919, the Department of Safety was reorganized, and in addition to its former functions began to prepare for its subscribers files of information on standard safety specifications and safety codes approved by insurance companies, rating bureaus, and state boards, as well as catalogues of the manufacturers of safeguards, safety appliances, and first-aid materials. It also accumulated a file of all such laws in the country. The department kept copies of


38Jensen, Lumber and Labor, 83.

39John E. Rhodes, "What Southern Pine Mills are Doing to Reduce Personal Injuries," SPA Records, Box 46b, 1, 2, 4.
the constitutions, by-laws, and reports of many employee benefit associations established in other industries.\textsuperscript{40}

The rationale for safety work was very clear to Secretary-Manager Rhodes who noted "first . . . the humanitarian phase, and second, the fact of the Southern lumber industry being identified with movements of this kind, because the Southern lumbermen were beginning to be severely criticised by safety men and others because of their apparent indifference in this regard. . . ."\textsuperscript{41} Many individual companies apparently became convinced that comprehensive safety programs could actually be a money saving proposition because of reductions in insurance premiums and increased efficiency.\textsuperscript{42} However, despite reports from its subscribers that they were reducing the number of man-hours lost due to accidents, and in spite of obvious public relations benefits in making the industry more attractive to labor, the Southern Pine Association's safety activities were discontinued in 1921 for financial reasons.\textsuperscript{43}

The Southern Pine Association and its industry, then, had encountered a continuing series of labor problems during the post-war

\textsuperscript{40} Safe-Guarding the Workman: A Report of the Activities of the Safety Department, Southern Pine Association, for the Year 1919, "\textit{ibid.}"

\textsuperscript{41} "Proceedings of Fifth Annual Convention of Southern Pine Association . . . March 16-17-18, 1920," \textit{ibid.}, Box 73b, 232.


\textsuperscript{43} Untitled report in folder entitled "Safety First Literature," \textit{ibid.}, Box 46b; "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . April 4, 1921" \textit{ibid.}, Box 70b, 3.
years and the twenties with which they had failed to deal satisfactorily. Problems of labor shortages and inefficiency were still prominent as the SPA approached the 1930's, and, as the SPA's secretary-manager later wrote, labor conditions in the industry and the ever-present threat of unionization "more or less simmered until the Depression. . . ."^44

In addition to the labor problem in the period after World War I, the southern pine industry was greatly concerned with the increasingly troublesome matter of cutover lands. This subject was intimately related to such others as forestry and conservation, advertising and trade promotion, and the industry's transition from the age of large mills to small-mill domination.

The South's cutover land problem was a direct result of the un-enlightened practices prevalent in the southern industry as it developed during the late nineteenth and early twentieth centuries. Denuded lands were becoming a matter of concern at the time the Southern Pine Association was organized, and by the 1920's there was a devastated area of some 100,000,000 acres in the coastal plain from South Carolina to Texas, with a total of about 156,000,000 cutover acres in the South as a whole.^45 Timber resources in many parts of the South were being exhausted, leaving a residue of abandoned towns and unemployed workers. The characteristic "solution" to these related problems was to bring the land into agricultural production and place the workers on the land.^46

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^45 Tindall, The Emergence of the New South, 82.

^46 Jensen, Lumber And Labor, 85.
Southern cutover lands were left in various states. Some, in which selective cutting procedures had been followed, still contained a fairly extensive growth of timber. Others had been more thoroughly denuded, without, however, disturbing the saplings and small trees. Some cutover lands had not only been denuded of mature trees, but of most of the small trees as well. Many areas which had been logged after the turn of the century were cleared of almost all of their trees because felled logs had been dragged across the ground to railroad spurs by steam-powered skidders. By the early twentieth century, a few southern lumbermen were becoming concerned about the preservation and proper utilization of the area's timber resources, in order to assure sustained yields for the future. They were also unsure about what disposition should be made of their cutover lands.

Reflecting these concerns, the Southern Pine Association became the first organization of its kind to study these problems seriously. In 1916, it organized a Cut-Over Land Committee. The committee's functions were to determine the areas of cutover lands, to find the best means for their utilization with the aid of state and federal agricultural agencies, and to organize state associations of owners of idle lands. The association also directed its committee to organize a conference of interested parties to discuss ways and means of furthering

47 A. S. Boisfontaine, "The Southern Pine Association in Retrospect; Seventeen Years of Trail Blazing in the Trade Association Field," Southern Lumberman, CXLIV (December, 1931), 111.
the utilization of cutover lands.\(^48\) In general, one of three courses of action could be followed: (1) where the destruction of the timber had been so extensive that a second commercial cut was unlikely, the land could be converted to nonforest uses, such as grazing or farming; (2) where only moderate measures were needed to develop the timber still standing, simple forestry practices could be applied; and (3) where full crops of high quality timber were desired, extensive reforestation programs were required.\(^49\)

The first cutover land conference sponsored by the Southern Pine Association was held in April, 1917. United States Department of Agriculture officials termed it "the most important of its kind ever held in the nation." Acting on resolutions adopted at the conference, the SPA Cut-Over Land Committee, with the association's financial support, took the lead in forming the Southern Cut-Over Land Association.\(^50\)

Chartered as a corporation in 1917, this organization served as a clearing house of information on cutover lands. The data came from SPA members, most of whom owned such lands, and from federal and state agencies. The information was compiled and distributed chiefly through statistics and summaries reporting the extent and possible uses of lands


\(^{50}\) James Boyd, "Cut-Over Lands," SPA Records, Box 77a, 5.
which had been cut out. The Cut-Over Land Association also sponsored and published scientific studies on the utilization of such lands.\textsuperscript{51}

The 1917 cutover land conference concluded that the best use for denuded southern timberlands was as grazing ranges for cattle. Acting on that conclusion, the Southern Pine Association's Cut-Over Land Committee aided in the transfer of cattle from drought-stricken areas in Texas to cutover regions in 1917. It also took over the McNeill, Mississippi, Experiment Station in 1918 in order to demonstrate the suitability of formerly-timbered areas for cattle raising.\textsuperscript{52} The committee published a booklet, entitled "Cattle on Cut-Over Lands," in order to publicize the results of its experiments. It also cooperated with packers, livestock retailers, and others in seeking uniform railroad mileage rates on livestock shipped between points in the South and Southeast. At the committee's urging, the Southern Pine Association stressed the utilization of cutover lands in its publications, motion pictures, and the public addresses of its personnel.\textsuperscript{53} However, the SPA's officers were apparently not themselves satisfied with the results of the 1917 conference and their own efforts, and one disappointed association official commented that the lumbermen "did not fully grasp the idea of stabilizing society through farm home ownership."\textsuperscript{54}

\textsuperscript{51} "Prospectus, Incorporation, By-Laws, Purposes; Southern Cut-Over Land Association," \textit{ibid.}, Box 67a.

\textsuperscript{52} "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . July 20, 1918," \textit{ibid.}, Box 70b, 14, 15, 16.

\textsuperscript{53} Boyd, "Cut-Over Lands," SPA Records, Box 77a, 5.

\textsuperscript{54} Tindall, \textit{The Emergence of the New South}, 128.
Although understanding the idea behind selling cutover lands for agricultural development, some lumbermen doubted its efficacy. Henry Hardtner of Louisiana's Urania Lumber Company, one of the industry's great pioneers in reforestation, referred to the 1917 cutover land conference as "a big scheme to try to sell land that was not worth while for agriculture at all." Hardtner later said that the entire plan was "just a skin game to fool people in the north and west, to think that they could make a whole lot of money out of poor lands." 55

Despite the opposition of some lumbermen to trying to convert cutover lands to grazing land, most southern piners, with the support of the railroads, promoted the idea. 56 The railroad companies encouraged settlement on cutover lands in order to recoup the loss of timber-hauling revenues by substituting agricultural products, and the lumber firms were anxious both to get their cutover lands off the tax rolls and to bring in a new population that would consume the products of remaining mills. 57


56 The ironic thing about the entire scheme was that it had already been tried in the Lakes States and found wanting. Lucile Kane, "Selling Cut-Over Lands in Wisconsin," The Business History Review, XXVIII (September, 1954), 236-47; Stanley Todd Lowry, "Henry Hardtner, Pioneer in Southern Forestry: An Analysis of the Economic Bases of His Reforestation Program" (Unpublished M.A. thesis, Louisiana State University, 1956), 59.

would also, of course, provide a solution to the problem of workers stranded by the lumber industry's western migration. The Southern Pine Association looked to the migration of settlers not only from the northern states but also from the war-ravaged areas in Europe. Returning American soldiers were also regarded as likely settlers, thus allowing southern lumbermen the luxury of disposing of unwanted property and performing a "patriotic" service at the same time. Although Henry Hardtner's pioneering reforestation program at Urania was mentioned at the first cutover land conference, reforestation was apparently not considered seriously, and Hardtner later recalled ironically that "you didn't hear any of them talking about putting timber back on the land did you?"

Meanwhile, despite the pessimism of some SPA officials, the southern lumber industry's giants moved massively to dispose of their cutover lands. For example, the Kirby Lumber Company's affiliate, the Houston Oil Company, transferred some eight million acres of land in East Texas and Louisiana to the Southwestern Settlement and Development Company which planned to subdivide the tract and sell it as farms.

A similar approach was that of the Long-Bell Lumber Company which set

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59 Southern Pine Association to Subscribers, October 25, 1918, Kurth Papers, Box 489.

60 Lowry, "Henry Hardtner," 59, 64.

61 "Houston Oil Company Sold Their Cut-Over Land," Gulf Coast Lumberman, IV (September 1, 1916), 28.
up a subsidiary called the Long-Bell Farm Land Corporation. This body sold a sizeable amount of land, but was plagued with an extremely high percentage of repossessions and passed on to the State of Louisiana a considerable problem in tax delinquencies and defaults. This experience would seem to justify historian Vernon Jensen's view that "the encouragement of people . . . to settle on the cut-over lands heaped tragedy on tragedy."63

In dealing with the cutover land problem, the SPA cooperated closely with the Southern Settlement and Development Organization established by a 1912 conference of southern governors in Baltimore. The Southern Pine Association's Cut-Over Land Committee believed the organization to be "a broadly gauged and patriotic movement . . . which sincerely seeks the development of the South."64 The Southern Settlement and Development Organization was headed by Clement S. Ucker, a former Interior Department official, and was supported by many southern railroads, businessmen, and landowners in its advocacy of "a general program of economic development and informational services for corporations interested in the region." The organization emphasized


63 Jensen, Lumber And Labor, 64.

the establishment of subsidiary state development boards, which was also one of the SPA's major endeavors in dealing with the cutover land situation in 1919.65

The Southern Pine Association and lumber interests in the South were the major forces, along with the Southern Settlement and Development Organization, behind the organization of the various state development bodies. The general purposes of these organizations varied, ranging from advocacy of all facets of agriculture through working for all kinds of improved community facilities and the attraction of settlers from other areas.66 While lumber interests were expected to provide the financial backbone of such organizations, an effort was made to get a broad basis of support from all sectors of the community in order to avoid the "suspicion on the part of some that this was another scheme for selling cutover land and was being pushed with that end in view . . . ."67 For this reason the Southern Pine Association, although allowing one of its officers to serve as a director of the Southern Settlement and Development Organization, refrained from open affiliation with efforts to organize landowners and community development associations at the state and local level.68

65Tindall, The Emergence of the New South, 128-29.

66"State-Wide Activities Of A State-Wide Organization, Mississippi Landowners Association," SPA Records, Box 37b. The cover of this pamphlet lists the organization's objectives as better living conditions, better schools, farm ownership, better roads, enlargement of the livestock industry, propagation of grass and forage crops, extensive drainage, utilization of the twenty million acres of idle land in Mississippi, and land settlement.

67H. E. Blakeslee to A. G. T. Moore, November 18, 1919, ibid.

68J. E. Rhodes to Frank G. Wisner, September 23, 1919, ibid.
The association, however, contributed both money and the services of its staff to the organizations. It announced that the Mississippi organization, which was patterned after similar bodies along the Atlantic seaboard, would be a prototype for organizations of this kind to be established in other Southern Pine Association states. The SPA's position was summarized by an individual who was authorized to speak for the association before meetings to organize a Louisiana state landowners' organization in the following manner:

The Southern Pine Association is interested in the agricultural development of this State in all its phases so that contentment and prosperity and right living will come to the farmers of the State in such a way that they will be delighted to be farmers in Louisiana, and by this condition of affairs attract the attention of citizens of other States to want to own and operate farms near such a contented people, and by this indirect process the members of the Southern Pine Association will dispose of their holdings in the State of Louisiana.

The SPA not only subsidized and supported positive efforts to develop southern cutover lands, it also vigorously fought any and all intimations that the idle lands of the South were not suitable for diversified agriculture. During 1919 and 1920, the association was engaged in a running battle with the Curtis Publishing Company's The Country Gentleman, which billed itself as "The Oldest Agricultural Journal in the World," and which published a number of articles critical of the South's potential as a well-rounded agricultural region. SPA officers and the leaders of the Southern Settlement and Development

69 Southern Pine Association to Subscribers, October 9, 1919, ibid.

70 L. L. Squires to A. G. T. Moore, December 5, 1919, ibid.
Organization believed the magazine was playing up to northern and western agricultural interests who composed the bulk of the journal's circulation and who supposedly were opposed to additional lands being brought into cultivation. The two organizations were successful in getting some retractions from this particular journal, and it appears from the statements of government agricultural officials and other responsible individuals that the charges against The Country Gentleman leveled by Ucker's organization and the SPA were generally justified.

Along more constructive lines, the Southern Pine Association's A. G. T. Moore participated in a Land Utilization Conference held in Washington, D. C., in the spring of 1919 under the auspices of the Department of Agriculture. The conference recommended to the Department of Agriculture that a comprehensive study of idle lands be undertaken with the object of determining their most suitable uses, and the Department created a new Bureau of Farm Management with a Division of Land Economics to undertake such a study. This activity was followed in 1923 by a Forestry, Reclamation, and Home-Making Conference in New Orleans which endorsed a bill to investigate land use possibilities in the South. This measure was repeatedly introduced in the U. S. House of Representatives by Congressman William B. Bankhead of Alabama and

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\(^{71}\) Clement S. Ucker to A. G. T. Moore, August 21, 1919, ibid.

\(^{72}\) See miscellaneous letters and communiques in folders entitled "SPA Administrative #2" and "Country Gentleman Complaints" in SPA Records, Box 37b.

\(^{73}\) There are miscellaneous materials and correspondence relating to the conference in a folder entitled "Land Utilization Conference" in SPA Records, Box 37b.
finally resulted in a meager appropriation of fifteen thousand dollars in 1926 to undertake the southern study. The SPA also provided ten thousand dollars for the National Research Council to undertake a scientific study of the possibilities of cutover timberlands in the South. By the latter part of 1920, Dr. Raphael Zon, chairman of the Forestry Committee of the National Research Council, announced that field work was in progress under the direction of Austin Cary of the United States Forest Service. Cary was known as an advocate of the possibilities of second-growth timber in the South, and the fact that the Southern Pine Association and Secretary-Manager Rhodes supported Cary's work was a significant indicator that strict reliance upon agriculture to solve the problem of cutover lands might be losing some of its appeal in the SPA.

Continuing its efforts to bring settlers to the South, however, in 1920 the Cut-Over Land Committee worked with the United States Department of the Interior in attempting to persuade Congress to enact legislation designed to induce World War I veterans, and other persons as well, to occupy southern cutover lands. The committee hoped that the development of settlements in the South through the encouragement of such legislation would advertise the desirability of these lands to the rest of the nation and attract additional immigrants.

74 Tindall, The Emergence of the New South, 129.


76 "Lumber Liquidates," ibid., Box 85b, 147-48.
Despite the hope of many southern lumbermen to dispose of their cutover lands by converting them to cattle ranges and farms, other members of the industry and government officials were beginning to believe in the regenerative powers of the southern forests. While the cutover land problem was still very much in evidence at the end of the 1920's, and although the plight of people stranded on such lands remained conspicuous during the Great Depression, nevertheless the first real strides toward the salvation of Dixie's piney woods through conservation and reforestation were initiated during the post-war period.

The struggle for enlightened conservation and forestry policies in the southern pine industry was not conducted in a melodramatic setting of embattled reformers and crusaders versus cynical robber barons as portrayed by historians of the progressive school. Rather, the matter was resolved within the industry itself, and the acceptance of enlightened forest management policies depended not upon convincing lumbermen of their obligation to future generations or the general welfare, but upon showing them that conservation and better forestry practices were economically feasible and in their own interest. The Southern Pine Association, along with noted industry pioneers like Henry Hardtner, was in the forefront of what was thus primarily an educational campaign.

Of course, as an organization whose continued existence depended upon the support of its subscribers, the SPA and its staff could not

77 Jensen, Lumber And Labor, 85; Lowry, "Henry Hardtner," 60.
dictate, but only persuade. Furthermore, the association and its industry could and did not support some of the forestry measures proposed nationally by members of what one might term the "Gifford Pinchot School" of forestry and conservation. Southern pine conservation leaders believed in forestry for profit on private holdings rather than upon vast governmental take-overs of actual and potential timber lands, and they believed that government had a responsibility to make it feasible for the private owner to practice good forest management through equitable tax laws and the provision of technical and sometimes administrative assistance in dealing with matters such as forest fires. In general, the experience of the Southern Pine Association in dealing with the forestry and conservation questions during the early years of its existence seems to reinforce the suggestions of historians who have urged students of conservation, and indeed of Progressivism in general, to abandon their preoccupation with moralizing and concentrate on the "hard" side of reform—the activities of scientific planners and economically-motivated businessmen of vision, and the battles against regressive taxation and apathetic communities and governments.  

By the time the Southern Pine Association was organized in 1914, the public had long been attuned to the problem of conserving America's

forests by the great drive for enlightened forestry practices and con-
servation which constituted an important facet of the reforms advocated
by American Progressives. Although there was scattered concern and
sporadic action about the exploitation of American timber even prior
to the Revolution, there was not any movement before the Civil War to
indicate "an awareness of forestry as a field of national interest or
the start of a forest policy."79 The turning point came in the 1870's,
when President Hayes' Secretary of the Interior, Carl Schurz, used his
position as a rostrum from which he issued reports and remarks about
abuses with regard to timber on the public domain and warned the country
that its timber supply was not inexhaustible.80

The campaign was initially one of education, but gradually during
the last quarter of the 19th century, concern and protest about the con-
ditions of America's timber supply began to converge into a large
stream of reform sentiment which was a flood tide by the early years of
the twentieth century. During this period, several states appointed
commissions to study forest problems and recommend programs, and during
the 1870's came the founding of the American Forestry Association (1875)
and congressional authorization of a Forest Agent in the Department of
Agriculture (1876). These efforts and organizations provided the back-
ground and leadership for campaigns for state forestry departments,
state forests, and legislation to deal with the perennial enemy--fire.


80 Ibid.
The awareness and concern for forestry problems during this period was centered in the East, and leadership was exercised by the American Forestry Association. In the 1880's and 1890's, the AFA led in two national campaigns—the first, to authorize the creation of forest reserves from public lands, culminated in the almost accidental passage of the Forest Reserves Act in 1891; and the second, to study the extent and administration of the forest reserves, led ultimately to additions to the reserves by President Cleveland and the Act of June 4, 1897, under which, with later revisions, the forest reserves are now administered. 81

Gifford Pinchot's appearance on the national forestry scene is the next important benchmark in the conservation crusade. In 1898 the erstwhile eastern aristocrat, conservationist, and professionally-trained forester became chief of the Division of Forestry under the Department of Agriculture. The division at this time operated primarily as a scientific body, offering technical advice for government forestry work and practical assistance for private woodland owners. However, it had little or no voice in determining policies for the government's own reserves, which were administered by the General Land Office of the Department of the Interior and surveyed and mapped by the Geological Survey. Pinchot's activities in the office emphasized education and particularly propaganda for conservation policies, and during

his tenure, in 1901, the division was elevated to the status of a bureau, without, however, any enlargement of its powers. The bureau remained a fact-gathering body without any forests to supervise, or on which to carry out its policies.  

The inauguration of a comprehensive national conservation policy and coherent administration awaited the arrival in the White House of President Theodore Roosevelt, whose zeal for the conservation struggle matched Pinchot's own. A major part of Roosevelt's first message to Congress was devoted to conservation, and during the Roosevelt years the forest program was consolidated under Pinchot's direction in the Department of Agriculture. The Act of February 1, 1905, transferred the entire jurisdiction of the forest reserves to the Secretary of Agriculture, with surveying matters and passage of title remaining under the jurisdiction of the General Land Office in the Department of the Interior. The Bureau of Forestry became for the first time an administrative organization. On July 1, it was renamed the United States Forest Service, a milestone in the history of conservation. In 1907, the forest reserves were renamed national forests to correct the idea that they had been withdrawn from actual use.

Under Roosevelt and Pinchot, conservation became a glamorous movement. Vigorous propaganda led to effective governmental action.

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despite the efforts of various strong opponents. Forest Service funds increased, millions of acres were added to the national forests, and various administrative and legislative actions contributed to the cause of conservation at the national level. Some were to regard Roosevelt's conservation program as among his most enduring presidential achievements. 84

A temporary regression in the fortunes of conservation set in with the accession of William Howard Taft to the White House, with the major episode of the administration being, of course, the famous Ballinger-Pinchot affair which saw Pinchot leave the government service in a storm of controversy, and which in a way brought into the open the disputes and differing philosophies of the conservationists themselves which were prominent during the early years of the Southern Pine Association.

By 1910, when Pinchot was dismissed, the conservation movement had achieved impressive victories. Although President Taft exhibited only limited enthusiasm for conservation, and despite the fact that it was strongly opposed by various interests in the West particularly, the movement to preserve national resources continued to surge irresistibly forward. Henry S. Graves, Pinchot's successor as Chief Forester of the United States, was a faithful disciple and continued quietly to work for Pinchot's general objectives with the support of a solid Congressional majority. Two events in 1910-1911 confirmed the continued strength of

84Lillard, The Great Forest, 272-73; Mowry, The Era Of Theodore Roosevelt, 214. Mowry refers to TR's conservation activities as "among his most impressive and enduring achievements."
the movement: the creation of the Forest Products Laboratory at Madison, Wisconsin, by the University of Wisconsin and the U. S. Forest Service (1910); and the passage of the Weeks Act (1911).\textsuperscript{85} The Weeks Act provided for the acquisition of national forests in the East and created the National Forest Reservation Commission which, under the authority of the commerce clause, was empowered to purchase forest lands to protect the navigability of streams. The act also gave the Secretary of Agriculture an initial appropriation of two hundred thousand dollars to use in cooperating with any state or group of states in fire protection on wooded watersheds. Each participating state had to have a statutory system of fire prevention and spend annually for that purpose at least as much as the federal government.\textsuperscript{86} This legislation provided the framework for possible cooperative work between the federal government and other governmental agencies and private groups, and thus constituted an important advance in the conservation movement.

Despite the passage of federal legislation culminating in the Weeks Act, the United States in 1911 still lacked a comprehensive and systematic forest and conservation policy. The accomplishment of this objective would require enlightened and unselfish cooperation between federal, state, and local agencies and private landowners and organizations. There were men in both private and public life who saw the


\textsuperscript{86}Boerker, \textit{Behold Our Green Mansions}, 189; Hidy, Hill, and Nevins, \textit{Timber And Men}, 376.
necessity for such cooperation and policies, but there were also those who stoutly resisted them. Among the conservationists, there were growing divisions revolving around the question of whether or not the Government would have to work toward enlightened land management through compulsory measures and increased public land ownership, or whether it could rely on cooperation with enlightened private landowners and interests.\(^7\) Into such a milieu the Southern Pine Association was born.

When the Southern Pine Association came into existence in late 1914, the national conservation movement was strong, particularly in the East, although divided between followers and opponents of Gifford Pinchot in terms of actual policy. The South was not in the mainstream of conservation thought, as it was merely attempting to deal with the superficial manifestations of its rapidly-growing area of cutover or denuded lands through various settlement and development schemes designed to convert Dixie's old forest regions into agricultural areas. The southern cutover lands were, however, beginning to attract increasing attention, there was growing concern about the recurrent charges that the United States was approaching a "timber famine," and there were enlightened men in the southern pine industry and the SPA who were looking, and sometimes acting, toward the implementation of advanced forestry policies in their region both at the governmental level and on their own properties. Although the famous national leaders and the

\(^7\) Hidy, Hill, and Nevins, Timber And Men, 377.
focal point of attention in the conservation movement were centered in the North, East, and West, some of the most important experimentation in the fields and on private tracts was taking place in the southern pine region.

The most perceptive leader of early southern pine forestry efforts was Henry Hardtner, president of Louisiana's Urania Lumber Company, who became known as the "father of forestry in the South." Hardtner became concerned about the constant cries of "timber famine" in the early twentieth century and the devastation of the gently-rolling pine forests of central Louisiana. He had faith in the regenerative powers of southern pine land, and beginning around 1903 or 1904, began to investigate growing timber rather than merely harvesting it.

Hardtner was one of the first southern lumbermen to seek the advice and assistance of the United States Forest Service in instituting and experimenting with practical reforestation measures on his own lands. In fact, as early as 1904 and 1905, Hardtner began to purchase

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88 Predictions that the country was going to experience a timber famine were constantly forthcoming from conservationists. In 1903 the prospect of such a famine for the nation was foreseen by a member of the United States Bureau of Forestry and by the redoubtable Gifford Pinchot. A similar prediction for the South in particular was delivered by the president of the Mississippi Valley Lumbermen's Association. Hodge, "Lumbering In Laurel At The Turn Of The Century," 35-37. Many southern pine lumbermen believed the predictions and in 1903 two of the industry's giants, R. A. Long and John Henry Kirby, predicted that the timber of East Texas would be gone in twenty-five years. James William Martin, "History of Forest Conservation in Texas 1900 to 1935" (Unpublished M.A. thesis, Stephen F. Austin State College, 1966), 34. Long "forecast that at the current rate of consumption present long-leaf yellow pine stands would be exhausted long before a second crop could be produced to take its place. He called for foresters and lumbermen to join hands to lick this problem." Hodge, "Lumbering In Laurel At The Turn of The Century." 37.
cutover lands, a dramatic demonstration of his belief in their reproductive powers. In 1909, Hardtner pioneered in initiating forest fire protection for his lands. The fame of the Urania reforestation and fire protection experiments began to grow, and it was largely through Hardtner's efforts that the State of Louisiana organized a conservation department in 1908, which he served for four years as chairman. The Urania Lumber Company was the first organization to place its forest land under a timber conservation or reforestation contract with the State of Louisiana, and its operations in central Louisiana became a mecca for southerners who were becoming interested in the possibilities of reforestation.

The Urania experiments also attracted national attention, and over the years Hardtner developed a close association with the Yale University Forestry School, which conducted both experiments and field classes on the Louisianian's properties. For the most part, however, Hardtner's efforts were ignored and rather generally ridiculed. This is not to say that other southern pine companies were not experimenting with reforestation. The Kirby Lumber Company and the Lutcher and Moore firm, both operating in Texas and Louisiana, undertook some reforestation work in the early twentieth century. However, most of the other companies' efforts were desultory.


91R. C. Fraunberger says that "prior to the depression of the 1930's there was not any great trend toward stabilization of the
The obstacles in the way of successful and profitable private reforestation were many. The industry was built on credit, and its operations from the time of its migration to the South were based on the concept of cut out and move on. Vast expansion was undertaken on loans at from six to eight per cent interest, with heavy annual obligations to be met. Even during times of depressed prices and overproduction, therefore, it was considered more practical to continue to operate at full steam and at least cover part of the overhead rather than shut down completely and have the facilities devoured by fixed obligations. One observer reported in the early twentieth century, that with lumber selling for $12.05 per thousand board feet on a depressed market, as much as $2.00 on every thousand board feet had to be applied to bonded indebtedness. Under these circumstances, the mills often continued to run night and day in order to meet their obligations.\(^{92}\)

Another major obstacle was taxation—the tendency of states and local governmental units to tax the lumber companies as heavily as they could on the ground that the industry was depleting an irreplaceable natural resource and should be required to lend heavy support to government before it moved on and left the area denuded. In many cases, lumber companies were the only large economic units in their localities, and while this gave the owners and managers positions of unquestioned leadership in their communities, it also resulted in heavy financial burdens.\(^{92}\)


\(^{92}\)Lowry, "Henry Hardtner," 21-22.
Furthermore, taxation policies were often such as to penalize the company which tried to introduce sustained yield or permanency into its operations. John H. Kirby, for example, believed that "the greatest obstacle in the way [of reforestation] is taxation."93 Although members of the industry presented various proposals, their basic desire was for lower property taxes on land set aside for reforestation. Among the most commonly suggested tax reforms were the levying of some sort of severance tax, and taxing the land at its value at time of purchase rather than according to its worth as reforestation progressed.

Finally, the constant danger of fire was a major obstacle in the path of successful reforestation and sustained-yield management on southern pine lands. While professional opinion varied in regard to the value of controlled burning of pine lands as a means of removing possible tinder for uncontrolled conflagrations and to help thin out overly-seeded areas, there was general agreement that fires during the period when the trees were seedlings and the time-honored practice of "woods-burning" by the populace of the southern piney woods were major impediments to improved woods practices.94 One of the private


94 For example, in 1935 Hardtner, Austin Cary of the United States Forest Service, and other practical and professional foresters expressed varying opinions about the efficacy and possible methods of controlled woods burning, and both Hardtner and Cary acknowledged that they had in some ways changed their views about controlled burning over the years as they had learned more about the effects at various times of the year and under differing conditions on different varieties and sizes of pines. The Journal of Forestry, XXXIII (March, 1935). There is a reprint of this selection in SPA Records, Box 84b. Natives of the southern pine region had a long tradition of woods-burning which was variously motivated. Some burned just for maliciousness, some out of resentment of

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conservationists' major tasks, then, would be to persuade government
to accept at least partial responsibility for fire protection on pri-
ivate timber lands.

Ignorance of the regenerative powers and physical properties
of southern pine trees also helped to prevent the implementation of
sustained-yield operations on most southern pine lands. Many lumber-
men simply did not know how long it took to grow trees. They tended
to believe that it was far too long to make reforestation of their
denuded lands profitable. It is not too surprising that when one prom-
inent East Texas firm applied for a loan in the late nineteenth century,
offering a mortgage on its timber lands in western Louisiana as colla-
teral, the application was rejected with the advice that the land was
"a liability, not an asset, because it was so heavily timbered and could
not easily be cultivated!" 95 Henry Hardtner helped to overcome this
and other obstacles by the practical demonstration on his own lands
of the feasibility of reforestation, and by the spirit he generated,
despite ridicule and criticism, within the southern lumber industry
and the SPA.

Although most southern lumbermen generally viewed the cutting out
of their operations as inevitable, the Southern Pine Association did not
concentrate all of its activities concerning denuded lands on settlement
and agricultural schemes. At the time of the association's creation, a

95 Easton, "The History Of The Texas Lumbering Industry," 125.
forestry committee was organized to deal with the multitudinous forest problems above. It was first to gather and interpret statistical information that would be needed before a sensible and comprehensive conservation and forestry policy could be developed. The committee was, therefore, to sponsor surveys to determine just how much standing timber remained in the southern pine belt, codify the existing forestry legislation of the southern states, investigate the taxation situation, attempt to determine means of utilizing lower grade timber to help cut down the drain on forest resources, and deal with other related matters. The committee was also to represent the Southern Pine Association in forestry and conservation matters. As the SPA grew in size and influence, association staff members tried to steer its subscribers and the industry as a whole toward more enlightened forest practices.

During 1914 and 1915, as the SPA was being organized, the United States Forest Service in cooperation with the Bureau of Corporations and the Federal Trade Commission examined conditions in the nation's troubled lumber industry. The objective of the study was to "obtain and place before the public in a constructive way the essential facts regarding this industry and their bearing upon forest conservation."

At the same time, the Bureau of Foreign and Domestic Commerce undertook an investigation of the export lumber trade. The conclusions


of the Forest Service investigations were published in a series of Department of Agriculture bulletins.

By the time these studies were under way, Gifford Pinchot, the white knight of the American conservation movement, had almost abandoned his original hope that enlightened conservation practices could be brought about through voluntary cooperation between government and private landowners. During and after the Theodore Roosevelt administration, Pinchot had been gradually drifting toward a belief that only strong government control or, better yet, government ownership of the forests would make conservation feasible. Pinchot had come completely to distrust the private interests and would soon advocate "public ownership, or such public control as will amount to giving the people of the country . . . the benefit of public ownership." Pinchot was also continually hammering away at the timber famine theme and predicting the exhaustion of American timber resources in thirty to thirty-five years.

A quite different point of view was presented in one of the bulletins published as a result of the 1914-1915 surveys. The author was William B. Greeley, at the time an assistant forester. Although originally one of Pinchot's disciples, Greeley had gradually become convinced that the failure of private lumbermen to undertake meaningful conservation measures was not always due to their basic character defects or wickedness, but simply to the fact that the lumber industry

98 Hidy, Hill, and Nevins, Timber And Men, 377.

was suffering from some chronic economic maladies and enlightened forestry practices had not been accepted by the industry as economically feasible. Greeley believed that the industry was suffering from high interest rates, inefficient production techniques and equipment, increasing transportation costs, and erratic taxation policies. Feeling that the situation could be salvaged only through the cooperative efforts of state and federal governments and private landowners, Greeley proposed a program built around three major points: extension of state and national forests, equitable taxation policies, and systematic forest products research.\textsuperscript{100}

Greeley's analysis was published with the blessing of his superior, Chief Forester Henry S. Graves, who continued to support the idea of cooperation between government and private interests. Before its publication, Graves sent the report with a covering letter to Gifford Pinchot, explaining that it had been purposely written in a sympathetic manner so that the "lumbermen who read ... [it] will be impressed by its fairness."\textsuperscript{101} Pinchot registered a strong protest against publication of the document with Graves, and when it later appeared under the aegis of the Forest Service, Pinchot publicly categorized Greeley's effort as a "whitewash of destructive lumbering."\textsuperscript{102} Greeley later wrote that, with the publication of his report, "I lost caste in the

\textsuperscript{100} Morgan, William B. Greeley, 32-36.

\textsuperscript{101} Ibid., 37.

\textsuperscript{102} Greeley, Forests and Men, 118. The correspondence between Pinchot and Graves is quoted in Morgan, William B. Greeley, 37.
temple of conservation." As an enlightened forestry advocate who had demonstrated his concern for the plight of the lumbermen, Greeley had, however, opened lines of communication between the industry and government, and as the schism in conservation ranks developed, there was no doubt that the leaders and conservation-minded subscribers of the Southern Pine Association were squarely in the Greeley camp.

With the advent of World War I and an increased drain on America's timber resources, there developed an intensified concern to find solutions to such forestry problems as correct cutting practices, the efficacy of controlled burning, the best methods of fighting wood pests, and the actual growth rate of trees. By the end of the war, forestry opinion could be divided into three categories, as identified by Hidy, Hill, and Nevins: (1) the "radical school," led by Pinchot and dedicated to the ideas of public ownership of forests or its equivalent, the depravity of the lumbermen, and the pliability of the Forest Service; (2) the "moderate school," represented by people like Graves and Greeley, many government administrators, and enlightened lumbermen, who believed in "reasonable government regulation, steady utilization of government timber, and broad cooperation in reforestation;" and (3) "diehard old-school lumbermen who resented all government activity." As the competing forces moved toward dramatic confrontation at the war's end, the Southern Pine Association would be squarely in the camp of the "moderate school."

During and following World War I, United States Forest Service personnel came south to promote improved forestry practices. In an

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103 Greeley, *Forests and Men*, 118.


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address before the SPA in 1916, William B. Greeley warned of the rapid depletion of the supply of southern pine timber and predicted that at existing rates of growth and use the southern pine supply of ten southern states would last only another twenty-four years. He added, however, that already, in 1916, approximately ten per cent of southern pine production was coming from second-growth timber. 105

In February, 1918, Austin Cary, an iconoclastic logging engineer for the Forest Service, came south. For the next twenty-eight years, he devoted his efforts to persuading concerned citizens and lumbermen to contribute to the creation of a stable forest industry through enlightened conservation measures and perpetual yield. As a result, he, like Henry Hardtner, came to be known as the "Father of Southern Forestry." Cary's views were not at all in accord with those of the Pinchot followers, and he based his activities in the South on cooperation with private landowners, attempting to show them that forestry was practical and profitable. Furthermore, he was willing to break with accepted practices and, for example, experimented with and advocated controlled burning in defiance of his superiors. 106

While addressing the southern piners in 1918, Cary praised the regenerative powers of the southern forests, told the lumbermen that enlightened practices were practical, and cited the work of W. A. Sullivan of Bogalusa, Louisiana's Great Southern Lumber Company and that of Henry Hardtner at Urania as concrete evidence of what could be


accomplished. Cary concluded with a plea for the implementation of comprehensive fire protection measures, warning that the South was lagging behind the Pacific Northwest in this area.107

Captain J. B. White, chairman of the SPA's Forestry Committee, echoed Cary's praise of Henry Hardtner and urged lumbermen to introduce reforestation and conservation measures on their own initiative before the government did it for them. He also advocated that the association employ a professional forester who would "give us counsel so that our business as a lumber industry may be a better success, and that it may be perpetuated—it should be perpetuated."108 Austin Cary replied, praising the SPA's action in establishing a forestry department, which he termed "the first action of exactly that kind to be taken by an association of lumbermen in this country ...."109

However, in 1918 the nation and the Southern Pine Association were focusing their primary attention on the problem of winning World War I. With the end of the war emphasis shifted from production to the conservation of the nation's remaining timber resources. By the latter part of 1919 and early 1920, wholesale and retail lumber prices were soaring, and the nation was again roused by cries of timber famine. Virtually everyone agreed that some sort of new federal legislation was


109 Cary, "Opportunities Which Southern Lumbermen Are Passing By," ibid., 223.
needed to promote systematic conservation and reforestation. But how should this be accomplished? William B. Greeley and his superior, Chief Forester Henry S. Graves, continued to favor cooperation between governments and private individuals, while the supporters of Gifford Pinchot argued strongly for drastic federal control and increased or even full government forest ownership.110

In 1919 Chief Forester Graves started a drive to draw up and establish minimum requirements for the establishment of approved methods of forestry practice. To arouse public interest in a national forestry policy, conferences were held throughout the country in which interested citizens and organizations were invited to make suggestions.111 A Southern Forestry Conference was held in Jacksonville, Florida, with SPA Secretary-Manager J. E. Rhodes serving as co-chairman. Rhodes addressed the gathering, and called upon his experience with the Minnesota Forest Association to demonstrate that lumber associations could further the cause of conservation and enlightened forestry. Rhodes emphasized that publicity was a necessary prerequisite for progress in forestry, but warned against the scare tactics utilized in the timber famine predictions. In fact, said Rhodes, premature predictions of this kind several years earlier had tended to make many southerners blase toward the real problems of timber depletion after the southern forests had not suddenly disappeared on schedule.112 The SPA secretary-manager also stressed his personal interest in forestry, and said that while

110 Hidy, Hill, and Nevins, Timber And Men, 386.

111 Morgan, William B. Greeley, 39.

he had always believed it would eventually be possible to interest lumbermen in practical forestry, "forestry in a general way has not been possible . . . because the economic conditions have not been developed to a point which makes it profitable. In fact, unless a thing is profitable it is impossible to interest men in it." Rhodes concluded, however, that he believed "conditions are now developing which will make it possible to interest lumbermen in forestry, particularly in the south."\textsuperscript{113}

In the spring of 1920, Chief Forester Graves was succeeded by William B. Greeley who continued the campaign of his predecessor with his own emphasis on cooperative forestry. However, by this time Gifford Pinchot was openly in the fray once again, serving as head of the Committee for the Application of Forestry of the Society of American Foresters.\textsuperscript{114} Pinchot opened headquarters in Washington and garnered influential support from various quarters, and in November, 1919, his committee submitted its report embodying Pinchot's hope for strong governmental action to force improved forestry practices on private lands.\textsuperscript{115}

Both sides picked up impressive support and came up with legislative programs which were debated on the floor of Congress. Pinchot's recommendations were placed before Congress in May, 1920, in the form

\textsuperscript{113}Ibid., 54.

\textsuperscript{114}Morgan, William B. Greeley, 39.

\textsuperscript{115}Ibid.; Hidy, Hill, and Nevins, Timber And Men, 386.
of a bill submitted by his friend Senator Arthur Capper of Kansas. However, a poll conducted earlier by the Society of American Foresters to ascertain the opinion of professional foresters toward the Pinchot Report, on which the Capper bill was based, indicated overwhelming opposition, and neither the Wilson Administration nor the Republican leadership in Congress accepted his proposals.

Strangely enough, Senator Capper had also sponsored a successful resolution which instructed the Secretary of Agriculture to investigate reports "that the forest resources of the United States are being rapidly depleted, and that the situation is already serious and will soon become critical." To add a touch of irony, the report resulting from the Capper Resolution, acknowledging the depletion of timber but advocating the Graves-Greeley solutions, was submitted to Congress by now-Chief Forester Greeley on June 1, 1920. The pro-Greeley forces organized a National Forestry Program Committee which assisted in formulating a bill embodying the Greeley program which was placed before the Congress by Representative Bertrand E. Snell. The battle lines were now formally drawn.

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117 Hidy, Hill, and Nevins, Timber And Men, 386; Morgan, William B. Greeley, 41.

118 Morgan, William B. Greeley, 41.

119 Ibid.

120 Hidy, Hill, and Nevins, Timber And Men, 387.
As the two sides were nearing open conflict, Secretary-Manager J. E. Rhodes of the Southern Pine Association was keeping his subscribers informed about the Forest Service's conferences and advocating that the industry formulate a coherent forestry policy and work toward cooperation with the state and federal governments in conservation. Rhodes warned that "if the industry is not prepared to meet the issue squarely as it is now being agitated, and in a spirit of helpful cooperation, we cannot avoid the consequences of radical public views on the subject . . . ." 121

At the same time, other significant events were transpiring in southern pine conservation circles. Early in 1920, the Southern Pine Association's board of directors voted to contribute almost ten thousand dollars to support a three-year survey of timber resources and the rate of growth in the southern pine area to be undertaken by the Forestry Committee of the National Research Council. This activity was pushed by Secretary-Manager Rhodes, and the field work was to be conducted by the Forest Service's Austin Cary. 122

During the summer of 1920, one of the giant firms in the southern pine industry swung into line behind the advocates of conservation, reforestation, and sustained yield. In May, at the invitation of Henry Hardtner, the officials of the Great Southern Lumber Company of Bogalusa, 

121 "Association Activities; Report of Secretary-Manager J. E. Rhodes Submitted to the Board of Directors of the Southern Pine Association, at Chicago, Ill., June 16, 1919," SPA Records, Box 84b, 63-64.

122 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 15 and 18, 1920," ibid., Box 70b; Lumber (November 8, 1920), 25. Clipping in SPA Records, Box 66b.
Louisiana, visited the operations of the Urania Lumber Company to get a first-hand look at the experiments being carried on there. Impressed by what he saw, on the way back to Bogalusa, Colonel W. L. Sullivan, general-manager of the Great Southern, announced to the New Orleans press that his company was planning to begin a comprehensive reforestation and conservation program. It is almost impossible to estimate the importance of this influential firm's switch.  

In 1921 the Southern Pine Association took a definite position in regard to the proposed federal forestry measures, which were by now called the Capper and Snell-McCormick bills. In June the SPA Forestry Committee submitted a long report to the board of directors approving the general principles of the Snell Bill and urging the industry to cooperate with federal and state agencies wherever practicable in implementing improved forestry practices. The board subsequently ordered a questionnaire to be sent to subscribers to ascertain their opinion on the matter, and on the basis of their responses, the SPA issued a declaration of its forestry policy on October 19, 1921, which again generally endorsed the principles of the Snell-McCormick Bill. 

Not all members of the southern pine industry supported or approved of the association's position. Some of the industry's leading figures, including notably the SPA's first president, Charles S. Keith, 


124 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . June 14, 1921," SPA Records, Box 70b.

125 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . October 19, 1921," ibid.
opposed all federal forestry legislation as representing a threat to private property rights. At a special SPA subscribers' meeting in Memphis at the end of the year, the delegates heard both the Capper and Snell-McCormick bills described as unconstitutional. However, dominant sentiment in the industry was probably summed up at Memphis by Secretary Rhodes who said that while "lumbermen up to this time have opposed any sort of forestry legislation," they were now "willing to accept the Snell bill, for if they do not accept that, they will have to accept the Capper bill."  

For the time being, the matter of national forestry legislation was stalemated between the opposing forces. As it became clear after hearings on the Snell Bill in January, 1921, and January, 1922, that there was a deadlock between the forces favoring federal regulation, and those favoring state regulation and cooperation, the bill was dropped. In February, 1923, Representative John D. Clarke of New York introduced two substitute measures which helped to keep interest in the matter alive, although they were not acted upon. Similarly, the Capper Bill went through several stages of evolution without any concrete results. In fact, in 1922 the chairman of the SPA's forestry committee cavalierly refused to spend time discussing the Capper Bill, 

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127 "Minutes Of The Meeting Of The Southern Pine Association Held In The Convention Room, Gayoso Hotel, December 15th, 1921," ibid., Box 73b.

because it "has not been seriously considered by Congress, and does not appear that it is likely to be. . . ."

The Southern Pine Association continued to support the Snell-McCormick Bill, and when the House of Representatives Committee on Agriculture and Forestry conducted a hearing in January, 1922, the SPA sent six representatives, including Secretary-Manager Rhodes, to testify. In addition, John H. Kirby, in his capacity as president of the National Lumber Manufacturers' Association, was in attendance. The southern lumbermen did not limit their concern merely to favoring the Snell or Greeley approach. The SPA's forestry committee reported that if felt "that not enough attention has been given to the part which the states can play in solving the forestry question," and it argued that "if forestry is to be practiced upon a scale sufficiently large to meet the needs of the future for an extensive supply of timber, the State and Federal governments must undertake it." The committee believed that lumbermen should be willing to sell their denuded lands at reasonable prices to the government and should work to create favorable public sentiment toward such activities, and it concluded that it was unfair to expect private landowners to provide fire protection for their standing timber.

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130 Ibid., 136-37.

131 Ibid., 138.
Again, the Urania Lumber Company's Henry Hardtner was a courageous dissenter. Hardtner, at the SPA's seventh annual meeting in 1922, thundered that he was not practicing forestry as a philanthropist, and that "as to being a Governmental problem, I do not agree with any man in this hall in trying to shove this responsibility off on the Federal Government, or the State Government." Hardtner did, however, call on the lumbermen to "ask the state and the nation to fix a reasonable tax rate on your lands. . . . Put it up to the Government, show your good faith, tell the Government that you will do these things--'We are willing to do it, but we can't do it until you make it possible for us to do it.'" Nevertheless, at the end of the year the forestry committee's chairman John L. Kaul reported that "members of the committee had expressed the view that the southern states should be encouraged to engage in forestry as a state function, purchasing for that purpose areas of cutover lands more suitable for tree growth than agricultural development which the present owners should be willing to exchange for long term bonds at present assessed valuations for such lands." On a more practical level, the association appropriated five thousand dollars to study and recommend state forestry legislation.


133 Ibid., 87.

134 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . December 13, 1922," ibid., Box 70b.

Furthermore, at least one leading national forestry figure, the dean of the Yale Forestry School, expressed admiration for the activities at Urania and Bogalusa and praised the southern pine lumbermen's interest in improved forest practices. 136

In the spring of 1923, subscribers at the Southern Pine Association annual meeting heard a report on forestry which indicated that a growing number of people in the South favored acquisition by the states of idle lands suitable for forest growth, and they were told that the United States Senate's Select Committee on Reforestation would be visiting New Orleans. 137 The committee toured the country during 1923, and its report singled out fire and taxes as the two greatest causes of deforestation but recommended that the federal government attempt no direct regulation. Among its specific recommendations were the extension of public forest ownership and encouragement of private reforestation. The report also urged that the government extend its cooperation to include the protection of all state and private forests. The committee's recommendations were included in bills introduced in the Senate by Senator Charles L. McNary and in the House by Representative John D. Clarke. 138 Congress passed the Clarke-McNary Act on June 7, 1924, despite Pinchot's opposition. It provided for federal-state cooperation

136 J. W. Toumey to J. E. Rhodes, April 5, 1922, ibid., Box 9a.


138 Dana, Forest And Range Policy, 220-21; Greeley, Forest Policy, 181.
in protecting forests but failed to provide for government regulation of timber cutting.\(^{139}\)

Members of the Southern Pine Association meeting in their annual session in New Orleans heard the Clarke-McNary Bill praised by Secretary-Manager Wilson Compton of the National Lumber Manufacturers' Association as a measure which proposed "an economic solution" to the problem of reforestation as opposed to the "political solution" of the Capper-Pinchot bill.\(^{140}\) Compton concluded that "if the action of the lumber industry is wisely guided it will support progress now along the McNary-Clarke lines and not further encourage political experimentation along the Pinchot lines."\(^{141}\) Compton's feelings were echoed by John L. Kaul, chairman of the SPA forestry committee, who said that "this bill represents a definite and valuable step forward. . . ."\(^{142}\)

By the end of 1924 or the middle of the 1920's, some southern pine industry spokesmen felt that valuable steps toward the perpetuation of Dixie's forests and the southern lumber industry had been taken through various government and private activities. Writing in the *Southern Lumberman* at the end of 1924, the SPA's secretary-manager


\(^{141}\)Ibid., 50.

optimistically stated that "when one considers the present amount of standing timber and the increased attention that is being devoted to reforestation by both state and federal governments and private land owners, there is every reason to believe that the life of the southern pine industry will be prolonged indefinitely."^143 The article singled out a number of southern lumber firms which had inaugurated comprehensive reforestation and protection programs, and emphasized that:

As the various southern states come to recognize the public's share of the responsibility in the matter of providing a permanent and adequate supply of timber for future generations and enact laws providing for proper co-operation with private land owners in the matter of fire protection and suppression and in adjustment of taxation on forest property so that private timber land owners can grow trees without bearing a tax burden that would make the enterprise financially disastrous, it is believed there will be much greater development in the forestry movement throughout the South.^144

The association estimated in 1924 that there were some 212,000,000,000 board feet of pine timber remaining in the southern states, including both timber stands being logged by existing firms and others of varying sizes and types, including second growth on cutover lands.^145

As the Southern Pine Association entered the second half of the 1920's, the emphasis was on cooperation between private and public agencies and individuals interested in improved forest practices and conservation, and on more complete utilization of forest products to

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^144 Ibid.

^145 "Pine Timber Stand And Pine Lumber Production In The Southern States As Of The Year 1924," SPA Records, Box 39a.
help counteract the scarcity of timber. The board of directors in March approved the recommendations of the National Conference on Utilization of Forest Products which had been held in November, 1924, in Washington, D. C., under the auspices of the Secretary of Agriculture. To carry out its endorsement in a practical manner, the SPA board authorized the secretary-manager to undertake the organization of mill managers' and superintendents' associations in each of the southern pine-producing states to "consider at regular meetings, mechanical and manufacturing problems in the industry, to devise ways and means for improving the methods and processes of lumber manufacture and handling and to secure the thorough utilization of forest material."\textsuperscript{146}

The SPA's subscribers also received another thoroughgoing exposition of the philosophy of Chief Forester William B. Greeley who accressed the tenth annual meeting in March, 1925, and spoke about "the Business of Growing Trees." Greeley expressed his pleasure at the remarks of SPA President E. A. Frost who reiterated what was by now the standard Southern Pine Association and industry position—the South is well-suited for reforestation, there is a crying need for better fire protection and a more equitable tax structure, and the public or government must bear a considerable amount of the burden of conservation and reforestation expenditures.\textsuperscript{147} Greeley again expressed

\textsuperscript{146}"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 23, 1925," ibid., Box 70b.

\textsuperscript{147}E. A. Frost, "Address of the President," in "A Decade of Service; Official Report of the Tenth Annual Meeting of the Subscribers to the Southern Pine Association, Held at Roosevelt Hotel, New Orleans, March 24 and 25, 1925," ibid., Box 85b.
his familiar thoughts on forestry and conservation, and praised the Clarke-McNary Law as a great step forward toward cooperative measures in dealing with "the things relating to forestry that need to be done by common action--working out the tax problems, working out the problem of reducing the hazard of forest fires." Greeley also pointed out that "a number of southern lumbermen and Southern associations were a powerful help" in securing passage of the legislation.\textsuperscript{148} Southern lumbermen received yet another gesture of recognition in 1925, when Henry Hardtner was appointed to the Southern Forest Research Advisory Council. Hardtner was chosen chairman of the group by its members, who were composed of "approximately 25 prominent lumbermen and others interested in the development and progress of forest research in the south."\textsuperscript{149}

The remainder of the 1920's saw the Southern Pine Association working to implement and foster good forestry practices and attitudes among its subscribers and the citizens of the South generally, and attempting to counteract some of the popular misconceptions about the southern timber supply. Gifford Pinchot, leaving the governorship of Pennsylvania in early 1927, was one of the prime forces in keeping the cry of timber famine before the public in the late 1920's, as he continued to work toward his goal of direct federal regulation of private


\textsuperscript{149}"Henry E. Hardtner," \textit{JF}, XXXIII (October, 1935), 886.
The SPA was particularly incensed about these charges, because their competitors from the West Coast fir regions were in some cases mounting campaigns to sell lumber in the South itself, and hitting vigorously on the theme that the southern pine forests were nearly depleted. This struggle with the western producers became increasingly important as the 1920's progressed.151

The Southern Pine Association maintained its interest in the progress of federal forestry legislation during the latter part of the 1920's. During 1925 and 1926, a special committee of the Society of American Foresters conducted a study of the current state of forest research. Earle H. Clapp, chief of the Branch of Research of the United States Forest Service, wrote the committee's report, which was published in 1926 by the American Tree Association for the SAF. The report was the basis of the McSweeney-McNary Act which was first proposed in Congress in 1927 by Representative John R. McSweeney of Ohio, and was finally enacted into law on May 22, 1928. The act was based on the cooperative principle and provided a broad charter for forestry research. It established a ten-year program that included the establishment of a system of forest and range experiment stations, expanded research in forest products, and inaugurated a nationwide survey of forest resources and national requirements.152 The SPA strongly endorsed the McSweeney-McNary Bill, and the board of directors strongly

150McGeary, Gifford Pinchot, 333.


152Dana, Forest And Range Policy, 225-26.
urged individual subscribers to "write to their respective senators and congressmen urging their support of this legislation." After the passage of the McSweeney-McNary Act, United States Secretary of Agriculture W. M. Jardine expressed his "personal appreciation and that of the department" for "the great help which you and your association rendered in support of this measure."

The association's efforts to educate its subscribers and the southern populace in regard to sound woods practices were carried out in conjunction with the southern education project of the American Forestry Association between 1928 and 1930. Much of the financial support for this campaign was provided by the southern pine industry. The major emphasis of the program was upon fire prevention, and the message was taken to the residents of the southern piney woods through motion pictures, speeches, and exhibits. The association itself "embarked upon an ambitious educational forestry program among the mill towns," and its subscribers in many cases sponsored and conducted local forest fire prevention programs. In addition, the SPA prepared


"Educational press matter as well as suggested speeches to be delivered before civic clubs, schools and public meetings."156

In assessing the record of the Southern Pine Association in the fields of forestry and conservation during the 1920's, perhaps the educational efforts came closest to achieving real success. This success was not, furthermore, simply in the area of convincing the inhabitants of the piney woods that woods-burning was not a good thing. Rather, the real educational success was in convincing at least a few of the lumbermen themselves that sustained yield operations or controlled cutting and reforestation could be a sound investment, and in persuading a number of state governments and national governmental leaders that cooperation between private industry and public agencies could lead to an improvement in the general welfare. Remarkable strides were made in the implementation of advanced forestry techniques on private holdings in the South, notably at Urania and Bogalusa; there were marked steps forward in the establishment of state forestry programs in many of the Southern states; and the southern pine industry lined up consistently on the winning side during the 1920's as significant national forestry legislation was enacted. Perhaps the biggest step forward was made through turning the minds of southern lumber operators away from the panaceas of agricultural settlements or abandonment to dispose of their cutover lands to a growing realization of the regenerative powers of the southern forests. However, according to a man who spent much of his career as a professional forester in the South:

... the 20's showed some advance in better forest management on private lands but far from enough to warrant any warmth of enthusiasm among the foresters and economists pulling for it from the side lines. And such progress as there had been was conspicuously absent from the ranks of the small landowners.157

Furthermore, while the Southern Pine Association could consider itself in good company in that it supported the policies of the United States Forest Service and Chief Forester William B. Greeley which were generally endorsed by the society of American Foresters during the 1920's, there was, of course, another side to the story. Gifford Pinchot continued to agitate for stronger federal action during the latter part of the decade and considered both the Forest Service's Greeley and the Society of American Foresters to be under the evil influence of an exploitive lumber industry. Pinchot believed that except for a few isolated instances, the industry was not making an honest attempt to reform.158 It has been suggested that the clamor raised by Pinchot and his followers actually goaded the lumbermen into some conservation activities in order to forestall increased federal regulation, which would certainly seem to be true to a certain degree judging from the remarks of several Southern Pine Association spokesmen. It is interesting that only four years later, the lumber industry itself wrote a provision into its code under the National Recovery Administration requiring cutting methods which would provide a new crop of trees.


CHAPTER VII

POST-WAR DECADE: SOUTHERN PINE ASSOCIATION ACTIVITIES IN SMALL MILL RELATIONS, FUND RAISING, ADVERTISING-TRADE PROMOTION, GRADE-MARKING, AND STANDARDIZATION, 1918-1929

The post World War I period and the 1920's brought rapid changes, new policies, and adjustments in the fields of labor relations, cutover lands, and forestry-conservation; but these areas, themselves interrelated, had ramifications which spread far beyond their own boundaries in the concerns of the Southern Pine Association. The SPA's affairs during the twenties constituted a complex web of problems and challenges which do not lend themselves to easy compartmentalization. For example, the problem of cutover lands which, as has already been shown, related to the labor and forestry concerns of the southern pine industry, was also a major factor in the Southern Pine Association's chronic financial problems of the 1920's as firms which had cut out in the South left the association, in some cases migrating to the West Coast where they became competitors of their old region. The association was faced with many problems of adjustment as southern pine production increasingly came from small mills, SPA revenues declined, and the industry encountered increasing competition from the West. In the light of all of these factors, the association attempted to defend its section's interests through vigorous advertising, transportation, and other activities.
By the beginning of the 1920's the Southern Pine Association's professional leadership, already struggling with the problems of deforestation and cutover lands, was well aware of the changing nature of the southern pine industry. Reporting to the SPA's annual meeting in 1920, Secretary-Manager J. E. Rhodes noted that "while there has been a decline in the total lumber production, there has been an increase in the number of individual mills producing Southern Pine." Rhodes pointed to the fact that the new small mills were utilizing second-growth timber, and optimistically singled this out as an indication that the industry would achieve permanency.¹

While the association may have looked with favor upon the idea of permanency in the industry, this by no means indicated that it viewed the arrival of the small or "peckerwood" mills with equanimity. In fact, during the 1920's the small mills were viewed as at best irritants and at worst as real threats to the survival of the large operators who dominated the Southern Pine Association. The most positive factor from the SPA's point of view was the fact that the arrival of the small mills meant that timber prices rose and that there was increasing emphasis upon complete utilization of the log as large operators strove to fend off the challenge of the small producers. The arrival of small producers also provided a spur to the large operators to improve their manufacturing and grading standards as a selling point in the

increasingly competitive situation. By the middle 1920's, the SPA's secretary-manager was noting that "the activities of these small mills have made it necessary to revise our estimates of reserve scattered timber upwards. It is astonishing the amount of lumber these small mills can get out of a county that, theoretically, and to all appearances, has no timber." The secretary-manager concluded that "the competition of these small mills must be met, and this can best be done through better trade extension work on the part of the large mills and better manufacturing methods. A feature that will assist larger manufacturers in this will be grade-marking."\(^2\)

To understand more fully the magnitude of the changes brought about by the advent of small mills, the Southern Pine Association in 1924 sponsored a comprehensive study by F. V. Dunham to determine the amount of standing timber and the rate of production by both large and small mills. The SPA had conducted a similar investigation in 1919, and the results of the 1924 Dunham Survey revealed two significant factors. First, large operators who had expected to cut out relatively soon in 1919 had acquired much of the available timber, thereby extending the life of their operations, and even in a few cases increasing their production facilities. Second, was "the organization of the small mills by wholesalers and planing mill operators, and large increases in production by mills of this class, particularly of boards and framing." Secretary-Manager H. C. Berckes reported to his subscribers that:

As a consequence of the acquiring of additional holdings by operators, most of the timber that can be used by the larger mills is now in their ownership. This has prolonged the life of many mills now operating, which reported to us in 1919 that they would be cut out in two, three or four years.  

Dunham reported directly to the 1924 mid-summer meeting of the Southern Pine Association and noted that while the production of large mills since the 1919 survey had declined approximately one billion four hundred and thirty-five million feet, the net decrease was probably only about four hundred and thirty-five million feet for the industry, due to the influence of the small mills. The principal areas of small mill production during this period were the Carolinas, Alabama, Florida, Georgia, and Mississippi, with the largest increase in Alabama. The area of most resistance to the small mill movement was Louisiana, where "most of the holdings are by large mills . . . ." On the whole, however, Dunham concluded that "today the production of the large mills of the South is inconsiderable. The small mills of the South represent 43 per cent of the production of yellow pine." 

The Dunham report also commented on the changing nature of the small producers and hinted at the most efficacious ways of fighting their incursions. Dunham emphasized that the small mills were "no longer a disorganized part of the industry." Rather, "every one of them has a wholesale arrangement. Those mills are financed from the purchase of

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3 Ibid., 24.
4 F. V. Dunham, "How the Small Mills are Affecting the Southern Pine Industry," Ibid., Box 68b.
5 Ibid.
the plant up to the financing of the pay roll." Furthermore, because of their small overhead and negligible amount of fixed capital, the small mills, or as Dunham defined them "mills producing about six million feet," could produce lumber cheaply. Dunham warned that "You have come into competition with that condition and you cannot meet it." The way out rested in the implementation of balanced or sustained-yield operations by the larger firms, who could buy up and control the timber resources of the South as prices increased under the influence of increasing scarcity. In his report Dunham concluded that "there is where the backfire comes against the small mills—the acquisition of additional territory and the balancing of your cut."\(^6\)

The Dunham survey was undertaken by the Southern Pine Association at a time when the organization's large producers were coming to regard the small mills as at best "a pain in the neck." As the SPA's secretary-manager recalled, "we'd think everything was going good, and the small mills would flood the market . . . ." H. C. Berckes later remembered that when the report was delivered "it stupified a lot of people . . . ." The realization that many of the large firms were going to cut out made planning and the lot of the SPA professional staff difficult, and in fact the Dunham report itself inadvertently contributed to some of the southern pine industry's difficulties in regard to publicizing itself as an enduring source of lumber. Some of Dunham's findings, particularly a prediction that within ten years eighty per cent of the southern pine mills would be cut out, were converted into chart form for display at

\(^6\)Ibid.
the SPA's annual meeting. Unfortunately the trade papers photographed and publicized the chart, but blithely ignored other factors, notably the increasing production from small mills and the tendency toward sustained yield operations. Ironically, the SPA's own report inadvertently contributed to a general concept that the association was doggedly trying to combat during the 1920's—the idea that the industry was cutting out and would not in the future be able to supply the lumber needs of even its own section.\footnote{Interview with H. C. Berckes, February 10, 1968.}

The Southern Pine Association was also increasingly concerned about damage to the reputation of southern pine incurred by a growing flood of poorly-manufactured and unseasoned lumber produced by the small mills. Despite this concern and in the face of declining association revenues, there was no strong push to bring the smaller producers into the SPA until the latter part of the 1920's. Late in 1928 and early in 1929, however, the association undertook a survey to determine the amount of lumber produced by non-association and small mills during 1926, 1927, and 1928, in order to develop an accurate prediction of output from these sources during 1929.\footnote{"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . January 30, 1929," SPA Records, Box 70b.}

The association's survey required three months and the labors of fifteen men, and covered the states of Alabama, Arkansas, Florida, Louisiana, Mississippi, Oklahoma, and Texas. Georgia was covered in cooperation with the North Carolina Pine Association which also surveyed North Carolina, South Carolina, and Virginia. The survey covered
some 5,826 operations, of which 5,589 fell into the "small mill" category with individual outputs of under six million feet per year. The study found that in 1926 these small mills produced 12,048,874,379 feet; in 1927, 12,594,799,500 feet; in 1928, 12,266,461,262 feet; and predicted a 1929 small mill production of 12,251,980,000 feet. In ten years the small mills had increased their share of the total southern pine production dramatically. In 1919, they had accounted for only thirty-three per cent of the total production; according to the Dunham Survey of 1924, they produced forty-four per cent of the total production; and by 1928 that figure had increased to some forty-eight per cent.®

Convinced by the end of the decade that the small mills were a permanent fixture in the industry, the SPA and its subscribers began to consider ways to deal with their smaller competitors. One common suggestion was for the association to determine if it was feasible to organize cooperative enterprises or corporations to purchase or erect planing mills at strategically located concentration points in order to bring the small mills' products up to SPA standards through remanufacturing.® Nothing concrete came of this approach during the 1920's.

By the end of 1929, there were indications that the 1930's might well see some sort of effort by the large SPA producers to bring the


smaller operators into the fold. In a freewheeling discussion at the
association's mid-summer meeting, it was suggested that "the little
mill is a source of future income for the Southern Pine Association."  
One of the participants probably summed up a growing realization in the
SPA that "the association had neglected the little mills and allowed
them to be exploited by the wholesalers and various organizations."  
He urged the SPA to "extend the activities and widen the scope of the
association and get some of the smaller men into it," because "if you
don't teach them anything but better merchandising you would be help­ing yourselves to better control of the product."  
By the end of the
year, there were growing suggestions within the association that group
meetings should be held with the smaller producers to find a common
ground for cooperation.  
The expression of sentiments of this kind
was a portent of the later close association of large and small pro­
ducers during the days of the New Deal's National Recovery Administra­tion.

The southern pine industry's transition from large to small mill
 domination had many implications for the Southern Pine Association, not
the least of which was in the financial sphere. Throughout the SPA's
early years and during the decade of the 1920's, its subscription fees

11"Minutes of Joint Meeting of Trade Promotion Committee and
Advertising Committee of the Southern Pine Association . . . June 26,
1929. And of Midsummer Meeting of Subscribers, June 27, 1929," ibid.,
Box 68b, 61.

12Ibid., 59.

13Ibid., 60.

14"Minutes of Meeting of Adv. and Trade Extn. Comms., 8-1-29,"
ibid., Box 70b.
varied in amount, but they were uniformly based upon shipments. This system of financing was adopted after careful consideration of several alternatives. Fees based upon capacity or production would have established a more uniform and steady flow of revenue if the financial position of the subscribers had remained constantly strong. Unfortunately this was not the case. The southern pine industry throughout much of the SPA's early life was plagued with over-production, which sometimes brought on financial stringency and made it difficult for the mills to meet their obligations. In theory such periods should have called forth the association's strongest efforts, particularly in advertising and trade promotion, but in practice periods of over-production found the subscribers least able to pay their fees. Therefore, the SPA's organizers concluded that a charge based upon the subscriber's shipments of lumber or sales would provide the association its best and most dependable source of income. Each subscriber was thus required to pay the SPA a stipulated monthly sum for every thousand board feet of lumber it shipped. In order to assure that each subscriber should pay his fair share, the association reserved the right to ascertain the production and shipments of the mills at any time and to cancel contracts for any violations discovered. The only lumber shipments exempted from the charge were those for use by the subscriber in his own local operations.


Since the subscribers actually controlled the Southern Pine Association, they had the determining voice in fixing the amount of the fees. When the association began operations, the subscription rate was established at five cents per thousand board feet of lumber sold. In 1915 the board of directors voted an increase to ten cents in five semi-annual raises of one cent each. However, the subscribers in their annual meeting approved an increase to only seven and one-half cents, and the board modified its decision in conformity with their wishes.\(^17\) With the general inflation that accompanied World War I and the expansion of the services performed by the SPA came further increases in the subscription fee. By 1919 it had risen to ten cents per thousand board feet, and in March, 1920, the subscribers approved a recommendation of the board of directors that it be fixed at a limit of fifteen cents with an immediate raise to twelve cents going into effect in May.\(^18\)

The Southern Pine Association's income depended upon both the amount of the subscription fee and, in general, on the number and production of subscribers. During the first five years of the SPA's existence, from 1915 to 1920, the number of subscribers almost doubled. Until 1919, the total lumber production represented by these subscribing companies showed a steady increase both absolutely and in proportion to the industry's total production. Although the production of

\(^{17}\)"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . February 26, 1915," ibid., Box 70b, 2.

the association's members declined during 1919 and 1920, the drop was relatively less severe than that for the industry as a whole.

The steady increase in the number of subscribers and the volume of their lumber shipments during the early years, together with the periodic raises in the subscription fee, meant a constantly increasing income for the Southern Pine Association. And even though shipments declined in 1919 and 1920, increases in the fee were more than sufficient to offset this change and assure the association a continued growth of income. During these early years, the SPA's operating costs continually rose, but until 1919, it ended each year with a surplus. In 1915 the Southern Pine Association's total receipts were $224,131.11, while its expenditures were $198,991.72, leaving a surplus of $25,139.39. By 1918, income climbed to $495,460.80; expenditures that year were $403,326.82, and the surplus on hand in the treasury was $56,133.98. In 1919 receipts passed the half million dollar mark, amounting to $507,955.08, but outgo rose even higher, to a total of $514,687.41, producing the association's first deficit of $6,732.33. In 1920, the deficit rose to $76,825.21, even though receipts for that year amounted to $608,534.60. This rather large deficit indicated that the SPA was


21 "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . December 5, 1919," ibid., Box 70b; "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . November 30, 1920," ibid. The figures for 1919 and 1920 are approximations based on the incomplete financial reports for those years.
broadening and extending its activities and services even in the face of a recession in the lumber industry.

The decline in the lumber business was part of a general downturn which began as the postwar boom began to collapse in 1920, ending in a serious depression by 1921. Activity in the construction industry, upon which, of course, the lumber business was largely dependent, reached a temporary postwar peak in April, 1920, then started to decline rapidly, and by the end of the year had reached the low levels of the war itself. Not until 1922 did recovery begin, but the American economy thereupon entered a period of general expansion which had only mild interruptions before the Great Crash of 1929. For the southern pine industry these were, however, years of "profitless prosperity," and the Southern Pine Association, plagued by decreasing production among its members as the large mills cut out and were replaced by the "peckerwood" operators, found its financial situation precarious and many of its programs endangered at the very time the industry needed them most. In truth, the lumber industry generally was in trouble, for while a growth of sixty-four per cent occurred in the output of all manufactures between 1919 and 1929 according to the index of physical production of the National Bureau of Economic Research, the output of

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23Ibid., 107.

24According to George Soule, "wholesale prices reached their high point for the period in 1925 and then declined for the next two years. Though the decline was relatively moderate, the experience of an expansion of production while prices were falling was so unfamiliar that business spokesmen complained that this was a time of 'profitless prosperity.'" Ibid., 123.
forest products increased only twenty-seven per cent, despite the building boom of the twenties. This was partially due to increasing competition from substitute materials.\(^{25}\)

The Southern Pine Association maintained its subscription rate during 1921, but in the face of the economic slump attempted to curtail some of its operations and reduced the fee from twelve to ten cents per thousand feet on monthly shipments in the spring of 1922.\(^{26}\) While revenues from subscription fees declined during that year, the association was once again upon firm financial ground by the end of 1923. It then had a surplus of $66,295.65, a net gain of seventeen new subscribers, and a net production increase of one hundred and two million feet.\(^{27}\)

In 1924 the association maintained its subscription rate at ten cents, but ran directly into the financial problems posed by large firms cutting out.\(^{28}\) In March the SPA's board of directors heard a request from the powerful Long-Bell Lumber Company that firms approaching the end of their operations be granted a lower fee than those with a longer life expectancy.\(^{29}\) The board sent the matter to a committee and SPA

\(^{25}\text{Ibid.}, 146.\)

\(^{26}\text{"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . April 12, 1921," SPA Records, Box 70b; "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 29, 1922," ibid.}\)

\(^{27}\text{"A New Era: Official Report of the Ninth Annual Meeting of the Subscribers to the Southern Pine Association Held at Roosevelt Hotel, New Orleans, March 11 and 12, 1924," ibid., Box 85b, 32.}\)

\(^{28}\text{"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 12, 1924," ibid., Box 70b, 4.}\)

\(^{29}\text{"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 10, 1924," ibid., 9.}\)
officials consulted with the Long-Bell people. Finally in June the
association's board concluded that "in their firm conviction it would
be suicide to adopt the policy of reducing Association revenues . . . . 30
The matter dragged on throughout the rest of the year with the associa-
tion doing everything possible to conciliate the Long interests, who
had been a bulwark in the southern pine industry, but nevertheless not
budging from its refusal to make special concessions regarding fees.
The board of directors did, however, make a strong effort to convince
all subscribers that revenues from fees were being spent wisely and
that SPA expenses and activities were being curtailed wherever possible. 31

In 1925 the ten cent subscription fee was maintained, 32 and
looking back on the first decade of the association's existence,
Secretary-Manager H. C. Berckes could safely report that the organiza-
tion had become "a big business institution." Berckes noted that during
this period the expense of conducting the SPA's work had averaged
approximately one-half million dollars per year, with an upward trend
during the latter part of the decade. The secretary-manager reported
that the increasing expenditures were largely due to services performed
for non-subscribers, lumber distributors, and the general public, and
that the steadily increasing revenues from these special sources had
grown to constitute more than twenty-five per cent of the association's

30 "Minutes of a Meeting of the Southern Pine Association Board

31 Ibid., 3-4.

32 "Minutes of a Meeting of the Southern Pine Association Board
income. The special sources of revenue included the sale of advertising literature, the SPA's inspection service for non-subscribers, the sale of freight rate books, and rail and equipment department services for non-subscribers.

By the end of 1926, financial difficulties brought about by the cutting out of SPA subscribers had become a truly major problem for the organization. In a report to the board of directors, Secretary-Manager H. C. Berckes pointed out that during the last four-year period there had been a steady yearly decline in revenues from the regular ten cent assessment of approximately $25,000, or a total of $100,000 for the four-year period. Thus, as Berckes pointed out, if the association depended solely upon the ten cent fee in 1927, its income would be $100,000 less than four years previously. The Southern Pine Association had attempted to maintain its activities despite the falling revenue from regular fees by soliciting voluntary assessments for such crucial programs as grade-marking and research, and the board of directors of course realized that this sort of arrangement did not provide a particularly stable financial base for the association. Therefore, in the latter part of 1926 the SPA board instructed the secretary-manager to solicit the views of subscribers in regard to raising the subscription fees.


34 "A New Era," *ibid.*, 32.
In his report Berckes went on to show that during 1925 and 1926 the Southern Pine Association had incurred a total deficit of $68,603.36 which was overcome by dipping into the general surplus account and a special surplus account which was held in reserve to conduct the organization's legal battles with the government. Furthermore, in order to conduct an expanded advertising campaign the board had been forced to authorize the president and secretary-manager to borrow $50,000. In order to reduce the association's expenses, the combined salaries of the SPA's staff had been reduced from $104,000 in January, 1926, to $84,000 the following year. Offsetting these economies, however, during the first three months of 1927 there was a considerable shrinkage of the association's revenues below even the anticipated level. Due to mills cutting out, the SPA staff had expected a reduction in revenues of approximately $6,000 every three months, but during the months of December, January, and February the drop had actually been $15,879.36. Berckes predicted that, with the existing level of rates and the assistance of voluntary assessments, the year would at best end with a deficit of some $33,843.84, which the organization could not handle since it had already wiped out its surplus funds. Since the subscribers wanted to maintain the SPA's activities, in March of 1927 the board of directors incorporated the special fees which had been charged into the general subscription rate, raising the subscription fee to fifteen cents.

per thousand feet monthly for all subscribers. This action was confirmed by the subscribers in their annual meeting.  

The increase in the subscription fee did not solve all of the Southern Pine Association's financial problems. In April the board of directors and budget committee acted further to reduce expenditures, but the association was still forced by mid-summer to borrow additional funds to support an advertising campaign. The SPA's leaders also ran into some opposition from subscribers against the increased fees and defended their action mainly on the ground that in a time of crisis and change in the industry the organization's services were more badly needed than ever.  

The Southern Pine Association's financial difficulties did not diminish during the last two years of the 1920's. During 1927 the subscription fee was maintained at the fifteen-cent level, and the association continued to labor under the burden of removing the organization's deficit. By the end of the year, a deficit of $264.30 was turned into a surplus of $73,909.37, "through forced economies and work upon the part of the Budget Committee, all of which were effected without any curtailment of activities." Believing that the activities of the SPA


38For example see A. J. Peavy to H. L. White, June 9, 1927, ibid., Box 11b; and Peavy to S. M. Jones, June 10, 1927, ibid.

39"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . January 30, 1929," ibid., Box 70b.
should be expanded, in January the board directed that an increase in the subscription fee to twenty cents be presented to the subscribers at the annual meeting. The increase was not approved, and the association was again forced to tighten its belt, with drastic reductions totaling $117,730 being made that year. Thus the Southern Pine Association closed out a decade in which it had been repeatedly forced to juggle its budget and increase its fees in order to cope with the problem of decreased production from its membership. The experience in budgetary adjustment provided excellent training for dealing with the problems of the Great Depression.

The financial difficulties which had plagued the association during the post-war period and the 1920's were also felt in the area of advertising and trade promotion. Some subscribers felt that during times of industrial stringency advertising expenditures should be cut. Others believed that the industry's adversity could best be overcome by vigorous publicity and advertising campaigns. In addition, there were disagreements over the most effective forms of advertising and the best way to stimulate lumber consumption. Within the association, the longleaf and shortleaf producers continued to argue about the relative merits of their products. But transcending all of the internal difficulties and squabbles was the knowledge that the southern pine industry was truly in trouble. It was facing increasing competition

40 Ibid.

41 "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . June 26, 1929," Ibid.
from its West Coast competitors and from lumber substitutes such as steel and concrete. It was also struggling under the burden of a generally held belief that the South would not long be a reliable source of lumber and from unfavorable publicity resulting from the increasing entry into the market of poorly-manufactured, second-rate lumber from small "peckerwood" mills.

Despite these growing difficulties, the SPA started its post-war activities in advertising and trade promotion in auspicious company and circumstances. During the war, while building was restricted, the SPA accumulated funds for the expected post-war economic downturn and by the conclusion of the armistice had nearly $100,000 in its coffers for national advertising. In 1919 the association decided that the best way to stimulate lumber consumption was to inaugurate a campaign for home-building. This idea had several advantages. There was a housing shortage because of the lack of civilian construction during the war, it fit neatly into the association's efforts to encourage permanent settlement on southern cutover lands, and it would find a receptive market in returning servicemen. To ice the cake, the stimulation given the economy would help ease the absorption of the servicemen back into the civilian labor market.

The Southern Pine Association called its undertaking the "Build a Home First" campaign, and early in 1919 the organization was asked by the United States Department of Commerce to participate in a similar
national movement which became known as the "Build a Home" movement.\(^{42}\) The SPA's advertising techniques ran the gamut from the preparation of lantern slides and handouts for newspapers through the preparation of publications of various sorts and the placing of paid advertisements in both specialized journals and national magazines directed to a general readership. The SPA also made a strong effort to increase the effectiveness of southern pine salesmen and prepared exhibits for display at various public functions.\(^{43}\)

While the "Build a Home First" campaign was considered a success, the southern pine industry was still in trouble. Early in 1919, the SPA's committee on sales and distribution concluded "after reviewing all conditions, that manufacturers of substitute materials will make heavy inroads upon our markets." The committee made a long list of recommendations for meeting the challenge. These included the use of increased advertising, giving more attention to the needs of the industrial trade, intensifying efforts to penetrate foreign markets, and the introduction of "trade marked" lumber.\(^{44}\)

Southern pine lumbermen had, of course, long been interested in the exploitation of foreign markets, and as much as ten per cent of their


\(^{43}\) Rhodes, "Activities of the Southern Pine Association," SPA Records, Box 84b; Collier, \textit{The First Fifty Years of the Southern Pine Association, 69-71}.

\(^{44}\) "Report of Committee on Sales and Distribution of Southern Pine Association, February 24, 1919," SPA Records, Box 67a.
total production had gone outside the country. These markets had been disrupted by the war and were now threatened by competition from foreign lumber-producing nations with depressed labor conditions. The association had long been active in the export trade field. At the time of its organization, the board of directors created a subcommittee on export sales under its trade extension committee; and at the first annual meeting this subcommittee had recommended the organization of a southern pine exporting agency to coordinate its subscribers' foreign sales; but nothing was done at that time. However, in 1915, the committee had printed the association's grading rules in Spanish in order to facilitate the trade in South America and the Caribbean.

Believing that successful promotion of southern pine products abroad depended upon cooperation between many lumber manufacturers, the committee during 1916 and 1917 vigorously supported passage by Congress of the Webb Export Bill. The measure was finally passed in 1918 as the Webb-Pomerene Act. It stated that nothing in the Sherman Antitrust Act was to be construed as making "illegal an association engaged solely in such export trade," provided the association did not attempt to restrain competition or control prices within the United States. The law

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47 "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . April 2, 1917," ibid., Box 70b, 29.
further declared that the Clayton Act was not to be interpreted as for-
bidding the "acquisition or ownership by any corporation of the whole
or any part of the stock or other capital of any corporation organized
solely for the purpose of engaging in export trade . . . ."48

Following the passage of the Webb-Pomerene Act, the SPA's sub-
committee on export sales presented to the board of directors a plan
for a corporation to handle southern pine exports. The board created
a committee to formalize plans for this company and invited the North
Carolina Pine Association and the Georgia-Florida Sawmill Association
to participate in the deliberations.49

The company was not formed, but in its stead a number of southern
pine manufacturers acting individually organized an export marketing
agency called the American Pitch Pine Company.50 Failure to form a
single company was due to a number of factors. Many manufacturers pre-
ferred several small regional combinations rather than one large central
one, and there was still a traditional division between the concerns
east of the Mississippi River and those west of it. Thus, all twelve
member companies of the American Pitch Pine Company were located east
of the river. Finally, there was resentment over the fact that the
SPA's committee to deal with formation of the company had operated
secretly.51

48 United States Statutes at Large, XL, Part I, 317.

49 "Minutes of a Meeting of the Southern Pine Association Board
of Directors . . . November 23, 1918," SPA Records, Box 70b, 1, 2.

50 James Boyd, "Trade Promotion," ibid., Box 77a, 3, 4.

The association did, nevertheless, undertake constructive activities designed to increase southern pine sales abroad in the post-war period. After the war, the SPA sent a representative and an elaborate display to a trade exhibition in Paris and cooperated actively with the United States Department of Commerce's Bureau of Foreign and Domestic Commerce in sending four commissioners to Europe to study and assess the opportunities for American producers abroad. The SPA subscribed $10,000 to help meet the commissioners' expenses. The commissioners reported in 1919 that there were excellent possibilities in Europe for American producers, but that strong action was necessary since European states, like Norway, Sweden, and Finland, were themselves organizing to supply these markets. To help develop that market, the Southern Pine Association in August, 1919, created an export inspection department to inspect and grade lumber in conformity with European specifications. Its services were offered to all southern pine exporters. The association also attempted to familiarize Europeans more thoroughly with southern pine by placing publicity material in journals circulating among European importers. Illustrated articles on southern pine thus appeared in English, French, Spanish, Portuguese, Italian, and Greek publications. At the same time, the SPA did not neglect the South

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52Ibid.; Rhodes, "Activities of the Southern Pine Association," SPA Records, Box 84b; Southern Pine Association to Subscribers, November 27, 1918, ibid., Box 37a.

53"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . April 3, 1919," SPA Records, Box 67b, 6.
American and Caribbean markets.\textsuperscript{54} Trade promotion expenses for 1919, the first full year after the war, totaled $212,936.10.\textsuperscript{55}

Financial problems began to plague the SPA's advertising and trade promotional activities seriously in 1920, with the result that the operations of the trade extension department had to be curtailed.\textsuperscript{56} Expenditures for that year fell to $185,934.57.\textsuperscript{57} During 1920 the association did, however, continue to participate in successful efforts to preserve preferential railroad rates on lumber shipments intended for foreign markets.\textsuperscript{58} In addition, it advertised on a very limited scale in trade papers and the principal New Orleans newspapers, as well as in the \textit{Literary Digest} and \textit{Collier's}. The association's trade promotion department also furnished display and advertising materials to lumber dealers, but because of the financial stringency, was forced to begin charging for this service in April.\textsuperscript{59} In 1921, expenditures for trade promotional activities fell to $98,598.21, the lowest figure since

\textsuperscript{54} Rhodes, "Activities of the Southern Pine Association," \textit{ibid.}, Box 84b.

\textsuperscript{55} "Southern Pine Association Trade Promotion Expenses 1915-1946, Incl.," \textit{ibid.}, Box 12b.

\textsuperscript{56} King H. Pullen, "Trade Extension Activities of the Association," in "Lumber Liquidates," \textit{ibid.}, Box 85b.

\textsuperscript{57} "Southern Pine Association Trade Promotion Expenses 1915-1946, Incl.," \textit{ibid.}, Box 12b.

\textsuperscript{58} "Southern Organizations Minutes- 1/12/20 Memphis," \textit{ibid.}, Box 67a; "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 15, 1920," \textit{ibid.}, Box 70b.

\textsuperscript{59} "Lumber Liquidates," \textit{ibid.}, Box 85b, 86, 88-92. The SPA was actually able to support the trade promotion department's payroll for the year from these revenues.
the first year of the association's existence. Furthermore, growing pressure on southern pine markets from West Coast fir producers began to make itself felt dramatically in the administrative and advertising activities of the association, as well as in transportation as will be discussed later.

The contest between southern pine and fir was first evidenced in the competition to supply lumber for the construction of railroad cars and for the Atlantic seaboard trade. In July, 1922, the SPA board of directors appointed a special committee "for the purpose of investigating the extent to which fir lumber is displacing Southern Pine in [the] car material trade and the markets of the Atlantic seaboard." Despite this concern and the appointment of a man to work specifically for increased railroad consumption of southern pine, 1922 was not a good year in this field. At the end of the year, the SPA trade extension committee reported that, while the roads had purchased lumber for nearly 200,000 cars, only one-third was southern pine, the rest was fir. This was only about half of southern pine's normal share, which had been approximately fifty-four per cent during the preceding decade. The committee reported that the decline was probably due to the lower cost of fir and in some cases to the inability of southern pine mills to furnish needed materials. Hoping to counteract the trend, the association placed advertisements in railroad journals and published and distributed

60 "Southern Pine Association Trade Promotion Expenses 1915-1946, Incl.," ibid., Box 12b.

61 "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . July 7, 1922," ibid., Box 70b.
technical materials extolling and demonstrating the use of southern pine for railroad car construction.\textsuperscript{62}

Ironically, the southern piners definitely believed that they had a superior product and that they had scientific proof of it. It was a question as to whether or not it was ethical to publicize this information and thereby implicitly downgrade their competitors' product. As H. C. Berckes later recalled, "it is a rule of ethical advertising not to disparage the product of a competitor." However, Berckes continued, "this should not be taken to mean that reliable and comparative data necessary to consumer use should not be made available, so long as comparisons are not odious."\textsuperscript{63} The first major tests which seemed to indicate the superiority of southern pine over its competitors for certain structural uses were conducted by an association-employed consulting engineer, the New York City building authorities, the New York Lumber Trade Association, and Columbia University.\textsuperscript{64} However, the SPA's internal struggle over whether or not this material should be used continued, with the West Coast interests indignantly joining uninvited into the fray.

Southern Pine Association advertising efforts during 1923 and 1924 concentrated on home building and featured advertisements in

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\item \textsuperscript{62}"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . December 13, 1922," \textit{ibid}.
\item \textsuperscript{63}Berckes, "The Pitch in Pine," 135.
\item \textsuperscript{64}"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . July 7, 1922," \textit{SPA Records, Box 70b}; "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . December 13, 1922," \textit{ibid}.
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national magazines such as Saturday Evening Post, American Magazine, Cosmopolitan, Good Housekeeping, and others. However, expenditures were down from those of 1922 because of declining association revenues. The board of directors pointed to the reduction in advertising and trade promotion revenues as one means of quieting the discontent of subscribers who were going to cut out within a relatively short period of time. Most persistent in demands for reduction of expenses and adjustment of fees had been the powerful Robert A. Long's Long-Bell Company which was cutting out and gradually moving operations to the West Coast. Long, like some other prominent southern lumbermen, was caught in the position of having interests in both of the competitive sections, although the sheer magnitude of his move to the West Coast automatically made him one of the dominant figures of that region. However, according to H. C. Berckes, many of the people like Long who moved west remained at heart "strictly southern piners, they just didn't like the West Coast people . . . ." The feeling was undoubtedly reciprocated. Secretary Robert Allen of the West Coast Lumbermen's Association, for example, resented the fact that the Long-Bell people were already active in his organization and feared that it was being taken over and ruined by "outsiders." Allen eventually was replaced as head of the WCLA and absconded with

65 King H. Pullen, "Advertising Southern Pine," Southern Lumberman, (December 20, 1924), Reprint in SPA Records, Box 84b.


67 "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . June 26, 1924," ibid., Box 70b.

the association's reserve fund, leaving a note charging that the southern lumber interests, meaning primarily Long-Bell, had taken over the organization. 69

The Southern Pine Association's advertising expenditures were again reduced in 1925, but the SPA was suddenly shaken out of its lethargy in 1926 by a dramatic challenge from the West Coast and the knowledge that for the first time in the twentieth century southern pine's share of the national softwood lumber market had fallen below forty per cent. 70 In addition, the SPA remained greatly concerned over the persistent and "considerable amount of misapprehension . . . regarding the continued availability of Southern Pine. . . ." 71 Southern piners strongly believed that "the erroneous impression upon the part of dealers, specifiers and consumers that the supply of Southern Pine was fast disappearing and that they should switch to fir," was being fostered by the westerners who "encouraged this impression by the use of a slogan stating that the West was 'America's Permanent Lumber Supply;' thus aiding and abetting the effort to read Southern Pine out as a dependable source of supply." 72

69Ellis Lucia, Head Rig: Story of the West Coast Lumber Industry (Portland: Overland West Press, 1965), 150-52, 154. Lucia has written a colorful account of the construction and dedication of the Long-Bell center of operations at the newly-created model company city of Longview, Washington, which was billed as the "biggest sawmill in the world."


Of immediate importance in 1926, however, was the fact that the western lumbermen had organized a mass meeting of three to four hundred lumbermen in Seattle and voted unanimously to undertake a huge market extension campaign over a three-year period at a minimum expense of $500,000. The drive was spearheaded by John D. Tennant of Long-Bell. The Southern Pine Association responded promptly. The SPA adopted a two-cent per thousand board feet monthly voluntary fee to support trade extension work and authorized the secretary-manager and president to negotiate a $50,000 loan if needed to subsidize these activities. Much of the campaign was carried out through popular national magazines, emphasizing the idea that southern pine was the "supreme structural wood of the world," and featuring its use in the construction of a bridge across Lake Ponchartrain and in the concrete forms at Muscle Shoals. Association advertising expenditures during the year totaled $156,952.72, and because of reductions in overhead and staff, it was possible to conduct the advertising campaign without borrowing the authorized $50,000.

The Southern Pine Association's advertising activities in 1927 were dominated by three factors: the resolution of differences between

73Lucia, Head Rig, 149.

74 "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 22, 1926," SPA Records, Box 70b; "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . July 22, 1926," ibid.

75Collier, The First Fifty Years of the Southern Pine Association, 89.

76 "Southern Pine Association Trade Promotion Expenses 1915-1946, Incl.," SPA Records, Box 12b; "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . November 30, 1926," ibid., Box 70b.
southern longleaf and shortleaf producers, a strong surge of substitute materials which joined western fir as threats to the southern pine industry, and an advertising campaign predicated upon Miami's experience in a devastating 1926 hurricane. The longleaf and shortleaf people had long been bitter enemies, arguing about the varying merits of their respective woods, and the longleaf producers had gone so far as to organize the "Longleaf Yellow Pine Association" to promote their product.77 By 1927, however, the two groups were able to agree that the association would differentiate between shortleaf and longleaf in its advertising and literature.78

During the year the lumber industry generally under the leadership of the National Lumber Manufacturers' Association inaugurated a million-dollar trade extension campaign to counteract the growing incursions of substitute materials into traditional lumber markets. The program emphasized a broad range of activities including research, advertising, and publicity, as a result of which National Secretary-Manager Wilson Compton reported that "for the first time in a quarter-century lumber is measurably holding its own in competition,"79 Nevertheless, what the industry called the "new competition" was taking its toll.80 The Southern Pine Association's mid-summer meeting emphasized

78"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 21, 1927," SPA Records, Box 70b.
the competition of Celotex and other substitute materials, but also of
fir. It was reported that some leading southern pine consumers, notably
the Fisher Body Company, were switching to fir because of their inability
to obtain deliveries of good southern pine. At the same time, the indus­
try was losing its grip on formerly large southern pine markets in major
northern cities, such as Chicago, Detroit, and Kansas City.81

In 1927, the SPA inaugurated a dramatic campaign based upon ex­
periences with various types of construction and materials in Miami,
Florida, during a disastrous hurricane in 1926. The association's cam­
paign hit at the use of poor materials, faulty construction techniques,
and the superiority of well-manufactured southern pine over the substi­
tutes used in the construction of many Miami homes during the 1923-1926
Florida land boom. The SPA constructed a well-publicized model home
in Miami to demonstrate the correct materials and procedures to use in
residential construction in order to achieve strength and durability and
later sponsored ten additional models in cities east of the Rockies.82

The Southern Pine Association was not completely satisfied with
the idea of uniform campaigns in favor of all wood species, and it was
plagued with internal disagreements about the sort of approach to take
in advertising its own product. Despite its internal disagreements the
SPA made a significant trade promotion effort in 1927. It spent a total

81"Transcript of the Proceedings of the Mid-Summer Meeting of the

82Collier, The First Fifty Years of the Southern Pine Association,
91-92; R. B. White, "Benefits Accruing From Our Advertising," The Lumber
Trade Journal, (April 1, 1927), Reprint in SPA Records, Box 74b.
of $246,352.02 for that purpose compared with $156,952.72 the preceding year. 83

During the year, representatives of the Southern Pine Association and the West Coast manufacturers met to "discuss matters of common interest so that in advertising and trade extension both groups may work to the common interest of wood, and at the same time preserve to each Association the right to extend its efforts in a vigorous promotion of its individual wood." 84 The meetings revealed only the difficulties of cooperation between such highly competitive sections. The SPA secretary-manager charged that "they want to draw the inference and want other people to get the inference that Douglas Fir and Southern Pine are comparable. . . ." "The position I take is this," he continued, "we cannot allow that to go unanswered, if we want to get any more for our stuff than they get for theirs." 85

The southern piners felt they had irrefutable evidence that their products, both longleaf and shortleaf, were superior to the western species in the form of studies conducted by the Forest Products Laboratory which published its results in the Department of Agriculture's Bulletin 556, "Mechanical Properties of Wood Grown in the United States." This booklet showed southern pine to be superior to its competitors in strength, shock resistance, hardness, stiffness, and working stresses, and generally seemed to confirm the conclusions of the previously

83Ibid.

84"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . October 5, 1927," SPA Records, Box 70b.

mentioned SPA tests in New York City. The western interests objected to the use of the U. S. Forest Products Laboratory data in southern pine advertising, and urged that it be discontinued in the name of inter-regional harmony. The southerners countered that this data was in the best interest of consumers, and that the West had not been exactly honorable in its advertising which fostered the mistaken notion that the South would no longer be a reliable timber supplier. According to SPA Secretary-Manager H. C. Berckes:

The Western representatives in conferences so out-talked the Southern representatives that instructions were given to the staff by the President of the Southern Pine Association to desist in our efforts and to make no more claims on the West to abandon their slogan that it was America's Permanent Lumber Supply.

But, the matter had full hearing and discussion before the SPA Board of Directors and the staff of the Association was re-instructed to employ its former means of telling to the world the merits of Southern Pine, and let it be known Southern Pine was the Supreme Structural Wood of the World.87

The last two years of the 1920's were marked by continued disputes between longleaf and shortleaf producers and concern about competition from western producers. There was increased attention to the influx of western woods into Atlantic seaboard markets via the Panama Canal, and to the similar invasion of these markets by foreign producers. During this highly competitive period, the trade promotion expenses of the Southern Pine Association were $196,063.93 for 1928, and $221,802.19 in 1929.88

86"Trade Promotion and Advertising Meeting," The Lumber Trade Journal, (July 1, 1927), Reprint in SPA Records, Box 74b.


Southern piners also felt the growing West Coast competition in other markets besides the East. Of great concern was the loss of the market for oil derrick construction materials in the Southwest. While this was due in no small part to the introduction of steel derricks, it also resulted from the marketing of poorly-manufactured southern pine, a factor which also helped to account for the loss of southern pine markets elsewhere. The SPA bitterly protested plans of the National Lumber Manufacturers' Association to build a lumber derrick at the International Petroleum Exposition in 1929 using several different species of lumber, for it regarded this as an intrusion into a traditional southern pine field.

Southern pine's competition with western producers was just as heated in foreign as in domestic markets. Consequently, in addition to the various export associations organized by southern pine producers under the Webb-Pomerene Act, the SPA board decided in 1928 to designate $20,000 of its annual advertising budget to promote the use of southern pine in foreign countries. This partially met the demands of the long-leaf producers who were most influential in the organization of export


90 "Minutes of a Meeting of the Advertising and Trade Extension Committees of the Southern Pine Association . . . August 1, 1929," ibid., Box 70b.

91 "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 26, 1928," ibid.
associations and were very concerned about markets abroad, particularly in the Caribbean. 92

Besides its loss of markets to the western producers and substitutes, near the end of the decade southern pine was threatened by foreign lumber which began to appear in the Atlantic seaboard markets. This lumber came primarily from Russia, which had reasserted its position as a leading lumber-exporting nation. Its appearance in American markets prompted a strong movement within the Southern Pine Association to put the organization on record as favoring a tariff on imported softwood lumber. By the end of the decade, a special association committee was working to secure southern congressional support for such legislation. 93

To summarize the advertising and trade promotion situation after World War I and during the 1920's, the Southern Pine Association was under heavy attack from West Coast producers, substitute materials, and foreign lumber exporters. The industry was plagued by disputes between longleaf and shortleaf producers, budgetary problems brought on by decreasing production and hard times, a widely held belief that the supply of southern pine timber would soon be exhausted, and the widespread appearance of poorly manufactured and misrepresented southern pine lumber coming primarily from the "peckerwood" and non-SPA mills.


93 H. C. Berckes to Judge Wm. S. Bennet, September 26, 1929, ibid., Box 37a; J. S. Farish to Berckes, November 23, 1929, ibid., Box 27a; "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . December 11, 1929," ibid., Box 70b; Unaddressed circular from C. C. Sheppard intended for Southern Pine Association subscribers, December 19, 1929, ibid., Box 37a.
During the 1920's the Southern Pine Association took tremendous strides toward initiating improved manufacturing standards and grade-marking. As was mentioned earlier, the SPA established an inspection department and adopted grading rules at the time of its organization. In the pre-war days, there were some efforts to perfect and inaugurate a grade-marking program which were impeded by internal differences between longleaf and shortleaf producers and technical difficulties. Activities in this area were interrupted by the nation's entrance into World War I. During the war, SPA grading and inspection activities were confined to furnishing inspectors for lumber going into ship and cantonment construction. At the war's end, the Emergency Fleet Corporation was left with large stocks of surplus lumber at various shipyards in the East and South which it decided to sell. The Southern Pine Association furnished inspectors to tally and grade this lumber. By 1920 the association's standard specifications for southern pine lumber were recognized by virtually all American manufacturers and retailers, and they constituted the basis for the grades according to which most southern pine produced in this country was sold. However, while additional branding or grade-marking machinery was tested following the war, prior to 1920 no suitable method of marking lumber was discovered. By the beginning of the 1920's, however, the Southern Pine Association was embarking on new endeavors which would be of great

94 James Boyd, "On the Firing Line in the Inspection Department," *ibid.*, Box 77a, 3.
95 "Lumber Liquidates," *ibid.*, Box 85b, 22.
significance in the area of grading and grade-marking. During 1920 and 1921, the SPA joined in discussions concerning national standardization sponsored by the National Lumber Manufacturer's Association. In order to meet consumer needs in this most important matter, the Southern Pine Association consulted special groups, such as silo manufacturers, railroad car builders, agricultural implement companies, and sash and door firms, in order to determine their requirements and establish grades which would meet their needs. In these activities, consultation with retail dealers also played an important part. 96

The activities in 1920 and 1921 were only the rumblings of events which would absorb much of the Southern Pine Association's attention during the remainder of the decade. The industry was compelled to do something about grading and grade-marking because of its concern, like that of all lumber manufacturers, over the competition of lumber substitutes; the production of much poorly manufactured southern pine; its growing realization that if the lumber producers themselves did not put their house in order the federal government would do it for them; and the emergence of strong personalities who spearheaded the drives toward national lumber standards and consumer protection.

One of the industry's most important leaders in the movement for the proper grading of lumber was southern pine manufacturer Edward Hines of Chicago. Hines was a legendary figure of the early twentieth century lumber industry. He was constantly traveling around the country personally managing his vast interests in timberlands, mills, and wholesaling

96 Ibid., 168; J. E. Rhodes, "What the Southern Pine Association Has Done for the Industry and the Public," address before the sixth annual meeting, Southern Pine Association, April 5-6, 1921, ibid., Box 84b.
operations. A short, quick, little man with an aristocratic demeanor, he was tough-minded, imperious, and demanding. Hines detested the chaotic conditions in the industry and wanted immediate action to correct them. In the matter of grade-marking in the southern pine industry, it was he who prodded the SPA board of directors into action.\footnote{Interview with H. C. Berckes, January 24, 1968.}

The war and its aftermath had wrought havoc in the lumber industry's producing and marketing customs. Widespread were such practices as delivering lumber that failed to meet specifications as to dimensions and grades as well as quantities. At first these practices were mainly limited to a few smaller operators, but the intense competition and hard times that came by the early 1920's caused them to become more common among mills in financial difficulty, unethical wholesalers, and shady distributors and builders.\footnote{Berckes, "The Pitch in Pine," 98.}

Hines was deeply concerned about the situation and early in 1922 warned members of the SPA's grading committee that through these practices and the "insidious propaganda" of competitors, the integrity of the association's lumber grades was being attacked. As a result the SPA board was influenced to take up the problem.\footnote{"Minutes of the Meeting of the Grading Committee of the Southern Pine Association . . . February 11, 1922," SPA Records, Box 67b.} On the eve of the association's annual meeting, the board discussed "the tendency which has become manifest during the past year to disregard the standard of grades for Southern Pine lumber as established by the association, and the extent to which such grades are being misrepresented and substituted." It reported to the association that:
the integrity of these grades and the good name of the Southern Pine industry can be safeguarded and protected if subscribers will adopt the practice of grade-marking their lumber and guaranteeing the quality thereof; ... [and] recommended that subscribers place in each car of lumber loaded by them a record of the contents covering both the grade and tally, and that the subscribers assembled at the seventh annual convention of the Association be invited to indicate whether or not they will be willing to adopt these recommendations.\textsuperscript{100}

The annual meeting itself was organized around the theme "Protection for Buyers of Pine." Edward Hines, speaking on "Protecting the Public against Deception in Lumber Grades and Tally," strongly advocated grade-marking and standardization.\textsuperscript{101} Manufacturers at the meeting rallied behind Hines and Secretary-Manager Rhodes and endorsed a special committee's recommendations of grade-marking and the placing of a tally card in each car of lumber loaded. The secretary-manager was instructed to poll the entire membership in regard to their willingness to grade-mark, with the recommendation that when fifty per cent of them agreed to do so, the directors could "authorize the issuance of a list of such mills in such a manner as may seem best showing the number assigned to each mill and to furnish such list to all buyers of lumber."\textsuperscript{102} The association's action was a pioneering step in the industry, for which it was praised by the \textit{Southern Lumberman}.\textsuperscript{103} Despite this initial step,

\textsuperscript{100}"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 27, 1922," \textit{ibid.}, Box 70b.


\textsuperscript{102}"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 27, 1922," SPA Records, Box 70b.

\textsuperscript{103}The \textit{Southern Lumberman} said that "too much cannot be said in commendation of the Southern Pine Association for the action taken . . . with reference to grade-marking . . . the spirit of fair dealing is so pronounced among the subscribers that no apprehension is felt regarding
there were still internal squabbles over grade-marking and the mechanical difficulties which had to be solved.\textsuperscript{104}

Southern Pine Association activities in grade-marking and standardization were not developing in a vacuum. Important events were transpiring at Washington where Secretary of Commerce Herbert Hoover was embarking upon measures to promote standardization and efficiency in business and protection to consumers, with the cooperation of trade associations.\textsuperscript{105} Hoover echoed the warnings of Edward Hines that if the industry failed to take measures to correct the chaotic conditions, the government would step in to end many of the nefarious practices. The Secretary of Commerce appealed for grading and inspection under the auspices of the lumber trade associations, with the ominous remark that "if you think it wiser . . . we could probably secure the enactment of a 'pure food law' in all building materials. I would rather see the trades themselves establish their own standards."\textsuperscript{106}

\textsuperscript{104}"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 29, 1922," SPA Records, Box 70b.


The industry had actually been holding conferences for some time in an attempt to work toward the adoption of recognized national lumber standards. Conferences for this purpose had been held in April, 1919, September, 1920, October, 1921, and January, 1922, but it was not until the National Lumber Manufacturer's Association and other organizations of producers, distributors, and consumers sought the assistance of Secretary Hoover that the movement began to gain momentum. In working toward the institution and enforcement of national manufacturing standards, the associations believed that they were striking dangerously close to the federal antitrust statutes, and they felt more comfortable when Hoover came to their support.107

Under pressure from the government and the unattractive conditions in the industry, the lumbermen gathered in Chicago in April, 1922, behind the leadership of the National Lumber Manufacturer's Association in the first American Lumber Congress. The Congress was a gathering of representatives of associations of retailers and wholesalers as well as the producers' associations, and it approved the principle of grade-marking, which was also endorsed by the NLMA's directors and a number of wholesalers' and retailers' conventions.108 The Southern Pine Association sent representatives to the Congress, but their instructions indicated that the SPA was wary about the heralded cooperation between sections. The SPA board authorized its delegation to "commit the Southern Pine Association to the approval of such standards of sizes as may be recommended to the said Congress for universal adoption, provided that


108 Hidy, Hill, and Nevins, Timber and Men, 366.
representatives of all associations participating in the said Congress are vested with like authority."109 The SPA persistently felt that the western representatives came to the meetings without adequate authorization to commit their organizations to the decisions reached. As H. C. Berckes later recalled, the West Coast representatives "would come to a meeting on standards ... instructed as to what they [the standards] should contain and if not walk out." On the other hand, said Berckes, the Southern Pine Association gave its representatives "permission to do whatever they could ... and usually it worked out all right."110

While this view may be somewhat biased, it nevertheless appears that the West Coast Lumbermen's Association was having trouble resolving internal disagreements over grading, and this may have contributed to its reluctance to vest much authority in delegates sent to national lumber standards conferences. Furthermore, the WCLA during the early twenties lacked the strong professional leadership the SPA enjoyed under Secretary-Manager J. E. Rhodes and his successor H. C. Berckes.111 However, there was good reason for the WCLA's caution at the national conferences, for the southerners and westerners had very real differences over grading standards which could seriously affect the financial structure of the industry.

After questions of terminology were dealt with, the basic difference between the sections was over the matter of standard sizes, and

109 "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 27, 1922," SPA Records, Box 70b.

110 Interview with H. C. Berckes, January 24, 1968.

111 Lucia, Head Rig, 148-49.
particularly what thickness a one-inch board should be when properly
dressed on two sides. This matter, which Secretary of Commerce Hoover
later referred to as "the battle of the thirty-second," was the crux
of the problem. There were other differences, but they could be re-
solved if this central question could be amicably settled. At the time
of the conferences there were two accepted dressed thicknesses for one-
inch lumber in the United States—thirteen-sixteenths of an inch for
lumber produced by eastern and southern producers and sold in eastern
and southern markets, and three-fourths or twelve-sixteenths of an inch
for lumber produced in the West.

The question of thicknesses had many ramifications. First, con-
sumers obviously preferred thicker lumber. They desired as much wood
as possible in the board they specified or used, and in this they were
backed by wholesalers, distributors, and the Forest Products Laboratory.
The reasoning of the manufacturer was obviously different. The thicker
the board the heavier, and the heavier the board the more expensive the
transportation charges to get it to market.\footnote{Berckes, "The Pitch in Pine," 104-105.}
The western manufactur-
ers wanted the thinner standard in order to save on transportation
charges, but they were also concerned because they shipped their lum-
ber green, rather than running it through dry kilns, and since lumber
shrinks, they wanted leeway in the sizes to allow for the uncertain
amount of shrinkage that a trip across the continent might entail.\footnote{Interviews with H. C. Berckes, January 24, February 10, 1968; Lucia, \textit{Head Rig}, 112.}
Finally, the smaller standard enabled a sawmill to cut its rough boards

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thinner, and thus get more footage out of its timber. When all of these factors are combined, the difficulties of compromise between the two sections are understandable.114

The first truly significant national meeting on lumber standards was the National Standardization Conference in Washington, D. C., in May, 1922. The conference attracted some 110 representatives of various organizations, including the Southern Pine Association, under the auspices of the Division of Simplified Practice of the National Bureau of Standards. While the conference discussed simplification of grades, standardization of sizes, guarantees to consumers, and adequate inspection services, the most important result of the meeting was the appointment of sub-committees to formulate the necessary standards in sizes and grades of lumber and the methods of interpreting and enforcing them.115

A second general conference in Chicago in July, 1922, created a Central Committee on Lumber Standards, comprising representatives of lumber manufacturers, wholesalers' and retailers' associations, the railway associations, the Association of Wood Using Industries, and the American Institute of Architects. The Central Committee in turn appointed a consulting committee on lumber standards which was an advisory body of technical experts from each of the large organizations represented at the conference. The consulting committee was to work out the


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technical aspects of standardization. The Southern Pine Association was represented on the Central Committee by John Henry Kirby, and on the consulting committee by C. C. Sheppard, SPA Chief Inspector J. E. Jones, and J. E. Rhodes (later H. C. Berckes).^{116}

As the Southern Pine Association entered 1923, there was much activity both at the regional and national levels in regard to grade-marking and standardization. The SPA's annual meeting heard Secretary-Manager Rhodes report that seventy-two per cent of the subscribers had indicated their willingness to grade-mark when satisfactory mechanical devices were developed, and Rhodes and Chairman C. C. Sheppard of the grade-marking committee noted that tests of one such machine were currently underway in several mills.^{117} The subscribers at the annual meeting were also addressed by William A. Durgin, chief of the Bureau of Simplified Practice of the Department of Commerce, who was attending a number of lumbermen's meetings in order to emphasize Secretary Hoover's desire for the industry to regulate itself.^{118} Durgin emphasized the benefits to the industry and the nation of standardization and grade-marking, and closed with an admonition from Secretary Hoover that "your industry can hardly go too far or act too quickly in establishing the honesty of purpose and sense of national responsibility, which I know

^{116}Ibid.


^{118}Hidy, Hill, and Nevins, Timber And Man, 366.
animate the great majority of its leaders. Your joint action in the matters at hand will do much to demonstrate this purpose. . . ."\(^{119}\)

H. C. Berckes later noted that the southern piners saw the "mailed fist in the velvet glove" in Hoover's remarks, but throughout all the proceedings in the standardization movement Hoover was "patient, very patient and understanding."\(^{120}\) The southern piners, at least from their point of view, were also trying to be patient and conciliatory, and in the fight over sizes determined that they would be willing to compromise between the 24/32 one-inch boards manufactured by the western producers and the 26/32 size prevalent in the East, and thus agreed to a compromise at 25/32 "if by doing so harmony can be brought about."\(^{121}\)

The Central Committee met in Chicago again in June, 1923, a meeting which resulted in the formulation of definite American Lumber Standards. These standards were adopted at another Chicago meeting of the Central Committee on October 31, and were then submitted to the Department of Commerce with a recommendation that the Secretary of Commerce convene a conference to take final action upon them. Secretary of Commerce Hoover called a general conference of all interested groups in Washington on December 11 and 13, with about a hundred associations representing manufacturers, wholesalers, retailers, consumers, architects, and contractors sending delegations. Among the SPA delegates

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\(^{120}\) Berckes, "The Pitch in Pine," 103-104.

\(^{121}\) "Report of Grading Committee on National Standardization Program, January 16, 1924," SPA Records, Box 37a. According to H. C. Berckes
were John Henry Kirby, W. T. Murray, C. C. Sheppard, Edward Hines, A. L. Clark, O. O. Axley, and H. C. Berckes. The conference adopted the new American Lumber Standards, which were promulgated by the Department of Commerce. However, adoption of the American Lumber Standards did not mean that the squabbling was over. Agreement on the basis of the 25/32 compromise had been reached only through the intervention of Secretary Hoover himself, and there were still significant rumblings in some sectors of the lumber industry over the settlement.

In accordance with the usual practice of the National Bureau of Standards, preliminary acceptance of the American Lumber Standards did not mean the subject was entirely settled. The delegates at the conferences could still be overruled by their parent bodies, and the simplified practice recommendations and standardization decisions of the 1923 lumber conferences were subject to continual revision and review by the Central Committee on Lumber Standards and subsequent general conferences. Various revisions of this sort were, in fact, undertaken periodically during the remainder of the 1920's.

Both the westerners and southerners apparently soon had some second thoughts about the agreement reached in December, 1923. The southern piners would actually have preferred to maintain the twenty-six thirty-seconds size. Berckes, "The Pitch in Pine," 106-107.

122 "Report of Grading Committee on National Standardization Program, January 16, 1924," SPA Records, Box 37a.


124 James F. McNeil, "Results and Benefits of Applying Simplified Practice to (Softwood) Lumber," SPA Records, Box 39a.
Southern Pine Association's annual meeting in the spring of 1924 featured reports on the progress of the American Lumber Standards, many of which seemed to be dedicated to removing the "misconception on the part of some of our subscribers and lumbermen generally as to this whole proposition." Chairman W. T. Murray presented the grading committee's report and noted that "a good many folks seemed to have the notion at first that Secretary Hoover called us on the carpet and told us to do something, that we must do, in the matter of simplification and standardization," and he reminded the subscribers that "you know that is not exactly true." Secretary-Manager Wilson Compton of the National Lumber Manufacturer's Association also went to great lengths to refute the "uninformed and incorrect statement . . . sometimes made, in the South and elsewhere, that the present movement for national lumber standards is an undertaking initiated by the Government and involving a measure of Government interference with the business affairs of the lumber industry." Despite the obvious misgivings and distrust of some members, the Southern Pine Association's board of directors approved the grading committee's report on the standardization movement, and instructed the secretary-manager to submit the matter to the semi-annual meeting of subscribers in Memphis on June 27. Reiterating their decision made at the annual meeting in March, they unanimously approved the actions taken. Thus when the American Lumber Standards officially went

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126 Wilson Compton, "National Problems," in "A New Era," ibid., 50-51. Compton read the correspondence with Herbert Hoover that had brought the Secretary of Commerce into the proceedings.

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into effect on July 1, 1924, they had the approval of the SPA's grading committee, the board of directors, and the subscribers.\textsuperscript{127}

The West Coast Lumbermen's Association had also pledged itself to support the American Lumber Standards, but the westerners seemed far more dissatisfied with the decisions made, and particularly with the results of the "battle of the thirty-second." The president of the WCLA actually feared for the organization's life due to threats by dissatisfied firms to pull out rather than accept the decisions reached at the eastern conferences. Finally, after heated conferences and disputes, WCLA subscribers agreed that their association's new grading rules would be published in accordance with the American Lumber Standards.\textsuperscript{128}

While the negotiations over national standards were proceeding during 1924, the Southern Pine Association was also very much involved with the problem of grade-marking within its own region. As has been shown, for many years the association had been experimenting with various types of marking devices and appeared to be on the verge of finding a satisfactory one. At the annual meeting in the spring, SPA subscribers heard the results of the experiments, and approved the institution of grade-marking on a voluntary basis under the auspices of the association, which would lease machines for the purpose.\textsuperscript{129} Thus the Southern Pine

\textsuperscript{127} "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 10, 1924," \textit{ibid.}, Box 70b; Collier, \textit{The First Fifty Years of the Southern Pine Association}, 83-84.

\textsuperscript{128} Lucia, \textit{Head Rig}, 114-16.

\textsuperscript{129} "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 10, 1924," SPA Records, Box 70b; C. C. Sheppard, "How to Make Grade-Marking Effective," in "A New Era," \textit{ibid.}, Box 85b, 141-42, 146-49.
Association became the first organization of lumber manufacturers officially to adopt grade-marking.\footnote{Collier, \textit{The First Fifty Years of the Southern Pine Association}, 83.}

However, some elements in the association were still not convinced of the efficacy of machine marking. There was dissatisfaction over the fact that the SPA was merely leasing the machines from the inventor and manufacturer, and there was disappointment because the entire process was moving so slowly. Once again peppy little Edward Hines stepped in to bring about quicker action. As H. C. Berckes later recalled, "we were playing around with it, trying to get a machine to do it, and Edward Hines came in with a whole table full of invoices. . . ." The invoices demonstrated some of the fraudulent practices prevalent in the industry. As Hines placed them before the board of directors he thundered "this is something you can't play with." As a result, "they immediately decided to go ahead with the grade-marking by using a rubber stamp . . . and Mr. Farwell with the Lutcher-Moore said that if you'll do that I'll have the rubber stamps, and I'll try it out in my mill, and that's how grade-marking started."\footnote{Interview with H. C. Berckes, January 24, 1968. The SPA board of directors' report on their decision was somewhat more circumspect. See "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . November 6, 1924," SPA Records, Box 70b. For the Lutcher and Moore Company's account of their pioneering efforts in grade-marking see Hamilton Pratt Easton, "The History Of The Texas Lumbering Industry" (Unpublished Ph.D. dissertation, University of Texas, 1947), 396-97. According to H. C. Berckes some operators also had opposed the machine-marking because of expense since they were close to cutting out, and in addition the longleaf producers were reluctant to mark their product with a grade that would also appear on shortleaf of the same grade. For another account of these proceedings see Berckes, "The Pitch in Pine," 124-27.}
As in the case of the National Lumber Standards, the mere fact that SPA grade-marking was started did not signify that the battle was over. In fact, during 1925 and 1926, the struggle both to get acceptance and compliance with American Lumber Standards and to persuade SPA subscribers to grade-mark continued. Both the Southern Pine Association's board of directors and subscribers attending the annual meeting in March, 1925, adopted a resolution endorsing grade-marking and recommending that all subscribers begin to grade-mark immediately. They also voted for a three-cent per thousand feet assessment for six months or less beginning March 1 to introduce and advertise grade-marked lumber to the consuming public.  

By the middle of 1926, however, many SPA subscribers were still not grade-marking, and others who claimed to be continued to sell unmarked lumber upon request. Several subscribers told of losing customers to firms which continued to fall in and out of the grade-marking camp, and a mid-year trade extension meeting reached its most explosive point when Edward Hines accused the non-markers of cowardice and dishonesty.  

On the following day, at Hines' insistence, the SPA board of directors pledged themselves individually to grade-mark their products one hundred per cent, and they appointed committees of directors and

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other important subscribers in each SPA state to try to influence non-markers to come into the fold. The quality of grade-marking was also an area of concern, and the SPA subscribers were bluntly informed by their advertising counsel at the 1925 mid-summer meeting that he had seen some grade-marked lumber in various cities that was "not any credit to you." The major criticism was not the reliability of the grades, but carelessness in applying the marks.

Despite its members' reluctance to grade-mark their products, the Southern Pine Association had an excellent inspection program. In the 1920's, the association maintained an experienced staff of about thirty lumber inspectors. SPA inspectors were constantly in the field, and an official inspection was made at each mill every thirty days. On the basis of this visit the mill received a report indicating the amount inspected and the accuracy of its graders. Besides their inspection function, the SPA inspectors were to act as instructors for graders at the individual mills and were to assist the mill managers in bringing their plants into conformity with the American Lumber Standards. On the basis of its own studies, the Southern Pine Association concluded that its inspection service was of great value to both the industry and public.

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134 "Minutes of a Meeting of the Southern Pine Association Board of Directors. . . July 22, 1926," ibid., Box 70b; "Transcript of the Proceedings of the Meeting of the Southern Pine Association . . . July the 22nd, 1926 . . . .," ibid., Box 68b.


136 Berckes, "A Decade of Service," ibid., Box 85b, 16.

137 ibid., 17-18.
New subscribers coming into the SPA generally showed a great deal of improvement in the reliability of their grades as a result of the help and criticism of association inspectors.\(^{138}\)

The SPA continued its efforts to improve the quality and extend the use of grade-marking. In June, 1925, it offered a prize of $1000 "for the best ideas submitted to the Association for mechanical and other means of grade-marking lumber."\(^{139}\) The following year, it decided to publish pamphlets and paid advertisements listing those mills in the association which were grade-marking. The organization estimated at this time that seventy-two per cent of its production was grade-marked.\(^{140}\) It also tried to persuade railroads, industrial users, and government agencies to specify grade-marked lumber in their orders.\(^{141}\)

While the Southern Pine Association was attempting to push grade-marking in its own region, it was also moving toward full implementation of the American Lumber Standards in its grading rules. In June, 1925, the SPA grading committee revised the grading rules in accordance with the national standards, and this action was ratified by the board and subscribers the same month, making the Southern Pine Association the

\(^{138}\text{Ibid., 18-19.}\)

\(^{139}\text{"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . June 16, 1925," ibid., Box 70b.}\)

\(^{140}\text{"Proceedings of Eleventh Annual Meeting of the Subscribers to the Southern Pine Association," ibid., Box 73b, 85-87.}\)

\(^{141}\text{"Minutes of a Meeting of the Southern Pine Association Board of Directors . . . November 30, 1926," ibid., Box 70b.}\)
first association to revise its rules in conformity with the American Lumber Standards.142

The association looked toward the concluding national conferences on standardization which were scheduled to culminate in a final meeting in Washington during April, 1926, with some trepidation. The southerners were not at all convinced that other sections were entering the meetings in good faith or were carrying out the decisions of the conferences. On the eve of the Washington conference, SPA Secretary-Manager H. C. Berckes received a letter from one of his most influential subscribers complaining that many manufacturers and dealers were not supporting standardization. "I have heard a great many of the southern pine manufacturers express a great deal of dissatisfaction with the result of the Standardization Program," he wrote. "The members of the Southern Pine Association," he continued, "seem to be the only people who are in any way living up to the Standardization work, and even a great many southern pine manufacturers are not whole-heartedly supporting the movement." The lumberman concluded that the North Carolina pine manufacturers and the retailers were abandoning standardization work, and that "the Western people, although not admitting they are doing so, are doing a great deal to make the standardization work ineffective by manufacturing . . . sub-standard items and shipping them into Southern Pine territory." Berckes' correspondent warned that "those Southern Pine manufactures who have been wholeheartedly supporting the Standardization

Program and refusing to do business on anything except standard sizes and grades are becoming dissatisfied, because they feel that the net result will be a final loss of business to them."\(^{143}\)

The SPA subscribers' concern was shared by those who were representing the association in the standardization work. Probably much of the difficulty caused by West Coast lumbermen at the conferences stemmed from the serious split in their own ranks over the issue of standardization between those who shipped their lumber green and those who dried it. SPA Secretary-Manager H. C. Berckes became convinced that part of the problem rested in the way in which the two sections negotiated at the conferences. The SPA, reflecting more unanimity in its own ranks, sent delegations which were empowered to negotiate in good faith and to make decisions on the spot without constantly calling back to their parent organizations for instructions. As Berckes said, "they could vote in the manner of a representative democracy. Their vote might be overridden when they got home—which did not happen—but they could agree in conference and bring home the unanimous recommendation thereof."\(^{144}\)

According to the SPA secretary-manager, the westerners' procedure was exactly reversed. "A policy of the West Coast manufacturers, as well as a few smaller groups," said Berckes, "was to instruct their representatives to hew to certain demands from which they could not deviate, nor bargain for compromise. When a majority decision went against them they had to go home, report failure." Berckes recalled that "there was no

\(^{143}\)Eli Wiener to H. C. Berckes, April 8, 1926, Kurth Papers, Box 816 (Forest History Collections, Stephen F. Austin State College Library, Nacogdoches, Texas).

attempt to get approval of the accepted action of the Conference," and he noted that "new representatives were sent and their education on past matters had to be repeated, time lost and if they went home empty handed the process went on again and again." "This was a handicap to the entire movement and to the West Coast manufacturers themselves," said Berckes.

Despite the misgivings and mutual distrust of the southern and western lumbermen, the 1926 Chicago and Washington standardization conferences resulted in modification and at least temporary acceptance of the American Lumber Standards by both sides. The major crisis in national standardization had been passed for the moment, although there would be continued revisions and acrimony between sections. With this hurdle cleared the lumbermen could return to their respective territories and work on their own problems. For the southern piners in the last years of the 1920's this meant continued debates over grade-marking, enlargement of the SPA's inspection activities, and the development of a movement to write moisture-content provisions into the association's grading rules.

During 1927, the association established the patterns which were to characterize grade-marking and standardization activities during the remainder of the 1920's. Early in the year, despite continued arguments and recriminations, the SPA board foreshadowed the action of subscribers in the annual meeting by reaffirming its advocacy of grade-marking, and called on all subscribers to adopt this practice. The first steps

145 Ibid., 107-108.

146 "Minutes of a Meeting of the Southern Pine Association Board of Directors . . . March 23, 1927," SPA Records, Box 70b. The SPA estimated in 1927 that sixty-seven per cent of the total production of the
were also taken toward a further refinement in the grading rules when, upon the urging of several subscribers, the SPA board created a special committee to study the question of moisture content in lumber. The first concrete results of this project were to come the following year. Finally, in order to enforce and popularize the association's grading activities, in 1927 the SPA established inspection offices in Detroit and Chicago in addition to one already existing in New York City.

By placing inspectors in these areas, the Southern Pine Association faced the danger that one of them could be persuaded to submit false reports on claim inspections which could cost SPA subscribers a good deal of money. The inspectors, who generally came from small saw-mill town backgrounds in the South, might be overwhelmed by the pleasures of the northern cities and become vulnerable to the bribes or blandishments of unscrupulous lumber purchasers. For this reason, the Southern Pine Association's northern claims inspectors, like those in the South, were frequently transferred from location to location. As Secretary-Manager H. C. Berckes later recalled, "when the whole value of the cargo was depending on that man's word, you had to make sure that that man lived in a way that was comfortable to him, and yet not subject

association was grade-marked. See C. C. Sheppard, "The Status of Grade Marking," The Lumber Trade Journal, (April 1, 1927), 35. Reprint in SPA Records, Box 74b.

147"Minutes of a Joint Meeting of the Board of Directors and the Budget Committee of the Southern Pine Association . . . April 27, 1927," SPA Records, Box 70b.

to any pressure from the other people who are always willing to give favors.149

In 1928 the question of moisture content dominated grading and standardization matters both within the Southern Pine Association and at the national level. Secretary of Commerce Hoover called a General Conference of Lumber Producers, Distributors, and Consumers in May, and a move to write moisture content provisions into the American Lumber Standards was one of the main topics of conversation. For one rare moment there was apparently peace and goodwill between southern and western producers. Former Chief Forester William B. Greeley, newly employed as secretary-manager of the West Coast Lumbermen's Association, agreed with the idea of moisture content provisions, but called for more time to study the matter at the mill level and determine what would be a reasonable requirement which producers could not only support in good faith but fulfill. C. C. Sheppard, representing the Southern Pine Association, seconded Greeley's motion, which was accepted.150

The SPA's grading committee and board of directors discussed the moisture content provisions suggested for the American Lumber Standards

149 Interview with H. C. Berckes, August 10, 1968.

150 "Hearing Before the General Conference of Lumber Producers, Distributors, and Consumers, May 3, 1928," SPA Records, Box 37a, 41, 44-45, 47-48. Because of their past experiences and contact during the spring of 1928 with Colonel Greeley, the southern piners looked forward to a better working relationship with the West Coast producers. Although the very real differences between the sections remained, the SPA felt that it had "made a step in advance, when the West Coast people employed Col. Greeley . . . Mr. Greeley is broad-minded and understands the whole situation, and when we have our conferences with him we are going further and getting on a better basis." "Minutes of the Meeting of Subscribers of the Southern Pine Association . . . June 20 and 21, 1928," ibid., Box 68b.
at the time of the association's mid-summer meeting. The board concluded that SPA subscribers were currently shipping their lumber well within the recommended limitations and ordered a thorough survey of conditions in the southern pine field in order to come up with concrete recommendations concerning maximum moisture content for each grade and item of stock produced by southern pine manufacturers. In accordance with these instructions, Secretary-Manager Berckes conferred with officials of the Forest Products Laboratory, who agreed to undertake a study of moisture content and drying practices at Southern Pine Association mills. Representative mills, east and west of the Mississippi River, large and small, longleaf and shortleaf, were studied by Karl W. Loughborough of the Forest Products Laboratory with the assistance of five Southern Pine Association official mill inspectors.012

After the FPL study was completed, numerous meetings were held between Forest Products Laboratory representatives and the subscribers and staff of the Southern Pine Association. At the annual meeting in March, 1929, the grading committee discussed the survey and battled for five hours over a definition of dry lumber before writing moisture content provisions into the Southern Pine Association's grading rules. Grading Committee Chairman W. T. Murray said he considered this the most important matter he had faced in over thirty years of grading committee

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work in various associations. Both the SPA's board of directors and its subscribers ratified the grading committee's action, thus taking another pioneering step forward and providing a fitting capstone to the grade-marking and standardization activities of the Southern Pine Association during the 1920's.\footnote{153}

\footnote{153}``Proceedings of Meeting of Grading Committee . . . March 25, 1929, Mr. W. T. Murray, Chairman, Presiding,'' \textit{ibid.}, Box 67b; ``Murray on Relation of Grades to Markets,'' \textit{The Lumber Trade Journal}, (April 1, 1929), 28. Reprint in SPA Records, Box 74b. Collier, \textit{The First Fifty Years of the Southern Pine Association}, 95.
THE ORIGINS AND DEVELOPMENT OF THE
SOUTHERN PINE ASSOCIATION, 1883-1954

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M.A., Louisiana State University, 1963
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The protection of its subscribers' interests in dealing with transportation companies was always one of the Southern Pine Association's major activities. During the 1920's, this concern involved the association in continuing efforts to protect its subscribers' markets from recurrent incursions of western lumber and to guarantee that southern producers obtained sufficient railroad cars to transport their products. During the course of the decade, the association was forced to make a fundamental change in transportation policy in the hope of preserving traditional southern pine markets. Because of the increasing competition between sections and the corresponding importance of traffic matters, the SPA's traffic department grew from one man to seven by the latter part of the 1920's.\footnote{The Lumber Trade Journal, XCI (April 1, 1927), 36.}

The Southern Pine Association's transportation committee and department entered the post-war period in auspicious fashion by beginning in 1918 a successful battle against a measure which would have facilitated the movement of western lumber into the Middle West which traditionally had been a southern pine market but which had become an

\footnote{The Lumber Trade Journal, XCI (April 1, 1927), 36.}
area of intense competition between the sections. This market area included the states of Colorado, Nebraska, Kansas, Missouri, Illinois, and Indiana. The battle was over a proposal by the United States Railroad Administration to institute a new rate schedule on lumber shipments to distant markets. The proposed rate schedule was known as Transcontinental Tariff 32-A, and its purpose was the promotion of transcontinental rail traffic. The adoption of this proposed tariff would have been relatively more advantageous to producers in the Pacific Northwest than those in the South in extending their marketing areas. Furthermore, the carriers' loss of revenue resulting from these long haul rate reductions was to be made up by increases in short haul rates, which would have cost southern pine shippers an additional $500,000 annually in freight charges. The Southern Pine Association vigorously and successfully opposed the promulgation of Tariff 32-A. Because of the strong opposition not only of the SPA, but also of the National Lumber Manufacturers' Association and most of its affiliated regional organizations, the Railroad Administration decided to drop the proposal in 1919. This notable triumph coincided with the SPA's equally significant victory in the reclassification case mentioned in an earlier chapter.


In 1920 a special category of freight rates claimed the attention of the Southern Pine Association's transportation committee. In order to stimulate the American export trade, the Railroad Administration after World War I reduced freight rates on lumber shipments to seaports. But early in 1920 the Railroad Administration, reversing its earlier action, cancelled these preferential rates on lumber shipped from mills east of the Mississippi River to southern ports and indicated that it was contemplating similar action for those west of the river. Even though this was a matter affecting, in the beginning at least, only part of its subscribers, the Southern Pine Association decided to represent southern pine producers in the Southeast before the Interstate Commerce Commission in opposing the cancellation and to use its best efforts to forestall the cancellation of the preferential rates for producers west of the Mississippi. It succeeded in both of these endeavors.  

The Southern Pine Association's strong efforts to maintain its own rates and preserve the existing rate relationships between southern and western producers dominated the early 1920's in the transportation field. There were no attempts to resist or protest rate reductions from other producing sections as long as the existing relationships were maintained through corresponding southern reductions. However, as the decade developed, it became obvious that the railroads were far more attentive to the needs of the western industry than the southern pine

4"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 15, 1920," ibid., Box 70b.
region which was regarded as being in the last stages of its existence as a major producing area. Southern railroads did not seem fully to realize the remaining potential of the southern forests and the possibility that the southern pine region could continue to produce on a permanent basis, and they appeared blithely unaware of the growing threat of truck transportation to their virtual monopoly of the southern lumber carrying trade.5

Even during the 1920's not all SPA subscribers supported the association's efforts to maintain existing rate relationships between southern and western producers. Those operators who had interests in the West believed strongly that the old SPA policy of non-resistance to rate changes should be continued. It was only after lengthy discussions and much recrimination between those subscribers with western interests and "a band of 'National-minded' individuals" and those with purely southern interests that the Southern Pine Association and its transportation committee secured the right to work vigorously for the preservation of southern pine markets.6

Although seeking to protect its subscribers' interests with respect to freight rates as compared with those of fir producers, the SPA hoped to maintain amicable relationships with the National Lumber Manufacturer's Association, West Coast producers, and the railroads. A prominent subscriber advised the association's staff that its efforts


6Ibid., 48.
in this area should be undertaken "not with the idea of fighting the railroads, but with an idea of convincing them that their interests and ours are identical." The SPA's board thus declared that it would be "unalterably opposed to any advance in freight carrying charges on lumber which will alter or disturb the differentials now existing between the rates on Southern Yellow Pine and those other competing woods and building materials." It authorized the transportation committee in fighting to maintain those relationships "to take such steps with the carriers or the Interstate Commerce Commission as the Committee may deem necessary. . . ."  

Having taken the position that it was more effective to work with the railroads than against them, the SPA attempted to settle all matters in dispute, such as rate adjustments and car supply, through conferences with the roads and their agents rather than by going immediately to the Interstate Commerce Commission for redress. By the middle 1920's, the SPA's traffic manager was convinced that this method of operation was succeeding and that the railroads were taking a more cooperative attitude in attempting to find workable solutions. That they should

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7 Harry T. Kendall to J. E. Rhodes, November 24, 1922, SPA Records, Box 9a.

8 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 15, 1920," ibid., Box 70b.

9 "Lumber Liquidates: Official Report of the Sixth Annual Meeting of the Subscribers to the Southern Pine Association Held at Grunewald Hotel, New Orleans, April 5, 6, 1921," ibid., Box 85b, 152.

10 Southern Pine Association to The Transportation Committee, March 24, 1921, ibid., Box 67a; A. G. T. Moore, "The Quick Turn-Over and Right Price of Transportation," in "A New Era; Official Report of the Ninth Annual Meeting of the Subscribers to the Southern Pine
do so was understandable, for an important part of the southern carriers' cargo was lumber, amounting on one major southern road to nearly sixteen per cent of annual freight revenues.\textsuperscript{11}

The railroads sought to remove the complaints of the SPA by increasing their efficiency in car handling, improving their facilities for carrying heavy traffic, establishing district offices of the American Railway Association throughout the country staffed to handle regional problems, and organizing regional advisory boards composed of shippers.\textsuperscript{12} The Southern Pine Association and its subscribers were heavily represented on these boards, with A. G. T. Moore, the SPA traffic manager, serving as chairman of one of the organizations and director of another. The southern piners were quite pleased with the performance of the carriers and the advisory boards, and therefore withdrew their plans to go to the Federal Government for redress.\textsuperscript{13}

As the SPA entered the second half of the 1920's general policies for the association's transportation activities were spelled out and redefined. In order that the transportation committee and traffic

\textsuperscript{11}C. H. Markham, "Transportation Today and Tomorrow," in "A Decade of Service; Official Report of the Tenth Annual Meeting of the Subscribers to the Southern Pine Association, Held at Roosevelt Hotel, New Orleans, March 24 and 25, 1925," SPA Records, Box 85b, 42-43. Markham was president of the Illinois Central Railroad.

\textsuperscript{12}Moore, "The Quick Turn-Over and Right Price of Transportation," in "A New Era," \textit{ibid.}, 95-96.

\textsuperscript{13}R. H. Aishton, "The American Ways," in "A New Era," \textit{ibid.}, 77-78; "Proceedings of the Fifth Meeting of the Southeast Shippers'
department could take concerted action in behalf of all subscribers, the transportation committee defined the proper rate relationships between producers east and west of the Mississippi River to their various marketing areas and pledged itself to maintain these relationships. The committee agreed not to oppose rate reductions from either producing section, but after the reduced rates were published it would work for the restoration of the proper relationship.  

With this internal matter decided, the Southern Pine Association moved toward fundamental re-evaluation of its position in regard to the freight rate situation in other producing regions. In the face of increasing penetration of middle western and eastern markets by the West Coast producers, the SPA's board of directors in 1926 accepted the transportation committee's recommendation that the association, if necessary, should "oppose before the carriers, or rate regulatory agencies, reductions in rates or ask cancellation of lower competitive rates than are enjoyed by Southern Pine which will operate unequally or unjustly against the Southern Pine Industry." The SPA deviated somewhat from this policy in 1927 when the board resolved that while the transportation committee and traffic department should work to preserve

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Regional Advisory Board, American Railway Association Car Service Division . . . March 19, 1924," ibid., Box 67a; E. A. Frost, "Report of Transportation Committee," in "A Decade of Service," ibid., Box 85b, 199.


southern pine's position in freight relationships, they should not oppose reductions from other sections "unless discrimination be alleged."\(^\text{16}\)

However, by the end of the decade the association remained sufficiently alarmed by the increasing competition that the board of directors decided unanimously that the SPA could no longer continue its old policy of permitting freight rate reductions from competing lumber producing territories without protest. The board instructed the association to oppose competitors' applications for rate reductions into southern pine marketing territories, and the SPA closed out the decade by successfully resisting certain rate reductions from the Pacific Coast into Central Freight Association territory in the Midwest.\(^\text{17}\)

Southern Pine Association efforts in transportation had been designed to assist subscribers in their competition with West Coast producers and substitute materials. Its activities in accounting and statistics were undertaken for the same reasons, but they involved the SPA in heated battles during the 1920's with yet another interested party—the Federal Government. As has been shown, a major activity of trade associations has always been the gathering and dissemination of accurate information about their industries, and these activities have often skirted very close to the limits set by antitrust statutes. Often the activities of the associations have not changed, while the attitudes


of government have. This was basically the situation encountered by
the Southern Pine Association in the decade after World War I.

During World War I, the Council of National Defense and the War
Industries Board relied heavily on trade associations like the Southern
Pine Association operating through various industry committees to
mobilize their industries for war. It seemed that the associations had
every reason to look forward to a friendly relationship with the govern­
ment which had utilized their cooperative efforts and statistical
services during the period of crisis. In the postwar period the trade
associations in the first flush of their new respect and popularity
began to expand their activities, and in the lumber industry some organi­
zations were emphasizing statistical activities built around the open-
competition theories of Arthur Jerome Eddy. The United States Government
and the Federal Trade Commission had not issued a clear statement con­
cerning the plan's legality, but statements by government officials and
the experience of the war seemed to give every indication that they
would be approved and possibly even encouraged.

18 R. C. Fraunberger, "Lumber Trade Associations, Their Economic
and Social Significance" (Unpublished M. A. thesis, Temple University,
1951), 15-16; Louis Galambos, Competition & Cooperation: The Emergence
of a National Trade Association (Baltimore: The Johns Hopkins Press,
1966), 66-67; Minita Westcott, "History of Trade Associations," American
Trade Association Executives Journal, VIII (April, 1956), 35;
James W. Silver, "The Hardwood Producers Come of Age," The Journal of
Southern History, XXIII (November, 1957), 438. Hereinafter cited as JSH.

19 Galambos, Competition & Cooperation, 80-81; Silver, "Hardwood
In the Southern Pine Association there was also continued emphasis on statistical information, but the earlier legal experiences of southern pine producers centering around their statistical activities were vividly remembered. The southern piners, whom it will be recalled had considered the open-competition scheme during the last days of the Yellow Pine Manufacturers' Association, were still chastened by their experience in the Missouri Ouster Suit and did not openly take the position of a Hardwood Manufacturers Association spokesman who volunteered the information to the Federal Trade Commission that price stabilization was one of the objectives of his organization, and that "this can be attained by hardwood manufacturers keeping thoroughly informed about prices at actual sales, stocks on hand, and other data."^{20} Nevertheless, in addition to its older "Weekly Barometer," the SPA in 1918 added a "Monthly Barometer," which indicated stocks on hand; a "Monthly Statistical Statement," which supplied data on production, shipments, stocks, and unfilled orders; a "Monthly Statement of Costs," the title of which is self-explanatory; and, perhaps most significantly, a "Sales Report," which gave prices at which lumber had been recently sold and thus represented an up-to-date reflection of market conditions. These publications were distributed to association subscribers, trade papers, and other interested news media, and provided the statistical information required by the open-competition system.^{21}

^{20}Silver, "Hardwood Producers Come of Age," JSH, XXIII (November, 1957), 436.

By 1919, however, the Federal Government was beginning to take a closer look at the statistical activities of trade associations, and particularly those openly practicing the "open-competition" or "open-price" plan. The Wilson Administration was concerned about the rising cost of living, and the President reported to Congress that "there is reason to believe that the prices of leather, of coal, of lumber, and of textiles have been materially affected by forms of concert and co-operation among the producers and marketers." Some segments of the lumber industry were troubled. A major lumber journal pointed out that "the unbiased, unembellished fact must be taken into consideration, that the lumber industry must deal with the public—and the public cannot be damned." H. C. Berckes later recalled that "in 1919 the government began harassing the industry . . . ."

The "harassment" Berckes referred to originated in September, 1919, in a request by the United States Attorney-General for the Federal Trade Commission to continue and bring up-to-date the investigation of the lumber industry begun prior to World War I under the Department of Commerce's Bureau of Corporations. The FTC resolved on November 17 to conduct the investigation, and as part of this study on November 26 the Commission's examiner requested access to the files and records of the Southern Pine Association. After the formal written demand was made to Secretary-Manager J. E. Rhodes as custodian of the SPA's records, he submitted the minutes of board of directors' meetings and the printed

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23 Ibid., 438-39.
reports of the annual meetings since the organization's incorporation to the FTC's examiners, and stated that he wanted to submit the matter to his board of directors before producing additional records. Southern Pine Association Chief Counsel John H. Lucas conferred with Rhodes and the Federal Trade Commission examiners and recommended to the association board that the examiners be allowed access to all SPA records. The Southern Pine Association's board of directors fully endorsed Rhodes' conduct of the matter and Lucas' recommendations. Former Missouri Attorney-General Louis C. Boyle was by this time the national lumber industry's leading attorney, and he endorsed the SPA board's position, stating that he believed the Federal Trade Commission intended to conduct a thorough and fair investigation and that he felt the Southern Pine Association could expect justice from the Commission.

Nevertheless, when the SPA was asked by a United States Senate subcommittee which was investigating the Federal Trade Commission to evaluate the FTC's conduct in examining the association, Secretary-Manager Rhodes replied that, while the attitude of the examiners seemed fair, there was no way to predict the outcome of their report since "there is reason to believe that the examiners proceeded in the erroneous assumption that the association was endeavoring to conceal something from them. This was unjust, unfair and untrue."  

25 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . December 5, 1919," SPA Records, Box 70b, 2-5.  
The first results of the Federal Trade Commission's investigations came in February, 1920, when the Department of Justice applied for a preliminary injunction against the American Hardwood Manufacturers Association and its members who had been actively involved in "open-price" activities. The accused were charged with "combining and conspiring together to suppress competition among themselves, and to enhance their selling prices . . . in restraint of interstate commerce." The entire lumber fraternity was shocked by this action. The case against the hardwood producers directly affected many southern piners who also produced hardwoods, and, of course, also posed an indirect threat to the activities of the Southern Pine Association.

On March 16, 1920, a temporary injunction was granted by Judge John E. McCall of the Federal District Court of West Tennessee, who condemned the "open-competition" plan as an illegal restraint of trade. Now firms and individuals in lumbering and other industries became truly concerned as the Justice Department threatened to take legal action against statistical activities, and Attorney-General A. Mitchell Palmer warned members of similar organizations to withdraw. In October, the producers appealed their case to the Supreme Court, expecting a decision early in 1921.

Southern Pine Association subscribers gathered for their annual meeting immediately on the heels of the issuance of the injunction

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29 Galambos, Competition & Cooperation, 82; Silver, "Hardwood Producers Come of Age," JSH, XXIII (November, 1957), 443-44.
against the hardwood manufacturers, where they heard SPA Chief Counsel John H. Lucas state that he could see nothing in the case which would apply to their organization. Yet the Federal Trade Commission's agents had been actively at work in the records of the Southern Pine Association and its subscribers for weeks. According to H. C. Berckes, they seemed to be looking for evidence to support a preconceived view of the situation, rather than using an inductive approach. Berckes recalled that "they were lifting a letter here and a document there that might fit their fanciful plan of an industry conspiring to violate the anti-trust laws."³¹

Out of this approach and the examiners' eager search came a curious and rather amusing incident in which the government agents thought they uncovered the means by which the association in cooperation with the trade papers attempted to control prices within the industry. The examiners discovered a circular notice of a sales managers' meeting called by Harry T. Kendall of the Kirby Lumber Company, which contained an ominous postscript reading "Bring your onlooker." The agents reasoned that the "onlooker" must be an agent of the trade papers who would cryptically convey the decisions reached to the industry. SPA Secretary-Manager Rhodes was puzzled until Kendall explained that he had dictated the postscript "bring your own liquor" to his summons to his fellow lumbermen, and his secretary had mistakenly transcribed her notes. H. C. Berckes remembered that since all of this transpired during prohibition, "the Agents were chagrined more than satisfied with the explanation. They asked for no more."³²

³²Ibid., 89-90.
The Southern Pine Association's optimism at the 1920 annual meeting proved to be little more than whistling in the dark. By the time of the following year's session, the Federal Trade Commission investigations had resulted in an injunction suit by the United States Government versus the SPA and other defendants, including forty-eight subscribing Southern Pine Association corporations, seven other lumber-producing corporations, sixty-one individuals, and six trade newspapers to stop the exchange of information which could contribute to price-fixing. The suit was filed in the Federal District Court of the Eastern District of Missouri charging violations of the Sherman Antitrust Act. The SPA board of directors immediately authorized Chief Counsel Lucas to employ as many associates as necessary to prepare the association's case, and formed a committee to cooperate with the lawyers, including Stanley Horn, editor of the Southern Lumberman, who was to represent the trade papers charged in the suit.33

At the annual meeting in April, SPA subscribers heard association President A. L. Clark testify that "neither your Directors, nor any one, at any meeting or at any other time or place, have ever in my presence or to my knowledge, discussed, connived or planned any agreement or movement to control or affect prices, production, running time, or curtailment, nor have I ever had knowledge of any such by anybody else, or for anybody else."34 Chief Counsel Lucas also delivered a lengthy address reviewing the history of the association, attacking the agents and "those who assume to represent the Government that belongs to you

33"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 1, 1921," SPA Records, Box 70b.

34A. L. Clark, "The Tide Has Turned," in "Lumber Liquidates," ibid; Box 85b, 7.
and to me," and reiterating his belief that the SPA and its subscribers were innocent of any wrongdoing. Lucas' speech was frequently interrupted with applause, and his final suggestion that the SPA re-elect its current officers as a demonstration that it had nothing to be ashamed of or to hide was greeted with a standing ovation.\textsuperscript{35} The subscribers accepted Lucas' suggestion and re-elected their directors with instructions to continue the existing officers in their positions, and voted a special assessment of three cents per thousand feet on their lumber shipments for the remainder of 1921 to meet the legal expenses of fighting the government suit.\textsuperscript{36} Chief Counsel Lucas proceeded to employ four additional lawyers, including former United States Senator Joseph W. Bailey of Dallas, Texas, to assist him in preparing the case.\textsuperscript{37}

An ironic and probably not accidental factor in the Southern Pine Association injunction suit was the fact that it was filed before Federal Judge Charles B. Faris who had rendered the decision in the Missouri Ouster Case against the Yellow Pine Manufacturers' Association. The Southern Pine Association and Judge Lucas believed, probably correctly, that the suit purposely had been brought before Judge Faris because of his unfavorable decision in the earlier case. However,

\textsuperscript{35}John H. Lucas, "The Contention of the Government," in "Lumber Liquidates," \textit{ibid.}, 29-34. John H. Kirby also delivered a strong address at the meeting, urging that the association actively pursue the case in the federal courts as a means of clearing the industry of all of the unjust charges which had been leveled at it down through the years.

\textsuperscript{36}"Lumber Liquidates," \textit{ibid.}, 173, 175.

\textsuperscript{37}"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . April 4, 1921," \textit{ibid.}, Box 70b.
Judge Faris refused to accept jurisdiction in the case; and it was transferred to the United States Court for the District of Kansas City. 38

In June special agents of the Department of Justice requested permission to examine the association's records from the date the Federal Trade Commission's investigation was concluded in February, 1920, and the SPA board of directors agreed. The board also approved the payment of $12,500 to former Senator Joseph W. Bailey for his legal services, with an additional $12,500 to come if the action had to be appealed to the United States Supreme Court. At this time, in the early part of the summer, the association did not expect that its case would be heard until after the decision in the hardwood producers' case, which was set for reargument before the U. S. Supreme Court in October. 39

The rehearing of the hardwood case took place on schedule in October, and on December 19, 1921, with Justices Brandeis, McKenna, and Holmes dissenting, the Supreme Court confirmed the verdict of the lower court that the statistical activities and "open competition" plan of the American Hardwood Manufacturers Association constituted a combination in

38Ibid. Faris actually disqualified himself because of an affidavit of prejudice against him which was filed by some of the defendants. See William J. Donovan to Vernon W. Van Fleet, November 14, 1925, reproduced in U. S. Congress, Senate, Open-Price Trade Associations, 70th Cong., 2d Sess., Senate Doc. 226 (Washington: Government Printing Office, 1929), 318-19.

39"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . June 14, 1921," SPA Records, Box 70b. The size of Bailey's fee indicates the importance the SPA placed upon the injunction case, and the faith it had in Bailey's abilities and/or contacts in political circles. At the time Chief Counsel Lucas was on an annual $5,000 retainer and requested no additional salary for his services in connection with the injunction suit. "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . April 4, 1921," ibid.
restraint of interstate commerce. The decision was attacked by Justice Brandeis as an encouragement of amalgamation in business, and by Justice Holmes as a violation of free speech. It was denounced by almost all the law journals.40

Secretary-Manager J. E. Rhodes quickly pointed out to his staff that the decision did not directly affect the Southern Pine Association injunction suit because the cases were not similar. Rhodes said that if after study it became apparent that the scope of the decision was as broad as some newspapers indicated, it might be necessary to amend the Sherman Antitrust Act, so that businessmen could legally pursue their necessary activities. The secretary-manager was careful to note that "the Southern Pine Association has never conducted any work similar to the Open Competition Plan now enjoined, nor has it issued price lists, or undertaken to advise its subscribers concerning prices to be asked." Rhodes conceded that "the Association has compiled statistics of production, orders, and shipments, and stocks on hand similar to statistical publications of nearly 4,000 trade organizations in the United States."41 Rhodes advised his subordinates that the association intended to continue its regular work "until our attorneys have conferred with Attorney-General Daugherty, and decided to either ask him to go ahead with the suit, or agree to discontinue some of our statistics."42

Attorney-General Harry Daugherty was delighted with the decision against the hardwood manufacturers, observing that "the ostensible

41Untitled, undated typewritten statement in SPA Records, Box 106.
42J. E. Rhodes to W. E. Gardner, December 23, 1921, ibid.
object [of their association] was competition, but the real object was the exact opposite. At this time, however, an open split over the question of trade associations was beginning to appear within the ranks of the new Harding Administration's cabinet. In April, the President had recommended legislation to curtail the activities of trade associations on the basis of information that the Federal Trade Commission attributed "the failure to adjust consumers' costs to basic production costs to the exchange of information by 'open price associations,' which operate, evidently, within the law, to the very great advantage of their members and equal disadvantage to the consuming public." At the same time, Secretary of Commerce Hoover was taking the position that "our trade associations must be encouraged and supported if America is to hold her own."

At the very time when the Southern Pine Association was operating under the threat of its own injunction suit and the hardwood manufacturers were reaching the end of theirs, the Secretary of Commerce was holding conferences in Washington with representatives of the lumber industry "for the purpose of working out some plan whereby statistics and information concerning production, stock, consumption, etc., in the lumber industry, could be gathered and made available to the public." On the eve of the decision in the hardwood case, Hoover addressed a trade association and stated his belief "that the trade

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43 Silver, "Hardwood Producers Come of Age," JSH, XXIII (November, 1957), 450.

44 Ibid., 446-47.

45 Southern Pine Association to Subscribers, June 24, 1921, Kurth Papers, Box 605 (Forest History Collections, Stephen F. Austin State College Library, Nacogdoches, Texas).
associations have been unduly criticised, and that they do contain in
them a tremendous possibility, and, in fact, the only avenue that I can
see by which the Government can get into contact with the trades in the
mutual advancement of some of our most fundamental interests . . . ."46

The following year, Hoover began to press for some sort of
rapprochement with Attorney-General Daugherty, hoping to soften the
administration's antitrust position. Early in February, 1922, the
Secretary of Commerce inaugurated a formal correspondence with Daugherty
attempting to get a firm statement from the Attorney-General in regard
to the legality of a number of trade association activities including
the gathering and dissemination of statistics. Daugherty refused to
commit himself absolutely on any questions posed by the Secretary of
Commerce, noting that "it is impossible to determine in advance just
what the effect of a plan when put into actual operation may be. This
is especially true with reference to trade associations, whose members
are vitally interested in advancing or, as they term it, stabilizing
prices, and who through the medium of the associations are brought into
personal contact with each other." Daugherty concluded that the
expression of the view that the things enumerated by you, with the
exceptions stated, may be done lawfully is only tentative. . . ."47
The Attorney-General did not even agree that statistical activities
conducted through the Department of Commerce were legal until 1923.48

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46 "Extract from Speech by Secretary Hoover Before Synthetic
Organic Chemical Manufacturers' Association, October 28, 1921," in
"Federal Court Approves Collection and Distribution of Trade Information,"
Undated pamphlet published by the Southern Pine Association, SPA Records,
Box 84b, 11.

47 The correspondence between Hoover and Daugherty was printed by
The Chamber of Commerce of the United States. There are copies in the
SPA Records, Box 106.

48 Galambos, Competition & Cooperation, 93-94.
Nevertheless, the lumber industry chose to put a favorable light on Daugherty's letters to Hoover. Secretary-Manager Wilson Compton of the National Lumber Manufacturers' Association expressed his belief that trade associations could lawfully gather from individual subscribers detailed information on production, orders, shipments, stocks, and prices, but that this information could not be given to the public or distributed to the members, although general information based on compilations and averages of the same materials could be published. Southern Pine Association Secretary-Manager J. E. Rhodes informed his subscribers that "the Attorney-General, strongly emphasizing the value of trade associations, . . . declared that the collection and dissemination of statistical information is not in itself a violation of the law." Southern Pine Association Secretary-Manager J. E. Rhodes informed his subscribers that "the Attorney-General, strongly emphasizing the value of trade associations, . . . declared that the collection and dissemination of statistical information is not in itself a violation of the law." Meanwhile, the Southern Pine Association continued its friendly relationship with Secretary of Commerce Hoover, kept close tabs on its own injunction suit, and rather than curtailing its program, began seriously to consider expanding its statistical facilities! In March, 1922, the board of directors authorized the creation of a committee to go to Washington at Secretary Hoover's invitation to consider methods by which the Department of Commerce could distribute statistical reports compiled by trade associations. That same month, Chief Counsel


51"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 27, 1922," ibid., Box 70b.
Lucas met with Assistant Attorney-General J. A. Fowler, who was in charge of the Southern Pine Association's case, and on the basis of the discussion, predicted to the SPA's annual meeting that the case would be dismissed, and recommended that the SPA not discontinue any of its activities. In fact, later in the year, Lucas advised that it would be legal for the Southern Pine Association to expand its statistical exchanges in the South, and at the end of the year the SPA board authorized the preparation of a plan for doing so. In December, Judge Lucas reported to the association's board that the Assistant Attorney-General had suggested that the SPA submit proposals for the issuance of a decree which would satisfactorily dispose of its case, and that the organization's attorneys were engaged in preparing them.

As the discussions and negotiations concerning the Southern Pine Association's injunction suit continued, the SPA entered the middle years of the 1920's fully cognizant of the government's activities on other fronts. In 1923 the United States Supreme Court rendered a decision in the American Linseed Oil Company case that followed closely that of the hardwood case. As in the earlier case, the Southern Pine Association again concluded that there was very little in its activities


53 J. E. Rhodes to Harry T. Kendall, November 29, 1922, ibid., Box 9a; "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . December 13, 1922," ibid., Box 70b.


that would be affected by the Linseed Oil case.\textsuperscript{56} The following year brought conferences between the Southern Pine Association's lawyers and the Department of Justice on the possibility of a consent decree which would be acceptable to both parties as a means of disposing of the injunction suit. The association could find nothing in its activities which it considered illegal and which it was willing to discontinue and so both parties agreed that a trial would be necessary.\textsuperscript{57}

In 1925 the legal climate changed considerably both in the Department of Justice and the Supreme Court. Attorney-General Harry M. Daugherty had been replaced at the Department of Justice by Harlan Fiske Stone, whose appointment was lauded before the SPA's mid-summer meeting as evidence that "the Government is getting better and better all this time."\textsuperscript{58} The Supreme Court also showed a change of disposition in its decisions in the Maple Flooring and First Cement cases in June. The decisions drastically changed the government's position on the "open-price" schemes. In both cases the Court ruled that the statistical activities of trade associations were not in themselves unreasonable restraints on interstate commerce. This meant that programs contributing to stability and uniformity of prices were not necessarily

\textsuperscript{56}"Activities of Southern Pine Association Compared With Those of American Linseed Oil Co., et al. Through Armstrong Bureau of Related Industries as Outlined in Decision of U. S. Supreme Court," Typewritten report in SPA Records, Box 106.

\textsuperscript{57}"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 10, 1924," \textit{ibid.}, Box 70b; "Report of Chief Counsel," in "A New Era," \textit{ibid.}, Box 85b, 38-39.

\textsuperscript{58}"Proceedings of a Meeting of the Southern Pine Association . . . June 16, 1925," \textit{ibid.}, Box 68b, 13.
Illegal—a position closely akin to that long expounded by Secretary of Commerce Hoover. In the wake of the decisions the Justice Department joined Hoover in allowing trade associations more latitude.59

The Southern Pine Association was encouraged by the Supreme Court's decisions, and former Senator Joseph W. Bailey told the SPA's mid-summer meeting that in light of the decision in the Maple Flooring case the Department of Justice would be wise to drop its case against the association.60 This was exactly what the Department of Justice did the following year, conceding that its charges were unwarranted.61

Ironically, Judge John H. Lucas died on the eve of the final dismissal, and Senator Joseph W. Bailey praised his associate's activities as SPA counsel, conceding that while the Southern Pine Association as an organization had been innocent of the charges leveled by the Justice Department, there had nevertheless been some activities by individual association members "that might have been fairly subject to criticism." Bailey praised Lucas' accomplishments in keeping the SPA isolated from these activities of its subscribers.62


Former SPA Secretary-Manager H. C. Berckes later wrote that in the process of the negotiations between the association and the government in connection with the case "there were other conferences of a confidential and classified character that are not reported. Therefore, it is not possible to tell the whole story of the suit and its abatement." Whatever the complete ramifications of the story, the Southern Pine Association was out of the legal woods for the rest of the decade. Despite a brief investigation of its records by a Federal Trade Commission examiner in 1927, the association could look confidently toward the refinement of its statistical activities as it approached the end of the decade, particularly with a proven friend of trade associations residing in the White House.

The decade following World War I which had seen so many developments in various areas of the Southern Pine Association's work, also brought significant changes in the organization's personnel and the scope of its activities. In a sense, the World War I years constituted the last great fling of the giants and individualists who had developed the southern pine industry and organized the Southern Pine Association. They included John Henry Kirby, R. A. Long, Charles S. Keith, Edward Hines, W. H. Sullivan, and their chosen spokesmen and confidants Judge John H. Lucas and J. E. Rhodes. These men and their industry reached a production peak during the war years, and they

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achieved a sort of symbolic recognition of their maturity and power with the appointment of John Henry Kirby as Lumber Administrator during the war and the designation of the Southern Pine Association as the agency through which the Federal Government would channel its lumber needs.

These men in a real sense were the southern pine industry during what might be called its pioneering period. Several, like Kirby, remained very active and influential in the industry during the 1920's. Some passed from the scene in conjunction with the migration of large producers to the West Coast, while others were removed from leadership positions by old age, infirmities, or death. In their place emerged new leaders in both the industry and the association. The new age that was dawning might be called the age of the managers. The lines were not perfectly defined, but during the 1920's men who were not themselves the principal owners of the properties they directed moved into positions of prominence.

The most important change in the Southern Pine Association's internal administrative leadership came in 1923 when Secretary-Manager J. E. Rhodes, who had done so much to shape and direct the early activities of the association, died. During his eight-year tenure, Rhodes did as much as any man to shape the character of the organization and apparently never lost the good will or respect of the industry or SPA subscribers. He gave the Southern Pine Association efficient, constructive, and dedicated leadership which was continued in the person of his personally selected successor.65

65Rhodes was memorialized at the Southern Pine Association's 1924 annual meeting, and the published annual report for that year contains
Rhodes was succeeded as secretary-manager by H. C. Berckes, whose personal story was intertwined with the development of the Southern Pine Association from the very beginning of the organization until the 1950's. As was previously mentioned, Rhodes apparently came South with the knowledge that he was suffering from a terminal case of cancer and began from the first to train Berckes as his successor. From Rhodes Berckes learned that diplomacy was essential in trade association work, and that in order to represent the industry as a whole effectively, the trade association manager could not become identified with any particular faction or group within the organization. As Berckes later recalled in discussing Rhodes, "he knew the same thing that he taught me. I had no personal friends among all those subscribers. I had a lot of acquaintances, but nobody that was a friend." Rhodes would probably have agreed with Berckes that "a trade association is a generator . . . in the final analysis a trade association owes something to the public, owes something to the government, owes something to the outside customers . . . all the staff has got to get that same sort of a feeling. . . ."

Fulsome praise for the departed secretary-manager from industry leaders such as R. A. Long, G. A. Kelley, E. A. Frost, and Charles S. Keith which indicates the industry's high regard for Rhodes. "A New Era," ibid., Box 85b, 5-8. Perhaps the most interesting comments came not at the time, but more than a quarter of a century later when a student writing a graduate thesis dealing with lumber trade associations was told by a longtime prominent industry figure that "J. E. Rhodes was one of the best association executives I have known in any field." R. S. Kellogg to R. C. Fraunberger, March 24, 1951, Quoted in Fraunberger, "Lumber Trade Associations," 31.

66 Interview with H. C. Berckes, January 24, 1968.
67 Ibid.
Berckes became Rhodes' assistant about a year after the SPA's formation, when the burdens of traffic matters took up all of Assistant Secretary A. G. T. Moore's time. At the time, Berckes had absolutely no background in the lumber industry, and in fact preferred throughout the course of his career with the SPA not to become overly familiar with the technical aspects of lumbering and sawmilling. Berckes felt that in this way he could retain an open mind and serve as a conciliating force in the case of intra-industry disputes.\(^{68}\) Despite his lack of technical expertise, by the time of Rhodes' death Berckes had been thoroughly trained in a practical school of trade association management, and when he was immediately appointed acting secretary-manager by President John H. Kirby, a leading trade journal hailed him as "a young man trained thoroughly in association work and a thorough student of the gentle art of diplomacy."\(^{69}\)

By the end of his first year in office, Berckes received the strong public endorsement of John Henry Kirby who noted in the annual meeting that "we have during the past year been trying out an experiment in the business of making a Secretary-Manager for what we think is one of the leading association activities in the United States...." Kirby continued that Berckes "had the advantage of being trained under one of the great, if not the greatest, association secretaries that ever left the imprint of his influence upon this kind of an activity in the United

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\(^{68}\)Ibid.

\(^{69}\)The Lumber Trade Journal, (June 15, 1923), 15. Clipping in SPA Records, Box 106.
States. As his President, I can say frankly that he has delivered the goods, and is delivering the goods."70

Leaders of the Southern Pine Association besides Rhodes passed from the scene during the 1920's either through death or from some other cause. In 1925 Judge John H. Lucas, who had done so much to shape the early organizational form of the Southern Pine Association and who had fought the SPA's court battles, died and was succeeded by former Senator Joseph W. Bailey as chief counsel. Bailey died in 1929.71 Colonel William H. Sullivan of the Great Southern Lumber Company, who had been extremely influential in industry and Southern Pine Association circles since the SPA's creation, died that same year. Charles S. Keith, one of the organizers and first president of the SPA, resigned from the board of directors upon moving his operations to the West Coast.72

As its executive and managerial personnel were changing, the Southern Pine Association was moving toward the expansion of its geographical coverage through the absorption of sub-regional lumber trade associations. The first step came in 1920 as the SPA formed a committee to continue negotiations with the Georgia-Florida Sawmill Association looking toward the absorption of that organization.73


Fine Association was in a somewhat ticklish situation, because the Georgia-Florida Sawmill Association was still very much alive, and there was disagreement within that organization as to the desirability of joining forces with the SPA. Nevertheless, there apparently was some feeling in the region that the Georgia-Florida Association was not adequately caring for the needs of its larger mills. Several of them applied for membership in the SPA, on the condition that the association place a branch office in Jacksonville, Florida, to care for the transportation and other needs of the Georgia-Florida region. The SPA opened its branch office on July 1, 1921, under the direction of W. E. Gardner, who had been traffic manager of the Georgia-Florida Sawmill Association.

Having entered the area, the Southern Pine Association actively solicited members and worked to absorb the Georgia-Florida Sawmill Association, while at the same time trying to create the impression that it had no desire to eliminate the smaller organization. The officers and administrative staff of the Georgia-Florida Association, supported by many of their members and the leading trade journal in the area, resisted the invasion of the Southern Pine Association vigorously. By 1922 Gardner's job and the very existence of his office were under fire because of his failure to secure large numbers of new SPA subscribers. Furthermore, other SPA states and sections were insisting that if Georgia and Florida were entitled to a separate Southern Pine

74 W. C. Sherman to Charles S. Keith, July 19, 1921, ibid.; Box 27a; Keith to Sherman, July 22, 1921, ibid.; J. E. Rhodes to John L. Kaul, July 30, 1921, ibid.; Rhodes to W. E. Gardner, September 3, 1921, ibid.; and Gardner to Rhodes, October 15, 1921, ibid.
Association office so was Arkansas, Texas, or any other SPA state. The following year, the Southern Pine Association closed its Jacksonville office. Subscribers from Florida and Georgia who remained in the Southern Pine Association apparently did not strongly oppose the closing, but one subscriber in the area did assert that "the impression prevailing in this territory is that the Association has grown more into a Mississippi Valley local association and that other sections have suffered accordingly."  

By early 1926, the Southern Pine Association was ready to resume its expansionist efforts. SPA Secretary-Manager H. C. Berckes, cognizant of the declining production of his organization and the departure of many old leaders, was covetously eyeing the Georgia-Florida producers as a source of new strength and leadership. Berckes had become convinced that the Georgia-Florida secretary's fear of losing his job was one of the major impediments to the merger, and he was willing to promise the creation of a Jacksonville office, run by the Georgia-Florida secretary, E. C. Harrell. At the same time, negotiations were underway with the president and some members of the North Carolina Pine Association looking toward the absorption of that organization.

By the middle of 1926, it appeared that the affairs of the Georgia-Florida Association were going to be liquidated, and Secretary

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76 Ibid.; Thomas Hamilton to A. G. T. Moore, October 26, 1923, ibid.
77 Thomas Hamilton to H. C. Berckes, October 24, 1924, ibid., Box 37b.
78 H. C. Berckes to Edward Hines, January 25, 1926, ibid.
E. C. Harrell attended the SPA's mid-summer meeting in Memphis and then returned home, seemingly busily engaged in paving the way for the amalgamation of the two organizations.\textsuperscript{80} When Southern Pine Association representatives met with a committee from the Georgia-Florida Sawmill Association at Pensacola in August to make final plans for merging the two organizations, however, they were abruptly informed that plans had changed, and Secretary Harrell announced "that they were going to endeavor to revive interest in the Georgia-Florida Association and bring it back to its old time standing."\textsuperscript{81} The SPA secretary-manager attributed the change-of-heart to the influence of Harrell and J. Ben Wand, editor and publisher of \textit{The Southern Lumber Journal}.\textsuperscript{82}

The attempt to revive the Georgia-Florida Sawmill Association failed, and the organization was taken over by the Southeastern Forest Products Association, which was in turn absorbed by the Florida Dense Long Leaf Pine Manufacturers Association. The Southern Pine Association was, of course, in touch with these developments, and on November 1, 1927, the long frustrating years of negotiation culminated in the absorption of the Florida Dense Long Leaf Pine Manufacturers Association into the SPA. This expanded the Southern Pine Association's geographical coverage to the Atlantic Coast and gave it ninety per cent of the total pine production in Florida. As part of the arrangement, the

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\textsuperscript{80}J. S. Foley to H. C. Berckes, July 20, 1926, \textit{ibid.}; Berckes to Foley, July 24, 1926, \textit{ibid.}; E. C. Harrell to Berckes, July 29, 1926, \textit{ibid.}

\textsuperscript{81}H. C. Berckes to J. E. Cabler, August 18, 1926, \textit{ibid.}

\textsuperscript{82}H. C. Berckes to J. W. LeMaistre, March 7, 1927, \textit{ibid.} More than forty years later, Berckes would retain virtually the same beliefs and outlook on the episode. Interview with H. C. Berckes, August 10, 1968.
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Southern Pine Association again opened a branch office in Jacksonville, this time under the direction of J. S. Farish, former traffic manager of the Georgia-Florida Sawmill Association, who served as district manager. In the final analysis, the efforts of large firm leaders, such as M. L. Fleishel of the Putnam Lumber Company and J. S. Foley of the Brooks-Scanlon Lumber Company, whose companies belonged to both organizations may have been decisive in enabling the Southern Pine Association to absorb the Georgia-Florida-southern Alabama producers.

As the SPA was in the process of completing the absorption of southern pine producers in the former Georgia-Florida Sawmill Association region, preliminary negotiations were also underway with representatives of the North Carolina Pine Association, with the object of disbanding that organization and having its entire membership absorbed into the Southern Pine Association. During December, 1929, both the president and secretary-manager of the North Carolina Pine Association appeared before the Southern Pine Association's board of directors and reported that their subscribers were generally favorably disposed toward a merger of the two organizations. The Southern Pine Association board appointed a committee to confer with the North Carolina people and undertake a comprehensive survey of the entire situation.


84 Interview with H. C. Berckes, August 10, 1968.

85"Minutes of a Meeting of the Board of Directors of the Southern Pine Association ... December 11, 1929," SPA Records, Box 70b.
Thus the Southern Pine Association ended a decade which had brought great changes in the nature of its industry with a giant step into a new geographical region, and was preparing to enter the 1930's while deeply involved in further expansion. The SPA which faced the Great Crash in late 1929 and grappled with the depression problems of the 1930's was a vastly different organization in terms of problems, activities, leadership, and membership than that which had entered the decade of the "Roaring Twenties."
CHAPTER IX

DEPRESSION DECADE, 1930-1940

In the fall of 1929, the southern pine industry started down the long depression road with the reins of government in the hands of a President whom the SPA and other trade associations had regarded as peculiarly their own, a man they liked and who sympathetically understood their problems. During his successful campaign, Herbert Hoover had singled out the lumber industry as one which had practiced enlightened self-regulation, noting that "this is a clear case where by co-operative methods we have avoided the necessity of regulation with the bureaucracy and interference that flow from it."1 The Southern Pine Association responded in kind. Upon Hoover's election, the association wired the President-Elect its "sincere congratulations upon your unprecedented victory. . . ."2 The SPA noted Hoover's "deep interest in the problems of the lumber manufacturers and your earnest efforts as Secretary of Commerce to help us solve them," and claimed "an unusual interest in the great honor now conferred upon you."2 Early in 1929, before the Great Crash, a committee of leading lumbermen gloried in the knowledge that

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"impractical theorists are now no longer able to arouse public indignation" and that the solution of lumbering's problems would not in the future be subject to "the unnecessary additional hazards of political demagoguery."^3

Ironically, the problems came rapidly and furiously, and while one of the solutions attempted was squarely in the pattern laid down by Hoover, it was not to be inaugurated or administered under the "friendly" direction of the "Great Engineer," but by a man who, despite his own personal contact with trade associations, was not highly regarded by southern lumbermen. The 1920's, as has been described, were at best years of mixed economic fortunes for southern piners and lumbermen in general, a decade of "Profitless Prosperity," and the lumber industry felt the full impact of the Great Depression even before it seriously affected many other sectors of the economy. During the 1920's, lumber profits had consistently lagged behind those in other industries, and productive facilities had frequently stood inactive, despite the fact that the industry's persistent economic problem was overproduction. The problems were not confined to a single section. The president of the West Coast Lumbermen's Association later recalled the background of the depression in lumbering as stemming from overproduction without concern for the "waning market except that the Lord will provide," competition from other consumer products, and a "tremendous increase" in substitute materials about which the lumbermen "did a lot of crying but nothing very constructive."^4

^3 Lillard, Great Forest, 253.

^4 Ellis Lucia, Head Rig: Story of the West Coast Lumber Industry (Portland: Overland West Press, 1965), 169. For a brief general
Southern Pine Association Secretary-Manager H. C. Berckes recalled the "universal blindness and selfishness" of the years preceding the depression, which had seen powerful voices in the SPA successfully push for the abandonment of several association programs which were in the general interest of the community and the industry, in order to channel Southern Pine Association efforts and revenues into advertising and trade promotion, culminating in the previously-mentioned $50,000 loan which the SPA negotiated to support these activities. The Southern Pine Association entered the depression saddled with this obligation, and ironically several of the firms which had supported this policy were among the first to withdraw from the SPA when economic conditions became difficult. As Berckes later wrote, "moral (and practical) values" had been "sacrificed for the material and immediate ones."5

Evidence of the collapse was readily available in lumber industry statistics for 1930. Lumber production fell below the figures for any year during the previous decade, and Southern Pine Association revenues dropped far below the figures for any year of the 1920's. This was only the beginning—the indices were to continue their decline as the depression broadened and deepened.6 The keynote in the southern pine industry was "watchful waiting," but by the time SPA subscribers gathered in the description of industry conditions see Ralph W. Hidy, Frank Ernest Hill, and Allan Nevins, Timber and Men, The Weyerhaeuser Story (New York: The Macmillan Company, 1963), 434-35.


6"Total U. S. Lumber Production—All Species," Mimeographed report, SPA Records, Box 86b; "Revenue From Fees," Mimeographed report, ibid., Box 12b.
spring of 1930 for their annual meeting "the throng of the South's lumbermen who filed into the lobby and committee rooms of the Roosevelt Hotel wore a more serious and determined expression than in many years past."^7

With SPA revenues already on shaky ground before the onslaught of the depression, the association obviously had to take some sort of firm action in order to survive. The policies adopted were threefold: an attempt to get the SPA out of debt through special assessments and budget-cutting, an effort to bring the small mills of the southern pine region under the Southern Pine Association banner, and expansion through amalgamation with the last remaining sub-regional association in the southern pine area.

In the area of fees and revenues, the association's board of directors, after meeting with a subscribers' committee, decided early in the year to maintain the subscription rate at fifteen cents per thousand feet, but to impose a special assessment of two cents per thousand feet beginning on April 1st and continuing until the SPA wiped out its indebtedness. The board also adopted a minimum ten per cent decrease in all salaries and department budgets.® During the year, the decline in Southern Pine Association revenues fell about $44,000 below the spring estimates, and more than offset the nearly


® "Minutes of Joint Meeting of the Budget Committee and Board of Directors of The Southern Pine Association, Roosevelt Hotel, New Orleans, La., Tuesday, February 4, 1930," SPA Records, Box 70b; "Minutes of a Meeting of the Board of Directors of the Southern Pine Association Held at the Roosevelt Hotel, New Orleans, La., Monday, March 24, 1930," ibid.
$32,000 derived during the year from the temporary two cent assessment. Nevertheless, the SPA approached the end of the year with nearly a $28,000 surplus, as opposed to approximately a $64,000 deficit at the end of March. The bald figures do not adequately reflect the agony that Secretary-Manager Berckes must have felt as he faced the necessity of incessant budget trimming, saw old familiar faces disappear, and observed his well-tuned organization begin to disintegrate.

The small mill problem was tackled at the SPA's annual spring meeting in 1930, as President F. W. Reimers noted the industry's mounting problems and announced as one means of shoring up the industry's defenses the extension of the SPA's services to small mills. The association decided to extend standardization and education services to the small mills upon a basis that would approximate cost, in order to help them improve their manufacturing processes and properly merchandise their products. During the year, the Southern Pine Association organized small mill meetings at various points in the South to pursue these

9 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association Held at the Roosevelt Hotel, New Orleans, Louisiana, Thursday, December 11, 1930," ibid.

10 As early as December, 1929, Assistant Secretary-Manager A. S. Boisfontaine had been forced to inform a long-time SPA employee that despite "many economies around the middle of the year," which had "cut things almost down to the bone," the SPA would be forced to "forego the benefits of the work you have been so effectively doing the past several years," although "it seems very wasteful that we should not be able to capitalize further upon the experiences you have gained." Southern Pine Association to W. H. O'Brien, December 18, 1929, ibid., Box 39b.

11 Collier, The First Fifty Years of the Southern Pine Association, 100.
objectives. At the mid-summer meeting, new SPA President C. C. Sheppard succinctly expressed the association's rationale for the program in an address to the small mill representatives who were present: "this is a more or less selfish move on our part . . . we want to help you that you may help us. If we can raise the level of your product, and bring it up to a higher standard, we are going to help you to get more money for it, and you will sell it for more money, and, therefore, you will assist us in stabilizing our market. . . ." 

By the spring of 1931, the SPA had organized some sixty-five or sixty-six small mills in Mississippi, western Louisiana, western Florida, Georgia, Texas, and southwest Arkansas, representing about twenty per cent of the small mill production. At the 1931 annual meeting, the entire first day was devoted to a discussion of subjects of particular interest to small mills, and the association decided to continue its activities among the small mills at the rate of five cents per thousand feet, as opposed to the regular fifteen cents, for the rest of the year. 

In addition, the association was looking forward

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12 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association Held at the Roosevelt Hotel, New Orleans, La., Monday, March 24, 1930," SPA Records, Box 70b; "Annual Report of the Secretary-Manager," ibid., Box 9b.

13 "Proceedings of the Mid-Summer Meeting of the Southern Pine Association Held in Memphis, Tennessee at the Hotel Peabody, on July 16, 1930," ibid., Box 68a, 10.

to extending its services to small mills in other sections of the South through the absorption of other trade organizations.

The process by which the Southern Pine Association extended its influence into new areas was fraught with reminders of its expansion efforts of the 1920's. By the time of the 1931 annual meeting, the SPA was on the one hand considering closing the Jacksonville, Florida, office as an economy measure, and on the other endeavoring to head off rumored efforts by southeastern lumbermen to recreate the old Georgia-Florida association.  

The effort to re-establish the old association was apparently triggered by what appeared to be the imminent collapse of the North Carolina Pine Association, which had some subscribers in the Southeast, and by some dissatisfaction with the Southern Pine Association's services in the area. The SPA's representative in Florida kept Secretary-Manager Berckes informed about the situation. While the south Florida mills were having difficulties and accusing one another of "being the offender in ruinous price cutting," the longleaf mills were "displeased over grade marking and drying," and a prominent Florida manufacturer was "farantly [sic] sore with the association apparently in regard to all of its activities."  

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15 H. C. Berckes to Edward A. Hauss, April 11, 1930, ibid., Box 27a; J. S. Farish to Berckes, April 21, 1930, ibid.; "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 24, 1930," ibid., Box 70b. The board decided to close the Jacksonville office on May 1, 1930.

16 J. S. Farish to H. C. Berckes, April 21, 1930, ibid., Box 27a.
Despite its difficulties in Florida, the Southern Pine Association entered into prolonged negotiations with the North Carolina Pine Association looking toward the absorption of that organization. After three or four years of preliminary activities, in March of 1931 Secretary-Manager Berckes successfully presented the SPA board proposals for the absorption of mills in North and South Carolina, Virginia, and Georgia which were organized in the NCPA. The board approved a plan calling for cooperation between April 1, 1931, and December 31, 1931, with absorption of the NCPA mills under regular subscription contracts to follow after January 1, 1932.\(^\text{17}\)

The Southern Pine Association agreed to maintain an office in Norfolk, Virginia, as long as it received at least $1,500 in monthly revenues from the NCPA territory.\(^\text{18}\) The movement into the Southern Pine Association was spearheaded by the Camp Lumber Company in Virginia, and as H. C. Berckes later recalled, the transition went rather smoothly, since "it was merely a mass movement in which the entire industry up there came to a conclusion without a lot of debate with us about it."\(^\text{19}\)

The absorption of the North Carolina Pine Association was significant in bringing more small mills under the SPA's aegis with a corresponding uplifting of grading and manufacturing standards.\(^\text{20}\)

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\(^{17}\)"Small Mill Meeting, 3-23-31," ibid., Box 70b; "Minutes of a Meeting of the Board of Directors of the Southern Pine Association Held at the Roosevelt Hotel, New Orleans, Louisiana, Monday, March 23, 1931," ibid.

\(^{18}\)"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . November 11, 1931," ibid.

\(^{19}\)Interview with H. C. Berckes, August 10, 1968.

Despite the best efforts of the Southern Pine Association's staff, the positive steps taken with regard to small mills and toward extension of the SPA's geographical area were not sufficient to counteract the general tailspin in the national economy and in the lumber industry. As the days passed, the SPA saw its industry become more and more depressed and its subscribers dwindle away. Southern pine production which had fallen from 11,629,000 board feet in 1929 to 7,450,238,000 in 1930, continued to drop, declining to 4,429,643,000 board feet in 1931 and finally reaching the lowest point of the depression at 3,068,898,000 board feet in 1932. At the same time, overproduction continued to be a major problem, as stocks on hand during this period ranged between three and four billion board feet yearly.  

Although the subscription rate was maintained at the fifteen cents per thousand feet figure, SPA revenues declined progressively from 1929 through 1933 as the number of SPA subscribers and the amount of their production constantly diminished.  

The steadily worsening conditions brought many unpleasant tasks to Secretary-Manager H. C. Berckes and his dwindling staff. In March, 1931, the board of directors authorized a further drastic curtailment of SPA activities, entailing in part the dismissal of nine employees and a second ten per cent reduction in all salaries. This was followed by

21 "Southern Pine Production and Stocks--Industry Totals" (Mimeographed report), ibid., Box 72a.

22 SPA revenues in 1929 totaled $451,901.89, in 1930 they were $369,292.11, in 1931 they dropped to $251,354.63, and in 1932 the figure was $164,196.16. The low point of the depression came in 1933 at $103,183.45. "Revenue From Fees-1915 Through 1946," ibid., Box 12b.

23 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 23, 1931," ibid., Box 70b.
a third reduction of ten per cent in all salaries over $100 per month at the end of the year. At that point, the association's field force began to disintegrate as steadily worsening conditions forced further contraction of operations.

To counteract the depression, the SPA and its subscribers continued to focus attention upon the problem of overproduction, and there seemed to be a growing consciousness of the need for collective action to deal with it. In 1931 SPA President C. C. Sheppard, although sharing "a certain feeling of optimism" that business was slowly emerging from the depression, said that manufacturers must "adjust your production to the demand," and emphasized that "conditions are now so serious in our industry that it is not possible any longer for any individual company or operator to isolate himself and conduct his business in his own way, with no regard to the conditions in the industry. . . ." Sheppard also stated the heretical view that "the time has come when the manufacturers of southern pine lumber should put their operations on an eight-hour day." Many plant owners did in fact reduce the hours of labor and attempt to curtail production, but they found it difficult to shut down completely because of fixed costs and investments in timber, plus the more humanitarian considerations pointed out by H. C. Berckes:


25Box 39b of the Southern Pine Association Records contains a large collection of correspondence between H. C. Berckes and former or soon-to-be former SPA employees.

In many communities of the South, sawmilling is the only industry, and the people of these communities are entirely dependent upon the continued operation of the mill. The houses in which the people live are owned by the company and rented to the mill employees at nominal figures. The power and light, and also the heat of these communities are supplied by the lumber mill.

Therefore, it is difficult for the mill management to decide to curtail production or close down. On the whole, their solution has been to keep as many people as possible employed by reducing operating time of the mill, thus spreading wages over as great a number as possible.\(^{27}\)

Despite the presence of Herbert Hoover in the White House, the Federal Government did not seem to be noticeably more adept than the southern piners themselves in dealing with the industry's problems. Characteristic of the government's approach was a note from the chief of the Department of Commerce's Lumber Division, who requested SPA President C. C. Sheppard's assistance in carrying out the department's war against gloom and depression:

> We are endeavoring to learn of hopeful and optimistic events happening in the industry, and it is our intention—where possible—to give such events publicity, thereby working toward a helpful change in the psychology of the public as a whole. We feel that now is the time to give publicity to all optimistic happenings.

> If you can send us such items as may come to your attention kindly drop me a line and let me know.\(^{28}\)

The only significant action to come from the Hoover Administration was the formation in 1930 of the United States Timber Conservation Board, which was to determine methods of dealing with overproduction in the lumber industry. The board issued statements recommending drastic reductions in inventories, assembled and published statistical data,

\(^{27}\) H. C. Berckes to Joseph F. Leopold, October 29, 1931, \textit{ibid.}, Box 39b.

\(^{28}\) Leighton H. Peebles to C. C. Sheppard, July 13, 1931, \textit{ibid.}, Box 11b.
and attempted to publicize new and neglected opportunities for the lumber industry. Even this scheme originated not with the administration or the President, but with the National Lumber Manufacturers' Association. The United States Timber Conservation Board ultimately recommended "regulation of timber cutting, mergers, state agreements and interstate compacts for control of production, and modification of the antitrust laws," plus sustained yield management on both public and privately-owned lands.

The Southern Pine Association was represented on the board by John Henry Kirby and also was represented on the board's advisory committee. Shortly after the Timber Conservation Board's formation, the SPA prepared a rather lengthy summary, entitled "Economic Conditions in Southern Pine Industry," in order "to facilitate the study of the Timber Conservation Board. . . ." The SPA study lauded the southern pine industry's organizational efforts and claimed that "the ills of the Southern Pine lumber industry have developed more as a result of the generally depressed conditions prevailing, and the premature opening of new sources of timber supply in the West, than of the inability of these manufacturers to solve their own problems."


30 Hidy, Hill, and Nevins, Timber and Men, 435.

The report went on to single out as the industry's major problem overproduction which it attributed to nine factors: the general business depression, inactivity in building and construction, the necessity of keeping mill labor employed, the need to maintain working capital, the necessity for continued liquidation of timber to escape excessive taxes, the inability of the industry to work together in production curtailment because of the antitrust statutes, the growth of small mill production in agricultural sections because of poor farm prices and unemployment, premature cutting on the West Coast, and competition from foreign producers, particularly in Russia. As solutions to the industry's problems, the Southern Pine Association recommended to the Timber Conservation Board efforts toward achieving more equitable taxation, the strengthening of statistical activities in the industry so that lumbermen might conduct their operations in a more intelligent manner, amendment of the Sherman law "so as to permit industry to balance its production with demand during periods of depression," the provision of timber and reforestation loans to promote conservation, and "adequate laws to protect American producers from foreign competition, which it is impossible for them to meet."

Although wanting swift action and the assistance of the Timber Conservation Board, the southern piners nevertheless remained somewhat unsure about placing their faith in government. In this connection, they were warned by President C. C. Sheppard at the annual meeting in

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32Ibid., 35.
33Ibid., 124-28.
the spring of 1931 to "oppose Governmental regulation of our business . . . ."34 Secretary-Manager Dr. Wilson Compton of the National Lumber Manufacturers' Association jumped on Sheppard's statement later in the program, pointing out that the Southern Pine Association and its subscribers had been deeply involved in the formation of the board and rejecting the idea that it was the first step toward government control of the lumber industry.35 As opposition to government regulation spread among southern pine manufacturers, Dr. Compton again came to the board's defense in the middle of 1932, pointing out that "it was appointed by the President and is therefore wholly an advisory body. It could not exercise regulatory functions if it wishes, because it has none, and has suggested or sought none."36 Despite the misgivings in some industry quarters at the end of 1931 the Southern Pine Association's board of directors commended the work of the Timber Conservation Board and urged the President and the Secretary of Commerce to continue its work.37

The Southern Pine Association did its best to comply with and garner support for the Timber Conservation Board's number one recommendation—the reduction of excessive lumber stocks in order to restore a balance between supply and demand. Because of the vast number of small mills in the southern pine region and the necessity of getting the

34"Strengthening an Industry During Times of Depression . . . ," SPA Records, Box 9b.


36Wilson Compton to H. C. Berckes, July 16, 1932, ibid., Box X-68, 3.

37"Minutes of a Meeting of the Board of Directors of the Southern Pine Association, November 11, 1931," ibid., Box 70b.
Timber Conservation Board's message to all of them, the entire southern territory was divided into eleven districts with three-man committees of manufacturers supervising activities in each district. Throughout the year, group meetings were held in the various districts at frequent intervals to review business conditions and evaluate the performance of the mills. Although the meetings were open to all lumber manufacturers, there was usually an SPA representative present to describe the broader regional and national picture. Although no effort was made to force agreements to curtail production, during 1932 southern pine manufacturers did manage partially to carry out the Timber Conservation Board's recommendations, cutting down their stocks on hand by some twenty-five per cent. Although this was a step in the right direction, voluntary action and recommendations were obviously not sufficient to deal with problems of the magnitude of those ushered in or aggravated by the Great Depression.

By March, 1932, it had been necessary for the SPA to cut all salaries forty per cent, additional workers had been dismissed, including "some old and valuable employees ... in whom the industry had a considerable investment and whose experience we lose with much regret ... ." Old familiar companies began to drop out or ask for concessions in the terms of their subscription contracts, the inspection department was placed on a half-time basis with the inspectors working for "greatly reduced salaries," and Secretary-Manager Berckes confessed


39 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 21, 1932," ibid., Box 70b.
in private correspondence that he did "not know what the 'out' will be." The association was also disillusioned by the activities of a number of firms who were accused of participating "in all the benefits of the work of the Southern Pine Association," while not actively supporting it or endeavoring to "partially discharge their obligation by contributing their portion to the National." Berckes warned the leaders of the National Association that "these matters are misunderstood by our people, and should be cleared up as quickly as possible." During this period, despite reassurances and conciliatory gestures, there was considerable competition among various trade organizations for members, and the SPA itself was forced to forego several institutional memberships as an economy gesture.

The Southern Pine Association publicly tried to maintain a brave facade during the depression. In his annual report which was reproduced in the trade papers in 1932, for example, Secretary-Manager Berckes claimed that the SPA had "maintained our organization in vigor and helpfulness," while "the influence and representative nature of the association have increased during the past year." Berckes asserted that the association represented more "normal or potential production than

40. H. C. Berckes to E. Mark Ferree, April 20, 1932, ibid., Box 39b. For materials relating to the withdrawal of subscribing companies see "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 21, 1932," ibid., Box 70b. On the same subject H. C. Berckes to R. C. Fulbright, March 4, 1932, ibid., Box 9b, is illuminating.

41. H. C. Berckes to Dr. Wilson Compton, June 20, 1932, ibid., Box 64b.

at any time since 1927," and added that even in the financial area "the position of the Association has improved in the more than two years of depression." Berckes emphasized that, while total revenues had declined some seventy-five per cent, through economy measures the association's financial position had come from some $36,000 in the red to almost $17,000 in the black. Assistant Secretary-Manager A. S. Boisfontaine conceded that "we have had an extremely difficult job to finance the work of the Association," but optimistically concluded that "although there have been many casualties, all of our essential departments have been preserved, and we feel there is a stronger sentiment among our subscribers in favor of the Association than ever before."44

The association staff's efforts did not go unappreciated—one prominent subscriber undoubtedly represented a large element in the industry when he congratulated Berckes for having "certainly conducted the Association in a masterful way with reference to balancing the budget. The manner in which you met the shrinkage in income is most gratifying to me and the company. If all other lines of business could be conducted in the manner you have conducted the Association, our Country would certainly be in much better condition."45

The association, of course, was not concerned exclusively with keeping its own institutional house in order. In the absence of strong

43H. C. Berckes, "Report of Secretary-Manager," Southern Lumberman (April 1, 1932), Reprint in SPA Records, Box 9b, 25.

44A. S. Boisfontaine to W. H. O'Brien, August 1, 1932, ibid., Box 40a.

45J. S. Foley to H. C. Berckes, April 7, 1932, ibid., Box 40a.
and effective government action, it was working with its subscribers to come up with depression-fighting weapons. Throughout the entire lumber industry there were plans and rumors of plans for the formation of joint selling agencies and mergers, all looking toward bringing production and consumption into balance. There was also strong agitation for a relaxation of the antitrust statutes in order to permit the industry to regulate itself and to control production. This movement resulted only in the introduction of a bill in the United States Senate looking toward an investigation and possible revision of the antitrust laws, but it was never passed. Similarly, industry attempts to police itself were largely ineffective, with the exception of the southern pine industry's previously-described efforts in cooperation with the United States Timber Conservation Board, which had some success and which remained in effect until the beginning of the agitation which eventually resulted in the creation of the National Recovery Administration.\footnote{Dixon, "Efforts of the Lumber Industry at Production Control Prior to N.R.A.," 237-47, 250-52, 255-60; Hidy, Hill, and Nevins, Timber and Men, 434-35; H. C. Berckes to Chairman and Members of District Committees, July 25, 1932, SPA Records, Box 28a; Southern Pine Association to United States Timber Conservation Board, September 19, 1932, \textit{ibid.}, Box 35a. Also see miscellaneous correspondence between H. C. Berckes and numerous southern pine industry figures in SPA Records, Box 39a. For a concise summary of the Southern Pine Association's point of view on the difficulties of the antitrust situation see H. C. Berckes to W. DuB. Brookings, August 22, 1932, \textit{ibid.}, Box 39a. During this period the colorful John Henry Kirby came up with a scheme for the United States Government to issue a fifty million dollar bond issue to purchase and improve unused lands for sale to victims of the depression on a long-term, low interest basis. Kirby's proposal generated a good deal of impassioned comment and was the feature of the SPA's 1932 annual meeting.}

At the end of 1932, the southern pine industry's situation was continuing to deteriorate. Production for the year reached the lowest
point of the depression period, the staff and salaries of the SPA had been cut in half with salary payments sometimes deferred, and mill inspections had decreased from a monthly to a bimonthly or longer interval.\textsuperscript{47} Berckes later recalled that "the industry . . . was seeing attitudes of free enterprise giving way to the necessity of firmer controls. Everyone was being conditioned by circumstances to the acceptance of regulation of prices and production . . . . All emphasis was on how to get controls--by government itself or by industry self-regulation."\textsuperscript{48} At the beginning of the year, Berckes had been vehemently opposed to the "infectuous germ of governmental cooperation," which he feared was getting into even the bones of his subscribers, whom he described as "mostly good Democrats and believers in states rights . . . great individualists." He warned against the "encroachment of federal bureaus upon the operations of legitimate business," and lamented that if this viewpoint was lost, he did "not see much hope for business men to handle their own problems."\textsuperscript{49}

\textsuperscript{47}"Southern Pine Production and Stocks-Industry Totals," \textit{ibid.}, Box 12b; Berckes, "The Pitch in Pine," 153.

\textsuperscript{48}Ibid., 154.

\textsuperscript{49}H. C. Berckes to Merle Thorpe, February 6, 1932, SPA Records, Box 39a. Later in the spring Berckes had written an impassioned circular to his subscribers describing the nation's capital as "a boom city in a devastated country" where a congress which was "oblivious to the sufferings of the country" had gathered "with party principles and political ambitions their first thought . . . ." Berckes urged his subscribers to bombard their congressmen with a five point program including reduction of government expenses and elimination of unnecessary departments and bureaus, concluding with points four and five, which were "be sure the budget is balanced," and "go home." Southern Pine Association to Lumber Manufacturers and Retailers, May 21, 1932, \textit{ibid.}, Box X-66, 1.
By the spring of 1933 and the Roosevelt inauguration the vague outlines of a major effort to fight the depression through a "composite and adaptation of earlier trends and proposals," began to appear. It was becoming clear that trade associations would play an important role in efforts to "bolster private enterprise through cooperation of government, business, and labor," as "in the emergency of depression, the last lingering opposition to collusive action by businessmen was abandoned." The Southern Pine Association's leaders were maintaining a close watch on developments in Washington, and they realized that for the SPA to be effective in industry affairs, and in order for it to be accepted by the Federal Government as truly and adequately representing all southern pine manufacturers, it would have to broaden its membership base. Therefore, in an effort to regain lost members and secure new ones, especially among smaller producers, in February, 1933, the Southern Pine Association reduced its membership fees from fifteen to five cents per thousand feet.

During March, April, and May, 1933, the Southern Pine Association's officers, committees, and directors kept a close eye on developments in the "bubbling political stew" of Washington. Anticipating the general outlines of what would become the National Industrial Recovery Act, the SPA did its best to keep the entire southern pine


51 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . February 15, 1933," SPA Records, Box 70b.

52 Louis Galambos, Competition and Cooperation, The Emergence of a National Trade Association (Baltimore: The Johns Hopkins Press, 1966), 203.
industry informed of the government's actions and of its own expectations through industry meetings, the trade papers, and the general press.53

The Southern Pine Association, like trade associations generally, had for many years favored the relaxation of the federal antitrust statutes in order to allow intelligent business planning, or in the case of the lumber industry, to enable manufacturers to bring production into balance with consumption, thereby stabilizing prices. Some associations, such as the Cotton Textile Institute, had conferred with the Hoover Administration in the hope of working toward antitrust relaxation. The United States Chamber of Commerce had endorsed relaxation of the laws to permit business cooperation, with trade associations playing an important role, and President Gerard Swope of the General Electric Company had published a plea for production control through trade associations. The Swope Plan and the Chamber of Commerce proposals advocated the concepts of work sharing and the adjustment of wages to bring purchasing power into balance with productivity, thus anticipating somewhat the provisions of the National Industrial Recovery Act.54 The Window Glass Manufacturers' Association, Cotton Textile Institute, and the National Lumber Manufacturers' Association were also deeply involved in an effort to induce the Supreme Court to change its interpretation of the antitrust statutes by filing a brief as amici


54Galambos, Competition and Cooperation, 176-84; Mitchell, Depression Decade, 231.
curiae in the Appalachian Coals case in December, 1932. The Court's decision, handed down in March, 1933, seemed to permit trade association efforts to improve marketing conditions in the abnormal depression situation.  

Even before the Appalachian Coals Case was decided, some trade association interests and individuals sought to persuade President-elect Roosevelt and his advisers to accept a general concept of industrial self-regulation through trade associations with a moderate amount of government supervision. However, some prominent trade association figures among those actively involved in the negotiations with the new administration leaders, "even in the economic crisis of March, 1933," were "hesitant, mindful that they might not be able to retreat after stepping forward into a full alliance with the government." Although not directly involved in the negotiations, the Southern Pine Association apparently fell into this category, Secretary-Manager Berckes was pleased with the decision in the Appalachian Coals case and was enthusiastically in favor of "cooperative action through our trade association, and of these various associations with each other," but he saw major threats to the nation's "greatly weakened business structure" coming from "the germs of communism" and "a rush to strong centralized government which in itself is fast placing the yoke of socialism upon business."  

55Galambos, Competition and Cooperation, 185-86, 191-92.  
56Ibid., 186-91, 192-95.  
57Ibid., 190-91.  
58"Statement of Secretary-Manager to the Board of Directors of the Southern Pine Association, February 15, 1933" in "Minutes of a
By mid-April, 1933, President Roosevelt had apparently accepted the concept of production controls and cooperative efforts to eliminate wasteful competition. The National Industrial Recovery Bill embodying this concept was drafted at the President's direction and was introduced in Congress on May 15, 1933, and was passed and signed by the President on June 16.  

On June 6, 1933, ten days before the enactment of the National Industrial Recovery Act, the Southern Pine Association called a general industry-wide mass meeting of all southern pine manufacturers at which were explained the provisions and ramifications of the pending legislation. SPA President C. C. Sheppard singled out as the "underlying principle" of the measure the "spreading and increasing employment of labor." The association's legal counsel praised the expected appointment of General Hugh Johnson as administrator of the new law, describing him as a "hardboiled and unromantic" man who would be "fearless and fair and not truckle to any interests." The assembled lumbermen then
selected four prominent Southern Pine Association subscribers and empowered them to "commit the industry and to work with the government and other branches of the lumber industry" in hammering out the new economic relationships. The meeting also approved the selection of the Southern Pine Association to act as the industry's administrative agency, and enlarged the SPA board of directors in order to make it truly representative of all geographical sections and classes of mills.

Almost immediately after the National Industry Recovery Bill became law, the Southern Pine Association became involved in the formal overlook these difficulties and meet them as well as we possibly can."

"Proceedings of Meeting of Subscribers to the Southern Pine Association and Other Representatives of the Southern Pine Industry Held at New Orleans, Louisiana, June 7, 1933," ibid., Box 68a.

Berckes, "The Pitch in Pine," 158. There had been a similar mass meeting on May 9 which had chosen an earlier three-man steering committee which was simply enlarged and continued on June 6. H. C. Berckes to Manufacturers of Southern Pine, June 8, 1933, ibid.

Berckes, "The Pitch in Pine," 158. In preparing the industry for the mass meeting, SPA Secretary-Manager H. C. Berckes had written a pamphlet explaining the opportunities in the forthcoming National Industrial Recovery Act, but noting that it would also provide opportunities for "government officials and . . . an ever widening circle of economists, who see in the act an opportunity for exploiting long repressed theories and shades of philosophic thought that have flowered as the depression grew more serious." Berckes warned that many who were "enthusiastic about this New Deal for business . . . would have us cut loose permanently from the old order and embrace the new." "They hold that it is impossible for business to remain to any extent rooted in the old order while it gradually learns the new way," wrote Berckes, "the dangers before industry lie in this type of thinking; acute suffering has led many business men to adopt this view." The SPA secretary-manager also pointed out that it would be necessary to have compulsion to enforce the terms of the various codes, and that while "it is contemplated that this compulsion may come from within industry itself . . . lacking that will for self-government, even with the force of Law behind it, industry may expect direct government regulation to protect the willing cooperators from the recalcitrants. . . ." H. C. Berckes, "Southern Pine and the Industrial Recovery Act," SPA Records, Box 7.
negotiations looking toward the adoption of a code for the lumber industry. From June 26 through July 6, southern pine representatives met in Chicago with men from the other producing sections and the National Lumber Manufacturers Association in order to formulate a code. The main accomplishment of the Chicago meeting was the formation of a twenty-man Emergency National Committee which was to draw up a lumber code and go to Washington to represent the industry before the Federal Government.  

The Emergency National Committee completed work on a draft of a lumber code on July 9, and the following day presented it to National Recovery Administrator Hugh S. Johnson. The code regulated production, prices, wages and hours, and conservation policies. It was the product of representatives of a broadly dispersed industry with many producers, a great variety of lumber products, and widely-divergent practices and conditions, and as such was a monument to the art of compromise. Hearings on the proposed code to which all interested parties—industry, government, labor, and others were invited were scheduled for July 20.  

In the meantime, the Southern Pine Association began to prepare for the code's implementation. On July 13 the SPA board of directors held preliminary discussions about administering the code, noting

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particularly the necessity of enlarging the SPA staff. On August 4, the SPA mailed all southern pine manufacturers a form requesting a report of their production from 1925 through 1933, and on August 11, the association attempted to obtain a complete listing of all producers. The original effort netted nearly five thousand additional names. Anticipating final approval of the code, SPA President L. O. Crosby, the Southern Pine Control Committee, and industry officials divided the southern pine territory into twenty-eight districts and appointed local committees to handle code problems in each one.

NRA Administrator Johnson approved the Lumber Code after it was revised, and the President signed it on August 19. That night the SPA sent all southern pine manufacturers a letter informing them of the code's adoption and that on August 22 minimum wages of twenty-four cents an hour and a maximum forty-hour work week would become operative. The association also notified all manufacturers and SPA committees that

66 "Administration of the Lumber Code in the Southern Pine Division," SPA Records, Box 103b, 3. The board also authorized the SPA secretary-manager to levy a five cents per thousand feet fee upon all mills, subscribers and non-subscribers, to pay for the costs of the Emergency National Committee and code preparation, with those paying the assessment being given credit "at such time as the Southern Pine Association will have the authority under the code to provide for a legal assessment." "Minutes of a Meeting of the Board of Directors of the Southern Pine Association Held at the Roosevelt Hotel, Thursday, July 13, 1933," ibid., Box 70b.

67 "Administration of the Lumber Code in the Southern Pine Division," ibid., Box 103b, 3; A. S. B. (Albert S. Boisfontaine) to H. C. Berckes, August 15, 1933, ibid., Box 40a. A form letter explaining the division of the southern pine area is attached to the Boisfontaine-Berckes letter.

there would be a meeting in New Orleans on August 25 and 26 to discuss the code and authorize steps for its proper administration.69

In late August, the Southern Pine Association received the expected official notification from C. W. Bahr, the secretary and treasurer of the Lumber Code Authority, that the SPA had been "designated by the Lumber Code Authority as the agency for the administration of the Code in the Southern Pine Division."70 The SPA board of directors immediately authorized the association's president and the secretary-manager to appoint the necessary committees and establish the required facilities to administer the code. It accepted the finance committee's recommendations that, effective August 21, 1933, the SPA should collect a monthly code fee of fifteen cents per thousand feet and that SPA dues be fixed at three cents per thousand feet on shipments. The secretary-manager reported to the board that the SPA was compiling the necessary statistics and information to determine production costs which were needed to permit the establishment of minimum prices for various items of southern pine lumber.71

The SPA-sponsored meeting in New Orleans on August 25 and 26 attracted over six hundred manufacturers from sixteen southern states. It was the largest meeting of lumbermen ever held in the South. Those

69 "Administration of the Lumber Code in the Southern Pine Division," SPA Records, Box 103b, 3. The southern lumber industry was allowed a lower wage scale than other sections of the country in order to preserve existing and traditional competitive relationships.

70 C. W. Bahr to H. C. Berckes, August 23, 1933, ibid., Box 70b.

present were enthusiastic about the new experiment and pledged their "active and sincere support to the provisions of the Code." Those provisions were completely explained to them by members of the committee who had been involved in the code's preparation in Washington. Further to disseminate information about the new code, the SPA ordered fifteen thousand copies for distribution and circulated a press release describing developments at the meeting to the major wire services, trade journals, and newspapers throughout the southern pine area. It also arranged for meetings throughout the South for manufacturers who could not conveniently get to New Orleans.\textsuperscript{72} Thirteen district and local meetings were held with an SPA department head in attendance at each between September 5 and 22.\textsuperscript{73}

To administer the code in the southern pine region, the SPA set up an elaborate structure headed by the association through its board of directors and headquarters and field personnel. To make decisions and rulings on code matters, there was an eleven-man control committee. It included the chairmen of the four administrative committees and acted as the executive agency of the board of directors. The administrative committees were those on labor, production, cost protection, and trade practices and conservation. They handled the matters falling within their jurisdiction and made recommendations to the board of directors and control committee. Finally, there were three- to ten-member district advisory committees for each district, with representatives

\textsuperscript{72}\textit{Ibid.}

\textsuperscript{73}\textit{Ibid.}
of both large and small mills included on each. The district committees were to "furnish the Association information on conditions in their localities, and make recommendations to the administrative committees concerning individual mill problems, and especially respecting any mill that requests or desires exceptions from the administration's rulings, based upon special conditions or circumstances." The SPA also assigned an inspector to each district and a supervisor for each state generally to check on conditions and enforcement and act as the association or code agency's official field representatives. At first, the cost of administering the code in the southern pine area was approximately $47,000 monthly.

As the code was being put into operation, SPA Secretary-Manager H. C. Berckes' attitude toward it shifted from one of hostility to one of support. Shortly after the code's inception, he declared in an address before the American Trade Association Executives in Chicago that "for the first time, the lumber industry feels that its conditions can be rectified, and that the Code provides the way out of chaos and misunderstanding. The lumber industry has faith in its program. . . ." The Southern Pine Association found new life with the advent of code administration, and SPA publications praised the new effort at

74Ibid.


industry-government cooperation. The magnitude of the administrative task was enormous. Starting with some five thousand registered southern pine mills, by the end of the NRA experiment the SPA was supervising the activities of approximately twenty-two thousand different mill operations. The association's staff was enlarged by about two hundred, and the amount of paperwork handled by the New Orleans office was staggering.77

Despite the bustle and reassurances of the association, however, from the very beginning, administration of the Lumber Code was plagued with such difficulties as arriving at accurate production cost figures, disputes over production allotments, evasions of the labor provisions, and charges of discrimination against the small mills. Basic to all these were the problems of devising administrative policies that would be equitable for the thousands of diverse units covered by the code in the southern pine region, and of eliminating violations, particularly of the labor, production, and price requirements.

The Lumber Code provided for the establishment of minimum prices which were not to exceed the cost of production, an extremely difficult thing to ascertain considering the thousands of different items, grades, and sizes made under the same operations. In addition, vast differences in efficiency and procedures among mills and the lack of complete statistics covering the entire industry, particularly the small producers, hampered efforts to fix equitable minimum price levels. Eventually,

77"Administration of the Lumber Code in the Southern Pine Division," ibid., Box 103b, 3.
these prices were established at figures that would cover costs of production and the support of the code administration, with differentials allowed for poorly-equipped mills. Efforts to classify the mills in order to work out the differentials were a constant headache for the association and a frequent cause for complaints against the code administration, particularly from small mills.\textsuperscript{78} To enforce the price provisions, the Southern Pine Association required weekly reports from all mills under its jurisdiction covering all orders booked. The accuracy of these reports was checked by field men who periodically inspected the mills' order files.\textsuperscript{79}

The distribution of production allotments was an even touchier area. In line with the NRA's effort to bring production into line with consumption, the Lumber Code Authority attempted to determine for three-month periods the probable consumption of lumber, and based upon its findings, assigned production quotas to each of the divisions within the industry. There was naturally a good deal of competition between the producing regions for large quota allotments, and the problem was particularly acute within the southern pine division because of the enormous number of small mills which came into production after the creation of the National Recovery Administration. Eventually, there were some sixteen thousand small operations in the South applying to the Southern Pine Association for quotas, which they were given despite some strong industry sentiment for the development of some

\textsuperscript{78}Ibid., 9-12; Berckes, "The Pitch in Pine," 169-70.

\textsuperscript{79}"Administration of the Lumber Code in the Southern Pine Division," SPA Records, Box 103b, 13.
method to ensure that these were not simply small fly-by-night operations organized to take advantage of the code. "Birth Control" provisions of this sort were not adopted, and the small mills were given their allotments, but nevertheless there was a good deal of grumbling from the small mills because of alleged discrimination in favor of the large producers in code administration.80

The Southern Pine Association, of course, had purposely opened its meetings to all southern pine manufacturers in an effort to qualify before the government as an effective and impartial code administration agency and in order to defuse any possible charges of discrimination which might be lodged by non-SPA mills functioning under the Lumber Code. Clearly, it was anticipated that much of this opposition or activity might come from the traditionally unorganized ranks of the small operators. This opposition materialized in some quarters almost from the very beginning of the code administration, with charges of discrimination against small mills in the administration of the NRA code, particularly with regard to production quotas. By September, 1933, only a month after the SPA's official designation as code agency for the Southern Pine Division, efforts were underway in some areas of the South to organize yellow pine operators who were not members of any other association into an organization to present the views and needs of independent operators. One such effort was extremely pointed in its organizational announcement, noting that "through our

80Ibid., 14; Interview with H. C. Berckes, January 24, 1968.
legal department we intend to present within the very near future to the Lumber Code Authority in Washington (not the S.P.A.) such suggestions as are necessary for the continued operation of the independent saw mills, large and small, with the least interference."  

The Southern Pine Association and the agencies of the Lumber Code Authority generally were fully aware of the small mill criticisms and did their best to refute them, often overstating their case in the process. By November, 1933, SPA Secretary-Manager H. C. Berckes was warning his department heads that "prodded by southern Senators and Representatives whose constituents are complaining," the National Recovery Administration was undertaking an investigation of the "beneficial and harmful effects of the Lumber Code, particularly upon the smaller operators in the South." Since the investigation was carried out by the code agencies themselves, its impartiality could be open to serious question, but by the end of the year the Information Service of the National Lumber Manufacturers' Association was putting out a release which noted that the "correspondence of the Lumber Code Authority reveals complaints and possibly somewhat of a widespread feeling that the small lumber mill operators are being discriminated against through the administration of the Lumber Code," but the release stated that "as viewed by the Code administrators . . . the Code is inherently and unavoidably favorable to the small operator and more burdensome to the large sawmills." The feelings of the small operators were attributed


82H. C. Berckes to All Departments, November 25, 1933, ibid.
to their lack of knowledge of true conditions in the industry, which was played upon by "interested agencies of one kind or another," and "gossips and rumor mongers." The small mills were urged to make their grievances known to the proper Lumber Code agency, since "if there is one thing that the Lumber Code Authority desires above any other it is that the small operators shall be in fact a cooperative or constructive part of the lumber industry." 83

The small operators were not the only elements who found fault with the administration of the Lumber Code. From the very beginning, there was great concern from firms which were trying to live up to the code provisions about violations of the NRA requirements, particularly in the area of wages and hours of labor. During the first stages of code administration, part of the problem was a shortage of field men. Early in the course of code administration, the SPA received a warning, which was to become familiar, that "unless we can coerce the unruly fellows into complying as to wages and hours, the fellows that are trying to live up to the law will become discouraged and also become violators." 84 The SPA's district manager in the North Carolina pine area reported about the same time that both small and large operators in that region were concerned about enforcement, and noted that "they are not of the opinion that the Southern Pine Association will be negligent, but they are fearful of the support that the Southern Pine


84 H. Dixon Smith to A. S. Boisfontaine, September 28, 1933, ibid., Box 40b.
Association will receive in their efforts to administer this law from the N.R.A. administrators.  

The Southern Pine Division and the National Recovery Administration purposely followed a tolerant approach in enforcement during the early days of the Lumber Code, concentrating their efforts upon education and explanation. Under the NRA, there was originally a procedure for handling violations which finally culminated in the United States Department of Justice's instructing the Federal district attorney in the district concerned to institute court proceedings in cases of code violations. However, there was a good deal of caution and deliberation at both the regional and national level in code enforcement. It was only after the general period of code-making and education was ending, and after there was increasing concern about violations and non-compliance, that the National Recovery Administration permitted the lumber industry to set up its own enforcement agencies. Under this authority, the Southern Pine Trade Practice Complaints Committee began to function on June 15, 1934. The SPA and NRA officials believed, probably correctly, that many of the complaints about alleged violations were filed by people who were simply antagonistic toward the NRA, many were extremely vague and indefinite, and most were groundless.  

As the Lumber Code Authority moved into its second year of operation, its efforts were increasingly directed toward defense of its policies and attempts to shore up enforcement. The old conflict

85 G. L. Hume to H. C. Berckes, September 25, 1933, *ibid.*

over labor provisions and price controls became acute, and in the Southern Pine Division the code administrators were never able to settle into a comfortable groove of routine operation. Much of the controversy in the southern lumber industry continued to be between the large and small mills, with various small mill spokesmen claiming at various times that the Southern Pine Association as the NRA's code division discriminated against them.

The Southern Pine Association began the year with an effort to increase small mill representation on its board of directors and the administrative committees of the Lumber Code Authority's Southern Pine Division. Nevertheless, the SPA continued to feel the wrath of many small producers. One small mill operator charged through his attorney that "the small saw mill men who make about seventy five [sic] per cent of the lumber manufactured are not represented at all so far as the Code Authority is concerned," and that "the small saw mill man has already been entirely ignored from the beginning so far as the Code is concerned." This complainant leveled the recurring charge that "price fixing, higher wages, and various restrictions have already so hampered the little fellow, that he is practically choked out of business." Another small operator complained that "my business is too insignificant for the work required [sic] from N.R.A. lumber code. . . . There is no market, & I get less than I did before all this protection began. . . . I am just about ready to quit every thing Its [sic] all . . .

87"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . January 5, 1934," ibid., Box 70a.

88A. D. Watson to H. C. Berckes, March 6, 1934, ibid.
in favor of the captolis [sic]." This irate correspondent returned a hotel reservation card for the SPA's annual meeting with the scrawled question, "Do they have any Transent [sic] homes for the average small mill man?"89

While the Southern Pine Division and the SPA could muster convincing evidence and testimony against the small mill charges, there was sufficient interest in the matter to provoke the NRA leadership into an investigation of southern small mill conditions under the Lumber Code. Public hearings were held in Washington by the National Recovery Administration from January 9 to 13 to hear complaints, which included charges by Georgia Congressman M. C. Tarber that small mill operators in his district were forced to shut down because of inability to pay code wages, and by Congressman H. P. Fullmer from South Carolina that it was impossible for small mill operators in his district to operate under code wages. Tarber asked for an investigation of small mill conditions in the South. While the Southern Pine Division reported to operators in its district that none of the complaints "were of a serious nature," the National Recovery Administration considered them serious enough to authorize an investigation.90

The investigation was actually requested by NRA Assistant Administrator Alvin Brown on January 18, 1934, and it was undertaken by the Federal Trade Commission, which submitted its report to NRA Administrator General Hugh S. Johnson on May 7, 1934. The investigation was to

89 J. H. Wells to Southern Pine Association, March 29, 1934, ibid.

determine how the operation of the Lumber Code had affected southern sawmills—had it made it impossible for them to operate or had it made it possible for many of them to resume operations; was it possible for the small mills to obey code labor standards and still break even or earn a profit; and were the prices received by the small operators held down by either the operation of the code or any improper influence from the larger operators?

The study covered a total of some two hundred and fifty individuals from Virginia, Tennessee, Arkansas, Missouri, Louisiana, Alabama, Florida, Georgia, South Carolina, and North Carolina. The majority of these were small mill operators; although large mill owners, wholesalers, retailers, and owners of concentration yards were also visited. The FTC's investigation disclosed that the code had not made it impossible for sawmills to operate, and that it had made possible the opening of new mills, the reopening of old mills, and an increase in production. The commission also concluded that it was possible for small mill operators to pay code wage rates and still break even at the minimum code prices, and it found no attempt by large operators to hold down prices received by the small mill men. In fact, the Federal Trade Commission found that the Lumber Code had substantially increased prices. The report to the National Recovery Administration concluded by highly praising the officers and agents of the principal code agencies covered, including the Southern Pine Division, and noted an amazing lack of criticism from the small mill
sectors concerning production allotments as evidence of the impartiality of code administration in the South.91

The Federal Trade Commission's rosy report could not, however, completely mask the continuing debates between small and large producers. At the Southern Pine Association's annual meeting in April there was a prolonged debate between representatives of the two elements over code price differentials which were adopted to protect small producers. The large mills by this time were charging that the lower prices charged by their smaller competitors under the Lumber Code were causing a shift in business away from the large mills, and as a result of hearings on the matter in New Orleans on March 13 through 15, a special committee of three large and three small manufacturers drew up a plan for redefining the large and small mill categories and reducing the differentials in order to correct the situation. This plan was submitted to the SPA's board of directors at the annual meeting and adopted. Despite small mill representation on the committee which had drawn up the plan, there was strong opposition from the small mill sector and charges that changing the differentials would seriously hurt already wounded producers.92

On the other hand, large mills in the wake of the SPA's annual meeting continued to press their charges that the price differentials

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92"General Session, Thursday Afternoon, April 5, 1934," Typescript in SPA Records, Box 73b.
accorded small mills were so generous that the big operations were losing their business. As a result of these protests, hearings to investigate the situation were conducted by a Lumber Code Authority Review Board in Atlanta, Shreveport, and Jackson, Mississippi. Out of these hearings the authority hoped to obtain the facts and figures necessary for an equitable adjustment.\(^{93}\) The result of the hearings was basically the maintenance of rates worked out at the time of the Southern Pine Association's annual meeting, but some additional price advantages were given to the small mills.\(^{94}\) Nevertheless, the Southern Pine Division continued to hear complaints from small mills on this and other matters.

Much of the criticism leveled against the Code Administration centered around lack of enforcement in all areas of the Lumber Code's concern, such as prices, production quotas, and wages and hours. Early in the year, the SPA board of directors requested the Southern Pine Division's representatives on the Lumber Code Authority to push for more rigid enforcement by the National Recovery Administration. By the time of the SPA's annual meeting in April, however, the compliance situation remained so bad that a leading figure in negotiating the code, C. C. Sheppard of Clarks, Louisiana, acknowledged that many of the lumbermen were "without hope with respect to the matter of compliance," and admitted that he could not "help but share your own

\(^{93}\)"Big Lumber Mills Complain of Small Mill Competition," National Lumber Manufacturers' Association press release, April 17, 1934, ibid., Box 36a.

feeling of depression and disappointment that the Administration has moved so slowly and so ineffectively and apparently without regard to the seriousness of the situation affecting this great industry."

Sheppard noted, however, that, based on his contacts with the administration, he knew that "they are making now an earnest effort and a more vigorous effort to reorganize their compliance set up," and he stated his "firm conviction that the Administration is determined to bring about compliance with our Code."95 Not all industry figures were so confident. In an SPA labor committee session during the annual meeting, a prominent industry leader noted the widespread lack of enforcement, and asked how one could expect the large majority who were complying "to continue this indefinitely when the Government apparently does not care to give the necessary enforcement assistance and, to add to our chagrin, it is reported that certain members of Congress give their approval to the acts of these non-conformists."96

There was in fact increasing skepticism about the Government's desire to institute vigorous enforcement of the code provisions, which the Southern Pine Division chose to attribute to a "'Whisper' campaign to discredit the Lumber Code generally and to bring about a breakdown or elimination of minimum cost protection prices, being instigated in the main by a very small minority of manufacturers who are opposed to


96"Minutes of a Meeting of the Southern Pine Association Labor Committee . . . April 4, 1934," ibid., Box 70a.
the Code and by certain individuals or groups who have a selfish motive in trying to break down Code prices." The division labeled as "unfounded gossip and rumors" reports which were circulating that Cost Protection Prices and the Lumber Code generally were to be abandoned in the near future. It charged that "a very great percentage of the reports circulated concerning violations of the code and of selling below the established minimum prices, upon investigation have been proven to be entirely unfounded and the result of "loose talk" and wilful misrepresentation on the part of persons having selfish motives." Nevertheless, the SPA's district manager in the North Carolina pine area reported that large manufacturers in his region were "rather skeptical regarding the possibility of the enforcement of the Code." 97

By the latter part of June, 1934, when the Lumber Code Authority met, the compliance or enforcement problem was so serious that the Authority appointed a committee which met with General Hugh S. Johnson and urged the vital necessity of a vigorous enforcement program. Johnson reassured the lumbermen and promised that the government would support Lumber Code enforcement efforts. By mid-August, one-third of the NRA's Compliance Division was working exclusively on Lumber Code violations. At the same time, the Southern Pine Division promised strict enforcement through its general and state Trade Complaints Committees and an end to the "attitude of toleration of 'chiselers.'" 98


98G. L. Hume to H. C. Berckes, July 6, 1934, ibid., Box 40a.

From this time through the middle of September, the Southern Pine Association or Division was in full agreement with Assistant Secretary-Manager A. S. Boisfontaine's view that "there is no question but that vigorous steps must be taken with respect to enforcement," and according to the assistant secretary, the Southern Pine Division's personnel were "really now concentrating all of our efforts in this direction."\(^{100}\) These efforts apparently met with no small degree of success, for during this period the Southern Pine Association pumped out an incessant stream of press releases reporting action against violators of the code's price-control and labor provisions.\(^{101}\)

Despite the push for enforcement in the Southern Pine Division and from the national Lumber Code Authority, by the time the Authority met in Chicago in early October, 1934, there were again strong rumblings from many quarters, particularly the West Coast producers, that the cost protection program of the Lumber Code should be abandoned.\(^{102}\) At an open Code Authority meeting on October 3, Executive Officer David T. Mason suggested four possible alternatives which were open to the industry: abandonment of the code, enforcement of the code as it then existed, maintenance of the code with the exception of wholesalers'...

\(^{100}\) A. S. Boisfontaine to G. L. Hume, August 29, 1934, ibid., Box 40a.

\(^{101}\) See several Southern Pine Association press releases written during August and September, 1934, in SPA Records, Box 103a.

discounts, or the elimination of cost protection prices but maintenance of the remainder of the code. The Southern Pine Association's board of directors and the Southern Pine Division's Code Control Committee met jointly the same day and voted that the Lumber Code be maintained with cost protection prices, but strongly urged vigorous enforcement by the Federal Government. The Lumber Code Authority and the code survived the Chicago meetings intact, but the walls were beginning to crumble even as the industry's representatives met in the Windy City.

On October 6, 1934, Federal Judge Harry B. Anderson of Memphis, Tennessee, granted an injunction restraining the United States District Attorney from proceeding with criminal prosecutions against hardwood lumbermen who were violating the minimum price provisions of the Lumber Code. His action was followed almost immediately by similar steps by federal judges in Mississippi and Texas. There was also continuing turmoil within the various producing regions over the question of maintaining cost-protection prices. Both the Lumber Code Authority and the Southern Pine Association continued to whistle in the dark, however, partially to calm the members and the industry and probably in part to reassure themselves. The SPA hailed the Chicago decisions to maintain the code and cost protection prices and pledged even stricter enforcement. The Lumber Code Authority dismissed the importance of the Judge Anderson decision, noting that it applied only to


104 H. C. Berckes to Southern Pine Association Board of Directors, November 30, 1934, ibid.
that specific case, that it would be appealed, and that the temporary injunction did not relieve anyone of his responsibilities or obligations under the code. Nevertheless, there was continuing agitation against cost-protection prices in all lumber-producing sections. By December the Southern Pine Association's board of directors and control committee were reconsidering the question and finally decided, because of the many difficulties in enforcement and the recent federal court decisions, to work toward the abandonment of Lumber Code Authority price controls. Very few in the industry were therefore surprised or disappointed when the National Industrial Recovery Board on December 22 announced the abandonment of the cost-protection price program of the Lumber Code Authority.

By 1935 almost complete disillusionment with the Lumber Code was evident in the Southern Pine Division, and SPA Secretary-Manager H. C. Berckes, although calling for adherence to the provisions of the code, had reverted to his concern with the threat of government domination of business. Berckes urged the industry to regulate itself through upholding the code as an alternative to complete government regulation. In a statement before the SPA board of directors on January 28, the secretary-manager ominously noted that "when this co-operation between Government and Business was begun it was called 'a Partnership,' then

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later, 'industry self regulation under Public Sanctions,' then 'with Government approval,' then 'under Government supervision,' next 'under Government regulation,' and now 'under Government control,' and the next remaining step is 'Government ownership.' During the board's meeting, the SPA directors heard reports, considered many aspects of code administration, and reduced Southern Pine Division code fees from twenty cents to fifteen cents per thousand feet on shipments. The SPA's annual meeting in March was similarly characterized by general disillusionment with the code experiment, and the 450 operators in attendance unanimously adopted a resolution calling for abandonment of the Lumber Code if it was not going to be vigorously enforced.

By the end of the month, it was obvious that the code was not going to be enforced, and, in fact, the National Recovery Administration was tottering on its last legs. The situation was apparent when the Department of Justice announced that it was dropping a long-standing case involving violation of the Lumber Code, because the code's administrative provisions extending discretionary powers to non-governmental agencies were under attack, and the department wished to wait for a review of this feature and new legislation before proceeding. The

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107 "Statement to Board of Directors of the Southern Pine Association by H. C. Berckes, Secretary-Manager, New Orleans, January 28, 1935," ibid., Box 84b.


Lumber Code Authority commented on the Justice Department's action, saying that, on the basis of confirmation from high administration quarters, enforcement of the code would be stopped, although technically it was still in effect.

The Lumber Code Authority on March 26 decided that "for reasons of equity" the code should be suspended and asked the various divisions to submit their views on the matter. The Southern Pine Association passed this information along to manufacturers in its area, and although thoroughly dissatisfied with the situation, promised to do everything possible to minimize the destructive effects of the government action and to maintain the industry's organization until matters cleared up. Everything now seemed to be pointing toward June 16, when the National Industrial Recovery Act was due to expire and would possibly be rewritten with the objectionable features eliminated. On April 9, after a week of conferences, compliance with the provisions of the code was placed on a purely voluntary basis by the National Control Committee of the Lumber Code Authority, with the approval of the National Industrial Recovery Board. When in May, 1935, the United States Supreme Court ended the procrastination and delay by unanimously ruling in the Schecter case that the NRA was unconstitutional, "few lumbermen mourned its passing."


112 Hidy, Hill, and Nevins, Timber And Men, 439.
In the southern pine industry the basic weakness of the code had obviously been lack of enforcement, which was largely out of the control of the Southern Pine Association. The SPA itself, although subjected to periodic attacks especially from smaller producers, seems to have performed creditably in a difficult situation. In fact even with regard to small producers, the SPA's designation as code agency gave the association an interest in and entree into an increasingly-important segment of the industry which might otherwise have lined up overwhelmingly in opposition to the industry's older leaders. Concerning the provisions of the code, there were mixed feelings—those on conservation would be essentially preserved and advocated voluntarily by the SPA and its industry, while attempts to re-enact the wages and hours provisions by new legislation would be bitterly resisted.

By the time of the Schecter Case, the national administration was no longer popular with the southern piners, if indeed it had ever really been, and they joined in the general rejoicing by the business and lumber community at the NRA's demise. After more than thirty years of reflection, however, H. C. Berckes, while still contending that the industry had been headed toward complete government domination, noted that at the time of the code's death, the industry was "on the up and up . . . doing better" and that "it was economically helpful at the time." "The people didn't know what to do. They were looking for anything to get them out of this terrible depression," Berckes remembered, and he added that "we might have been in euphoria, but nevertheless, we were living where before we didn't know when we were going
to die. . . it was taking them out of the hole. . . it stimulated things that were actually dead. "113 Despite the trials of depression and the fall of the NRA, both the Southern Pine Association and the Roosevelt Administration remained very much alive and the remaining years of the 1930's would find them locking horns at frequent intervals as their paths parted in the wake of the failure of the great experiment in industry-government cooperation.

In the southern pine industry, as in many other southern industries, one of the major concerns in the aftermath of the National Recovery Administration was the evolution of a new relationship with labor. In the southern piney woods, the inclusion of Section 7(a) of the N.I.R.A. had not prompted any major efforts at union organization, but the adoption of minimum wage and maximum hour provisions, while not intended to change traditional inter-regional patterns, had in at least some cases increased southern lumbering wages significantly and at a much higher rate than in the western lumber industry. The Southern Pine Association had fought efforts to impose compulsory restrictions upon the hours of labor before the passage of the N.I.R.A., although SPA President C. C. Sheppard advocated a voluntary eight-hour day in the depths of the depression in 1931 as a means of cutting down production and reducing the employers' burden of supporting unprofitable labor. The organization struggled vigorously and successfully in the negotiations which resulted in the formulation of the NRA codes in

113 Interview with H. C. Berckes, August 10, 1968.
order to protect southern wage differentials. Nevertheless, the widespread violations of NRA wage and hour provisions signify that many southern lumbermen had not been convinced by their NRA experience that they could live with such regulations, and the Southern Pine Association was a supporter of the Southern States Industrial Council which was organized in 1933 partly in order to defend the South against alleged discrimination in the form of higher wages imposed from the outside. At the time of the NRA's demise, the southern pine industry was still largely unorganized, and in fact due to a variety of factors, which were generally the same as those discussed in earlier chapters, there had been virtually no organizational attempts. The industry thus faced the future armed with the attitudes of the past—opposition to union organization and efforts to legislate concerning labor conditions. It would find itself on a collision course with lawmakers and a national administration dedicated to diametrically-opposed objectives. 114

On June 27, 1935, an event of great significance for basically non-unionized industries like the southern pine industry occurred as the National Labor Relations bill emerged from Congress to be signed into law by President Roosevelt on July 5. The bill had been pushed originally by Senator Robert Wagner of New York and won only the belated support of the President. The ease with which it moved through Congress amazed even its staunch supporters. The Southern Pine Association,

although certainly not in favor of the act's guarantee of the right of collective bargaining, surprisingly made no attempt to fight the measure. Secretary-Manager H. C. Berckes later attributed the measure to "new Dealers" and "distressed labor and their unions" who were "'sitting pretty' in Washington and . . . making the most of their position."

"The Southern Pine industry was scarcely organized by Union labor and gave scant attention to the implications of the Wagner Act and little support to those opposing this legislation," Berckes recalled. He further noted that "there was doubt as to whether the South could have done much to defeat this legislation or modify its extreme provisions." Thus the Southern Pine Association seems to have accepted, at the time of the Wagner Act's passage, the idea of a close New Deal-big labor alignment which was not yet strictly speaking true.

After a lull in the development of significant activity on the labor front, during which the Southern Pine Association re-established an office in Washington to strengthen its contacts and relations "in connection with legislation, trade promotion, and co-ordination with the work of the National Lumber Manufacturers Association," the SPA watched with avid interest stirrings in the direction of new labor legislation, but this time not as a passive observer. The next

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step came early in 1937 in the wake of the Supreme Court's decisions
upholding state minimum wage laws and the Wagner Act. Secretary of
Labor Frances Perkins, with the assistance of the former head of the
Children's Bureau, prepared a wages and hours measure which was intro­
duced in the Senate by Hugo Black of Alabama and in the House by
William P. Connery, Jr., on May 24. 118

On the eve of the impending fight over the new proposal, SPA
Secretary-Manager H. C. Berckes, on the scene momentarily in Washington,
reported to his subscribers with amazing foresight and clarity the
general context and environment within which the struggle would be
conducted. He noted first that in the course of widespread contacts
with business leaders "I was surprised to find that the attitude of so
many industrialists and business men had changed from what it was last
year. They seem to accept very readily many of the ideas for wage-and-
hour legislation and other measures for business regulation." Berckes
further noted ominously that "Many were also pessimistic regarding
labor developments, and I could find very little sympathy among a
number of those contacted toward our problem in the South." Berckes
succinctly and accurately summarized the situation in order to prepare
his subscribers for the coming battle:

Frankly, I have found most of these business men anticipating
a larger degree of influence by labor in their business, and the
attitude of many of them would not be appreciated by the members
of our industry. Much of this comes from the fact that there is
plenty of agitation with respect to the necessity for curbing the
trend of industry southward. A great many industrialists in the

118Tindall, The Emergence of the New South, 533.
North, and especially politicians, believe that the South has an undue advantage and that labor is being sweated to the extent of destroying entire Northern industrial communities, which are already moving South because of wage differentials and agitation from foreign labor elements in the North.

Many of the arguments that are being advanced for New Deal legislation are based on this premise. There is no doubt but that Southern industry will be sorely tried this spring and summer, and if wage-and-hour legislation and licensing bills are passed, undue pressure will be used without consideration of the underlying economic conditions which make for the difference between Northern and Southern labor. For the Southern Pine industry we are doing all we can in gathering information so as to be in a position to again present our case...119

The wages and hours bill, although complex, provided basically for Congress to establish minimum wages and maximum hours, and for an independent, five-man, Presidentially-appointed labor board which would be given power to conduct hearings and then increase minimum standards in cases where collective bargaining had been attempted and had failed. It also contained a measure outlawing child labor involved in interstate commerce.120 The measure was introduced in a Congress that was increasingly divided by the court-packing scheme, by a leadership contest in the Senate, and by growing sectional animosities. Strong opposition from the South, which centered around simple objections to government control over business and the fear of losing the competitive advantages of lower wage scales, was spearheaded outside Congress by the Southern Pine Association.

119 C. Berckes to E. L. Kurth, February 24, 1937, SPA Records, Box 9a. This letter was mimeographed and circulated among the SPA subscribers. The association viewed President Roosevelt's court-packing scheme as a means of guaranteeing that legislation such as the proposed wage-and-hour measure would be approved by the Supreme Court and thus opposed it, as it did other New Deal proposals, on the grounds that the association was defending the "American system of government." Berckes did seem to rather accurately portray northern opinion. For an example see Jay Franklin's "We, the People" column in The Evening Star (Washington, D. C.), February 23, 1937.

120 Patterson, Congressional Conservatism And The New Deal, 149.
One southern lumberman, a prominent Southern Pine Association subscriber, estimated that the frequently-mentioned possible minimum base figures of a forty-hour week and a forty-cent per hour wage would raise lumber costs from eight to twelve dollars per thousand feet and allow the highly-mechanized western lumber industry to trample their southern competitors underfoot.\textsuperscript{121} The Southern Pine Association's subscribers discussed the situation at their annual meeting in March and heard Secretary-Manager Berckes describe the impending wages-and-hours legislation as "by far the most important question facing our industry. . . ." Berckes conceded the inevitability of such legislation and counseled the industry to dedicate its efforts to a defense of southern wage and hour differentials.\textsuperscript{122}

Convinced that the wages-and-hours proposal constituted a threat to the entire southern lumber industry, the Southern Pine Association organized a mass meeting of manufacturers of all species, which was not limited to SPA subscribers. This session was held in New Orleans on June 4, and out of the discussions emerged the Southern Pine Industry Committee which led the fight against the Black-Connery proposals. C. C. Sheppard of Clarks, Louisiana, served as the committee's chairman, and H. C. Berckes was chosen secretary. The organization was to serve as a propaganda and pressure group, it was organized throughout the South,

\textsuperscript{121}J. L. Camp, Jr. to Sam F. Hobbs, June 28, 1937. Quoted in Tindall, The Emergence of the New South, 533.

and in effect served as the Southern Pine Association's alter ego for lobbying and pressure tactics.123

It was immediately apparent that the Black-Connery Bill would face strong opposition in both the House and Senate as members of the Congress responded to their own instincts and the outraged protestations of opponents within their constituencies. In the South, the Southern Pine Industry Committee cranked out reams of material directed toward all segments of the population pointing out why the legislation must be defeated. These materials ranged from a reprint of the now-embittered Hugh S. Johnson's column "One Man's Opinion," from the Washington Daily News, in which the old NRA administrator warned that "the South had better wake up . . . pronto or it will find itself sold down the river to a renewal of some of its problems of reconstruction days," to a pamphlet modestly entitled "27 Reasons Why The Black Fair Labor Standards Bill Should Be Defeated."124 The SPIC also circulated copies of various newspaper editorials and cartoons for distribution throughout the South and of speeches by various and sundry political and public figures. Toward the end of 1937, as the fight continued in the House of Representatives, the committee produced a sixty-five page pamphlet which constituted "A compendium of Arguments and Opinions against

123Berckes, "The Pitch in Pine," 175-76; James Boyd, "Gross Darkness-Then Comes Dawn," SPA Records, Box 77a, 57-58; Tindall, The Emergence of the New South, 533-34. An interesting note is the fact that the western lumber industry, whose competition the southerners deeply feared, cooperated with the SPIC and Southern Pine Association's fight against the wages-and-hours measure. For a brief discussion of this matter see Berckes, "The Pitch in Pine," 177-78.

124Both of these items are in the SPA Records, Box 93a.
Federal Wage and Hour Legislation, as expressed by Senators, Congressmen, Economists, Industrialists, Labor Leaders, Agriculturalists, Newspapers, Publicists, and Informed Individuals in Many Fields."125

The Southern Pine Industry Committee and SPA also tried to galvanize public opinion and attempted to influence the actions of congressmen through other standard techniques of political persuasion and pressure. According to SPA Secretary-Manager H. C. Berckes:

... in the immense work through the Southern Pine Industry Committee we kept the individual Congressman or Senator advised of what was going on by his particular constituents by mail. And if there were hearings, we sent those constituents to be witnesses, while I, as Secretary-Manager ... appeared before many committees. But we always tried to get a lumberman from those regions to appear before the Congressional committee and tell his story. ... We let committees feel that they were getting the story direct from the man himself, and not from an advocate. While I was a registered lobbyist I did little lobbying myself. Very seldom did I go see a Congressman or a Senator about a piece of legislation or about any condition within the industry unless they called upon me, and if they did, I would always send or write to them this information by their own constituents. We found that to be a wonderful way of handling it.126

By the middle of the summer of 1937, the activities of the SPA, SPIC, and other opponents of the Black-Connery legislation seemed to be having a powerful impact on the people of the South. Senator Black was warned that the bill's opponents were making heavy inroads among his own constituents in Alabama, with "the worst offenders of all against industrial decency in this state—the lumbermen—... doing most of


126Interview with H. C. Berckes, August 10, 1968.
the agitating." According to Tindall, "the clamor of the bill's opponents gave an impression of general hostility in the region," while on the other hand the Gallup Poll "recorded Southerners as 51 per cent favorable to minimum wage legislation in December, 1935; 56 per cent in May, 1937, and again in May, 1938." In the meantime, joint hearings on the bill had been held by House and Senate committees headed by Black and Connery in June, and after opposition from both southerners and, surprisingly, both the leaders of the AFL and CIO, the Senate committee reported out a revised bill which was somewhat more in line with labor's demands early in July. After a bitter floor debate which reflected the growing sectional and philosophical split in Democratic ranks, the Senate approved the bill. The fight then shifted to the House where the bill was strongly opposed by conservative southerners and Republicans who bottled it up in the Rules Committee. The measure finally reached the floor on December 2, 1937, by means of a discharge petition, only to be recommitted to committee on December 17, partially as a result of AFL President William Green's reconsideration of the administration's version of the bill. H. C. Berckes later recalled that in considering strategy the bill's opponents had believed "it seemed the


128 Tindall, The Emergence of the New South, 534.

129 Leuchtenburg, Franklin D. Roosevelt And The New Deal, 261; Patterson, Congressional Conservatism And The New Deal, 149-54.

130 Leuchtenburg, Franklin D. Roosevelt And The New Deal, 261-62; Patterson, Congressional Conservatism And The New Deal, 193-96.
better part of wisdom to keep the legislation in the . . . Rules Committee of the House . . . and it was hoped that with returning prosperity and sanity the proposed legislation would be dropped.\textsuperscript{131}

However, the battle was rejoined in 1938. The southern piners and their representatives found "the going was a little rougher than in the two former sessions of Congress," although they still had "a fair hope that the bill could be defeated by a narrow margin in the House, or talked to death in the Senate." According to Berckes, "the pressure from the opposition never ceased," and "Senators and Representatives were constantly pressured to 'hold the line.'"\textsuperscript{132} The forms of pressure have been graphically described by the former Southern Pine Association leader, who estimated that the southern pine industry's expenditures in opposing the bill reached $200,000 annually at the peak of the campaign, "not including the expenses of many of its leading lumbermen who paid their own expenses in attending meetings, hearings, and broadcasting the messages."\textsuperscript{133} To direct this tremendous financial outlay, southern lumbermen had "a strong representative Industry Committee," and "the use of the facilities and staff of the Southern Pine Association."\textsuperscript{134}

In Berckes' words:

The work of organization was broad and intense. Wherever opposition to the Act was discerned there contact was made and

\textsuperscript{131}Berckes, "The Pitch in Pine," 182.
\textsuperscript{132}Ibid.
\textsuperscript{133}Ibid., 181.
\textsuperscript{134}Ibid., 179.
organization effected. More than three thousand associations and groups were consolidated into a working entity. Its work centered in the Southern Pine Offices in Washington and New Orleans where all information regarding the legislation was analyzed, printed and disseminated. . . . Data was prepared for submission to Congressional Committees, not only by Southern Pine lumbermen, but by others called as witnesses.

Not only were the groups kept informed but the meaning, intent, and purposes of the law were set forth in advertising, speeches, pamphlets, letters, wires, and circulars to the public, businessmen, farmers, bankers, educators and to legislators, federal and state. Addresses were made before civic groups, women's clubs, etc., and on the radio.

Newspapers, magazines and trade paper comments, news stories, editorials and cartoons became voluminous. The Southern Pine Industry Committee culled this material and regularly issued a tabloid-size publication reproducing with permission, some of the most impressive cartoons and editorials. This showed the thousands of news agencies, groups and individuals that they were not alone in their opposition, thereby strengthening their determination and increasing their activity. 135

Ironically, the factors that upset all of the calculations and efforts of the southern opponents of the bill originated within Dixie itself. In January, 1938, Alabama's Lister Hill won the Senate seat vacated when Hugo Black was appointed to the United States Supreme Court in a campaign in which he supported the wages and hours bill. This was followed in May by an even more resounding triumph in Florida, where Claude Pepper won the Democratic primary contest for a Senate seat in which he was opposed by a bitterly anti-New Deal, anti-wages-and-hours bill congressman. These victories seemed to demonstrate that the southern electorate was not overwhelmingly opposed to wages and hours legislation, as many supposed spokesmen for the section such as the Southern Pine Association and the Southern Pine Industry Committee had so stridently claimed. They were also ominous warnings to

135 Ibid., 180.
congressmen facing the 1938 election of the still-potent power of Franklin Delano Roosevelt. Three days after the Florida primary, members of the House almost trampled one another in their rush to sign a discharge petition again bringing the minimum wage bill out of committee for the consideration of the House. On May 24 the bill passed by a more than three to one margin. In the words of Southern Pine Association leader H. C. Berckes, with the victory of the "social-minded Claude Pepper," in Florida "suddenly, from the South itself came the blow that destroyed all hopes."

After differences between the House and Senate versions of the bill, including the provisions for regional differentials, were reconciled in the conference committee, the measure was passed. The President signed the Fair Labor Standards Act on June 25, 1938. It placed administration of the law under one man in the Department of Labor, who would confer with advisory industry committees. No minimum wage rate was to be fixed on a purely regional basis, but the advisory boards were to consider in their deliberations the transportation, living, and production costs which shaped competitive conditions. The ultimate objective was a forty hour week and a minimum hourly wage of forty cents, to be achieved gradually, starting with a forty-four hour week in October, 1938, to be reduced by two hours in each of the

136 Leuchtenburg, Franklin D. Roosevelt And The New Deal, 262; Patterson, Congressional Conservatism And The New Deal, 242-45; Tindall, The Emergence of the New South, 535.

next two years; and with a minimum wage starting at twenty-five cents and rising to forty over a seven-year period.\textsuperscript{138}

Since the Wage and Hours Administrator could advance the rates ahead of schedule upon the recommendation of the industry committees, the Southern Pine Industry Committee remained very much concerned with the matter of wages and hours. Furthermore, according to H. C. Berckes, "there was the contemplation (fully realized later) that Congress would adjust the minimum wage as conditions indicated—up always, of course, but never down."\textsuperscript{139} In July, 1938, the beginning wage rate in the lumber industry was lower than the twenty-five cent minimum for forty-three per cent of the common laborers in southern sawmills. Furthermore, some lumbermen closed their mills rather than attempting to comply with the legislation, and of the thirty to fifty thousand employees laid off in the month following the effective date of the law, about ninety per cent were concentrated in a few southern industries, including lumbering.\textsuperscript{140}

Because of its concern for the wages-hours situation, the Southern Pine Industry Committee continued the dissemination of material attacking the Fair Labor Standards Act and its administration. The SPIC also circulated a mimeographed newsletter, entitled "Wage-Hour Law

\textsuperscript{138}Leuchtenburg, Franklin D. Roosevelt And The New Deal, 262; Patterson, Congressional Conservatism And The New Deal, 245-56; Tindall, The Emergence of the New South, 535-36.

\textsuperscript{139}Berckes, "The Pitch in Pine," 183.

\textsuperscript{140}Tindall, The Emergence of the New South, 536.
News Notes," to keep the industry apprised of the latest developments. Among the major criticisms the southern piners leveled against administration of the act, was the charge that, as in the case of the labor provisions of the earlier NRA, enforcement of the wage and hour provisions was lax, and, in addition, that selection of the industry committees appointed to advise the Wages and Hours Administrator was heavily dominated by Secretary of Labor Frances Perkins, and that these committees were stacked against the South.

The Southern Pine Association and its industry remained dissatisfied with the administration of the Fair Labor Standards Act through the rest of the 1930's and continued to try to protect their interests through the Southern Pine Industry Committee. Near the end of the decade, however, the immediate problems posed by the new wages and hours requirements were increasingly overshadowed by the nation's drift toward war and the growing prosperity coming to the southern pine industry through its participation in the defense effort. However, the techniques and legislative and administrative experience acquired by the SPIC would be invaluable assets to the southern pine industry and SPA during their extensive contacts with the Federal Government during World War II. They would also stand the southern piners in good stead with the return of the old civilian problems in the war's aftermath.

141For examples of the material circulated by the Southern Pine Industry Committee against the Fair Labor Standards Act see SPA Records, Boxes 80a and 63. Copies of the SPIC's "Wage-Hour Law News Notes" are in SPA Records, Box X-66, 1.

While much involved with the Federal Government in matters concerning wages and hours and prices during the 1930's, the Southern Pine Association was engaged in forestry and conservation activities. These, like the matters just discussed, were strongly influenced by the southern pine industry's experience under the Lumber Code of the National Recovery Administration. In fact, the Southern Pine Association's experience with the code was a major factor in propelling the organization and its industry into continuing and institutionalized efforts to bring about enlightened forestry practices in the southern piney woods.

Article X of the Lumber Code, which dealt with conservation and forestry practices, was supposedly the only part of the code in which President Roosevelt expressed real interest, and it has been described as the only part that "finished stronger than it began." SPA Secretary-Manager Berckes anticipated Roosevelt's interest in this subject. As early as December, 1932, Berckes noted that FDR was "forestry-minded" and predicted that "with a man like President-elect Franklin D. Roosevelt at the head of our federal government, a better opportunity than ever before will exist to bring about the complete utilization of southern lands." According to Berckes, the President pushed in exactly this direction by requesting that the lumber industry code include provisions for perpetuation of the forests. "While the President proposed this," said Berckes, "there is no doubt that he was

143Greeley, Forests and Men, 134; Hidy, Hill, and Nevins, Timber and Men, 494-95.

144Southern Pine Association circular, December 10, 1932, SPA Records, Box X-66, 1.
reminded and needled by the ardent and dedicated conservationists including the U. S. Forest Service." Therefore, the conservation article of the code was characterized by the SPA leader as "a token of good faith the industry had to pay for its opportunities of self-regulation." 145

Whatever the origins of the clause, Article X pledged the lumber industry to implement practicable measures for conservation and sustained production, after the convening of conferences with the U. S. Secretary of Agriculture and other officials to draw up supplements to the Lumber Code. 146 The Secretary of Agriculture called such a conference in October, 1933, and the Southern Pine Division immediately began to gather facts for the preparation of acceptable forest practices provisions for its region. The division held sixteen meetings during November to gather local information and discuss the forest conservation program. In the meantime, the Southern Pine Division appointed a conservation committee chaired by Henry Hardtner, "the father of forestry in the South." During the latter part of 1933 and the first days of 1934, a tentative Forest Conservation Code evolved, and a National Forestry Conference in Washington at the end of January resulted in a formal

145 Berckes, "The Pitch in Pine," 164. Secretary-Manager William B. Greeley of the West Coast Lumbermen's Association recalled the origins of Article X somewhat differently. According to Greeley when the lumbermen were conferring and drawing up their code he had pointed out that "President Roosevelt is almost certain to want something in this code on forestry. Let's beat him to the draw. It will help us get the rest." Greeley said that his argument carried the day, and that he was "commissioned to draft a clause which would commit the industry to a reasonable program of forest conservation." Greeley, Forests and Men, 134.

amendment to the Lumber Code providing for forest conservation, which was approved by President Roosevelt on March 23.  

As part of the Forest Conservation Code the President also approved Schedule C, which provided for a "well-organized program for sustained production in the forest . . . stressing fire, insect and disease prevention, reforestation, adequate slash disposal, selective logging, and sustained yield." The Southern Pine Division held an industry code conference to deal with this and other matters in New Orleans on April 4 and 5, 1934, and the Conservation Committee submitted rules of forest practice to the general session of several hundred lumbermen. The southern piners voiced their unanimous approval of these rules, and the Southern Pine Division thus became the first to file its rules of forest practice in compliance with Article X of the Lumber Code and its Forestry Supplement.

The Forest Conservation Code and Rules of Forest Practice became effective in the Southern Pine Division on June 1, 1934. These rules contained fire protection measures, specified the number of trees to be left per acre after logging operations in order to assure regeneration, and attempted to spur southern pine operators into the implementation of sustained-yield operations. To help with their implementation and administration, the Southern Pine Association established a Department of Conservation which was originally staffed by a manager and a research forester.

147 "Administration of the Lumber Code in the Southern Pine Division," ibid., Box 103b.

148 Hidy, Hill, and Nevins, Timber and Men, 495.

While the Southern Pine Division and SPA conscientiously attempted to act within the spirit of Article X, they were not reluctant to suggest that the public and government should do their part to make forestry and conservation on private lands both possible and effective. Some consistent SPA notes were sounded by the association's Conservation Committee Chairman, Henry E. Hardtner, in an address before the National Forestry Conference in January, 1934, when he called for more equitable state and local taxation on growing timber; more funds for fire protection programs carried out jointly by the state and national governments and by private owners; and federal loans for private forest owners to enable them to maintain and protect their trees during the growing cycle, with the land to serve as security for the loans and repayment to come at the time the timber was cut.  

By June 1, 1934, the Forest Conservation Code and Rules of Forest Practice required by Article X were in effect on the operations of all southern pine sawmills, and on July 5 the SPA Conservation Department certified three companies in Alabama, Arkansas, and Louisiana as carrying out the industry's first "sustained yield" operations. Under the Lumber Code, firms which qualified as sustained yield operations were given special privileges, including notably ten per cent increases in production allotments. By the end of 1934, six


southern pine manufacturers were certified as conducting sustained-yield operations. They were the only southern pine firms so certified at the time of the Lumber Code's death, although there were several others whose operations were on a sustained yield basis but which simply had not been so certified. However, most southern pine operations had not reached a sustained yield basis of operations.

Nineteen thirty-five brought the death not only of the Lumber Code but also of Henry Hardtner, the leading southern apostle of enlightened forestry and conservation practices, but the influence of both the code and the man would live on in the Southern Pine Association's forestry and conservation efforts. At the code conferences and Southern Pine Association annual meeting in March, on the eve of the NRA's demise, the SPA board of directors approved a conservation committee resolution calling for the continuation of the association's department of conservation and its work regardless of the Lumber Code's fate. In fact, as H. C. Berckes later wrote, "when the entire NRA Act was declared unconstitutional . . . Article X lingered on and through all legitimate and practical means formed the nucleus of the present successful forestry efforts."

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152 Southern Pine Association press release, December 1, 1934, ibid., Box X-68, 3.
While the Southern Pine Association continued its efforts in forestry and conservation during the remainder of the 1930's and into the World War II period, it opposed one aspect of the conservation movement favored by some national leaders—the acquisition of additional forest land by government. The conflict over government land acquisition agitated the entire forestry profession, the lumber industry, and the ranks of the Roosevelt Administration during the latter 1930's. It involved in part a struggle by the Department of the Interior to secure the transfer of the United States Forest Service from the Department of Agriculture to Interior. The President wavered in his position on the matter, but finally supported the retention of the status quo to the extreme consternation of the Old Curmudgeon, Harold Ickes. The Forest Service and Department of Agriculture favored the multiple-use concept of forest management, with the national forests being used for economic as well as recreational activities on a controlled basis, while Ickes favored the conversion of forests into national parks where the emphasis would be purely upon recreational use for the increasingly urban nation, with large-scale federal acquisition a part of the program. The Forest Service also, however, reverted in the 1930's to its earlier policy of lambasting the lumber industry, and it too recommended additional forest acquisitions. The Southern Pine Association was, like most elements in the lumber industry, opposed to the transfer of the Forest Service, but it did not find the Service's advocacy of additional public land ownership much, if any, more favorable than the plans of Ickes and the Interior Department. The SPA consistently took the position that public
land acquisition should be confined to areas of low productivity which were unsuited for private forest ownership and management.

Further attention was focused on the problem of land ownership and use by the Joint Committee on Forestry, created by Congress in 1938 to study the ownership and management of forest lands in the United States. The committee conducted investigations and held hearings during 1939 and 1940 before presenting its report in 1941, in which it recommended increased public ownership of timber lands. The Southern Pine Association in its statements before this body stuck to its standard positions regarding forestry, conservation, and land ownership. However, the total impact of governmental activities during the 1930's in the area of forestry and conservation, ranging from the NRA through the Joint Committee did serve to spur the Southern Pine Association into renewed interest in these matters, if only to avoid public criticism and possible takeovers of private lands. Thus during the latter part of the decade, the SPA continued its forestry and conservation efforts and attempted in various ways to publicize these activities, hoping thereby to improve the industry's image. It entered the World War II period, which would bring significant drains on the nation's timber

supply and renewed public conservation measures, with a wary eye focused on the agencies and officials of the national government. 156

The Southern Pine Association's constant interest in the land question was matched by its concern and activities in the field of transportation. The association's efforts in this field during the 1930's followed naturally along the same lines as during the previous decade: continual contacts with southern carriers and appearances before governmental agencies to ensure that southern pine producers would not be outmaneuvered on the matter of freight-rates by their western rivals or the producers of substitute materials. Since lumber moved on commodity rather than class rates, the Southern Pine Association did not become involved in the great crusade of the 1930's to remove class rate discrimination against the South, but its Transportation Department did keep a close watch on developments so that any attempt to bring lumber into the class rate system could be defeated. Under the leadership of Traffic Manager A.G.T. Moore and his staff, the interests of southern pine producers were zealously guarded, and the SPA approached World War II and its transportation problems with a battle-tested and smoothly-functioning traffic department. 157


As economic conditions began to improve in the latter 1930's, the Southern Pine Association again began to expand its activities in such neglected fields as advertising and trade promotion. It will be recalled that the Southern Pine Association entered the depression heavily in debt, with a good deal of the burden coming from the cost of a strong advertising campaign conducted in the late 1920's in an effort to offset the inroads of substitute materials and West Coast lumber into traditional southern pine markets.

In 1930, the SPA abandoned its costly advertising and trade promotion schemes, on the ground that "no amount of money spent for general advertising could move the inert demand for building and stimulate a business for this year beyond that which would ordinarily develop. . . . in the face of frozen demand for building, it would not pay to engage in any large advertising campaign promoting the use of Southern pine in home-building."\(^{158}\) At the same time, the SPA's field force of five men was gradually dispersed. However, fearing that competitors were augmenting their advertising facilities and forces for battles to come, in 1931 the association reversed itself and adopted a voluntary assessment of five cents per thousand feet to support advertising and trade promotion, effective on shipments beginning in April of that year.

\(^{158}\) "Mr. Berckes Talks to Subscribers," The Lumber Trade Journal (December 15, 1930), 37. Reprint in SPA Records, Box 74b.

\(^{159}\) C. C. Sheppard, May 9, 1931, \textit{ibid.}, Box 39b; "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . March 25, 1931," \textit{ibid.}, Box 70b.
During the early years of the 1930's, the association's promotional efforts shifted from advertising to maintenance of contacts among architects or specifiers and distributors of southern pine. In order to get by despite reductions in personnel, at times the SPA used members of its headquarters staff and Inspection Department for promotional work. In February, 1933, when association revenues sank to their lowest point ever, the SPA called upon its subscribers voluntarily to support a two and one-half-cent-per-thousand-feet-fee to defray the cost of field inspectors and the maintenance of a "skeletonized" promotion department to work with consumers and specifiers.\(^{160}\)

In the latter part of 1933 and early 1934, the association's promotional efforts were overshadowed by industry involvement in the New Deal recovery program, and expenditures for advertising and related activities declined precipitously. While even in the deep depression years from 1930 to 1932 such expenditures had constituted 21.7, 16.4, and 11.4 per cent, respectively, of the SPA's net revenues, in 1933 and 1934 they dropped to 7.1 and 6.8 per cent. In 1929 the association spent 46.5 per cent of its net revenues for trade promotion.\(^{161}\) While maintaining only a bare minimum of promotional activities, however, the SPA did pay off the debt which it had incurred in the late 1920's, and by the end of 1934 had a surplus of $67,000 and began to look toward the expansion of its promotional activities.\(^{162}\)

\(^{160}\)Southern Pine Association press release, March 22, 1932, ibid., Box 9b; "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . February 15, 1933," ibid., Box 70b.

\(^{161}\)"Southern Pine Association Trade Promotion Expenses 1915-1946, Incl.," ibid., Box 12b.

The renewed advertising and trade extension efforts of the Southern Pine Association were again directed against other producing sections and substitute materials. Emphasizing field work, by the latter part of 1936 the association again had five field men engaged in trade promotion.163 One of their principal functions was to contact and encourage governmental agencies at all levels to purchase grade-marked southern pine for their construction needs.164

The association's promotional efforts in the late 1930's were increasingly concerned with the establishment and maintenance of quality and grading standards, and this required an effective inspection service.165 During the early years of the depression decade, the Southern Pine Association, despite reductions in its personnel, managed to maintain an "adequate and efficient" mill inspection service. During the same period, it initiated two programs which were designed to extend and improve its inspection and grading services: (1) in November, 1931, it decided to grant official Southern Pine Association grade-marking privileges to non-subscribing mills which would meet SPA standards and pay a fee for the service; and (2) at the 1932 annual meeting, it wrote into the grading rules distinctions between longleaf and shortleaf pine.


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on certain items. This latter action was in line with a decision taken in the late 1920's to promote the species separately in certain cases and for some specific uses. 166

Despite these efforts to maintain and improve its grading and inspection service, in the early 1930's the association's grading committee chairman was deeply concerned about the industry's "half-hearted support of grade-marking and collateral activities." As a consequence, he reported, inferior products were being substituted for SPA grade-marked lumber and independent outside "inspection agencies" were furnishing their services to producers and distributors who wanted to market their lumber as "grade-marked" without meeting SPA standards. 167

By the time the National Recovery Administration went into operation, the Southern Pine Association's staff had been cut in half and mill inspections had been reduced from a monthly schedule to a two-month or longer one. The Lumber Code, however, brought momentary improvement in the situation. It required species and grade-marking of all lumber, effective January 1, 1934. Thus in one fell swoop a policy for which the Southern Pine Association had been struggling since the beginning of its existence became law. At the same time,

166 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . November 11, 1931," ibid., Box 70b; Southern Pine Association press release, March 22, 1932, ibid., Box 9b.

167 W. T. Murray to L. O. Crosby, January 13, 1933, ibid., Box 40a. Several pages of specific examples of these abuses are attached to Murray's letter. Further material concerning this problem is contained in the Board of Directors and Grading Committee minutes for February, 1933, in SPA Records, Box 70b.
the Federal Government purchased vast amounts of grade-marked lumber for its multitudinous relief and recovery projects.\textsuperscript{168}

As a consequence of these developments, the Southern Pine Association's inspection staff was greatly enlarged, regular monthly inspections of subscriber mills were reestablished, annual meetings for all inspectors to co-ordinate interpretation of grading rules were revived, inspection and trade promotion activities were coordinated, the study of moisture content and the characteristics of lumber shipped by southern pine mills was continued, and special inspection services in New York City and Washington were instituted to help satisfy the requirement for officially grade-marked lumber on all government contracts.\textsuperscript{169} The Southern Pine Association's efforts to serve the government were particularly noteworthy, for it was from this quarter and in the area of grading and inspection that the SPA encountered its last great crisis of the 1930's.

As was stated above the association, beginning in 1931, made its grade-marking service available to non-subscribers for a fee. The association charge for certificate inspections was fifty per cent higher for non-subscribers than for SPA mills, "because of the necessity for including a proportion of the overhead, which is already borne by subscribers in the form of subscription fees."\textsuperscript{170} During the NRA period


\textsuperscript{170}"The Whys And Wherefores Of Southern Pine Association Grade Marks And Certificates Of Inspections," \textit{ibid.}, Box 84b.
and after, the Federal Government became a heavy user of grade-marked lumber, and by the latter 1930's the Southern Pine Association had built up good will in some government circles because of its grade-marking activities. The Federal Housing Administration, for example, worked closely with the SPA and its inspectors in this area.

However, there were some unsettling clouds on the horizon. During the NRA period there were complaints that Southern Pine Association inspectors gave preference to subscriber mills in scheduling their work, and as Grading Committee Chairman W. T. Murray said in 1938, the SPA was "constantly confronted with the ideas of some people that for the consumer's protection, the grading and inspection of all commodities should be a government function." It was largely to head off these criticisms, as well as to expand the practice of grade-marking, that the Southern Pine Association in 1939 removed the differential in charges between subscribers and non-subscribers for its inspection and grade-marking services. Unfortunately, from the SPA's point of view, this effort to disarm the critics was unsuccessful.\(^{171}\)

In a larger sense, the Southern Pine Association's difficulties with regard to its grading, inspection, and trade promotion programs resulted from the New Deal's general campaign to reform abuses in the construction industry and from Assistant Attorney-General Thurman Arnold's efforts at the vigorous enforcement of the antitrust statutes.

\(^{171}\)C. Berckes to J. F. Carter, October 11, 1933, ibid., Box 40a; "Proceedings of Southern Pine Association Twenty-Third Annual Meeting . . . 1938," ibid., Box 73b; "Proceedings of Southern Pine Association Twenty-Fourth Annual Meeting . . . 1939," ibid.
Among Arnold's first targets were the much-maligned building and construction industry, and, in turn, the Southern Pine Association and other trade organizations in the lumber industry. While applauding the government's investigation of the building industry, lumbermen were apprehensive concerning what might be in store for them. Colonel W. L. Greeley of the West Coast Lumbermen's Association defended the Assistant Attorney-General as "thoroughly sincere: [and] devoted to free competition as the only effective protection against extensions of government regulations and control," but felt that Arnold was overly-dramatic, prone to exaggeration, and extremely vocal in public appearances and statements—the sort of man who could give the industry a tremendous black eye. Greeley's counterpart in the Southern Pine Association, Secretary-Manager H. C. Berckes, was even less charitable in discussing Arnold's motives and approach. According to Berckes, Arnold had set out to make "political capital." Not intent upon actually bringing the accused to trial, in Berckes opinion Arnold was "using the tactics of publicity and harassment to bring about the acceptances of consent decrees." 

172 Leuchtenburg, Franklin D. Roosevelt And The New Deal, 259.
173 Lucia, Head Rig, 200.
174 Berckes suggested that the Southern Pine Association could have successfully defended itself against Arnold's charges, but chose not to because: "when an Association, no matter how innocent or successful in defending itself gets embroiled in law suits, its effectiveness is lost, its members resign through fear and there will remain no organization to carry on. Mr. Arnold knew this and he adopted the policy of Grand Jury investigations, indictments and threats and then offer the industry involved the expedient of a Consent Decree, a consent not to do things they were not doing anyway, to do things which suited the administration's socialist thinking, and to remain under judicial scrutiny perpetually." Berckes, "The Pitch in Pine," 188-89.
Arnold began his scrutiny of the Southern Pine Association on October 5, 1939, with the issuance by the federal district court in New Orleans of a subpoena duces tecum under which the Department of Justice was empowered to examine the files and records of the Southern Pine Association as part of the Department's investigation of the building industry. A team of six Special Assistants to the Attorney-General, including the future United States Supreme Court Justice Tom C. Clark, went through the records of the SPA and many of its subscribers with a fine-toothed comb.175 Many firms whose records were not actually examined nevertheless came under the scrutiny of the Justice Department through their correspondence with firms whose offices actually were visited. The SPA's staff and advisers felt that the association's "skirts were clean and that the investigators would find little, if anything, about which they might make any worthwhile complaint."176

Despite the optimism of the southern piners, it became apparent that the Department felt that it had found sufficient evidence of production controls and price-fixing in the industry to get indictments against not only the Southern Pine Association but a large number of its subscribers as well. The Department's attorneys, agreed, however, that if the SPA and the firms which had participated in the questionable activities would enter into a consent decree, the Department of Justice would not work for widespread indictments. In line with established

175 Southern Pine Association to Subscribers, February 21, 1940, SPA Records, Box 70a.
policy in such cases, the Department would, nevertheless, return an
indictment against the Southern Pine Association as a corporation, but
without referring to its officers, directors, or subscribers.\footnote{177}

The government's complaint, which was filed in the United
States District Court for the Eastern District of Louisiana in New
Orleans, listed as defendants the Southern Pine Association, the South­
ern Pine Lumber Exchange, the National Association of Commission Lumber
Salesmen, and forty-one prominent southern pine lumber companies.
According to the complaint, beginning on or about March 1, 1936, the
defendants had engaged in a combination and conspiracy to restrain and
monopolize the interstate trade in southern pine lumber through (1)
fixing uniform, arbitrary, and noncompetitive prices; (2) curtailing
and restricting the production of southern pine lumber; (3) maintaining
and enforcing an agreed policy of distribution and thereby controlling
the channels through which southern pine was distributed to consumers;
and (4) formulating, promulgating, and administering grading rules and
trade practices and promotional activities that served unjustly to exclude
other firms from engaging in the southern pine trade and commerce.\footnote{178}
The Department of Justice won a grand jury indictment of the Southern
Pine Association and the other defendants along these general lines.\footnote{179}

\footnote{177}{Southern Pine Association to Subscribers, February 21, 1940, \textit{ibid.}, Box 70a.}

\footnote{178}{There is a mimeographed copy of the United States Government's complaint against the Southern Pine Association and other defendants in SPA Records, Box 70a.}

\footnote{179}{There is a mimeographed copy of the Grand Jury indictment in SPA Records, Box 70a.}
Tom C. Clark, who had directed most of the investigation and presented the case to the grand jury, also handled the negotiations with the Southern Pine Association after the indictment leading to a consent decree. H. C. Berckes later recalled that Clark had been "courteous and considerate" but had picked the names of the companies to be indicted almost at random. According to Berckes, "Mr. Clark went down the full list, picking the larger and influential Subscribers. When he had gotten a considerable number, he said, 'that's enough.' Those mills not indicted were gainers by default." The Southern Pine Association's executive committee and board of directors decided, on February 14, 1940, to accept a consent decree and not formally to fight the government's charges, but the SPA did file an answer in the United States District Court in New Orleans, denying and rebutting in detail the government's charges.

The Southern Pine Association's decision to enter a plea of nolle contendere to the indictment could have been divisive within the industry and among its subscribers, for many lumbermen were entirely convinced that they had done nothing wrong. The decision was reached through spirited consultations between the association's subscriber-officers, members of the SPA staff, and various lawyers. Some of the sessions between SPA representatives and government officials were actually held at the bedside of Secretary-Manager Berckes who was confined at home due to illness during part of the time. The decision


181 A mimeographed copy of the Southern Pine Association's reply is in SPA Records, Box 70a.
not to contest the indictment was founded upon the belief that protracted litigation would hinder the SPA's programs and cause confusion and uncertainty among its subscribers, and might result in conviction and great expense.182

According to one of the association's lawyers, violations of the Sherman Act were "so widespread and so patent . . . that lawyers were forced to the conclusion that a very, very large number of lumber manufacturing concerns and their officers might easily have been indicted and, upon a trial, easily convicted of this matter of swapping information and otherwise doing things that gave the Government the distinct, definite conviction that there had been agreements with respect to current prices of lumber, charged and to be charged, by people who were supposed to be, as a matter of law, competing with each other." The SPA counsel and other lawyers "were driven irresistably to the conclusion that the best deal we could make in your [the SPA's] behalf was the best job and the best service that could be performed." In the counsel's view, "the Southern Pine Association 'took the rap' for a great number of lumber manufacturers and lumber manufacturing concerns" in the Consent Decree. He and his associates, he declared, were "fortunate in being able to keep out of the consent decree a very large number of manufacturers and manufacturing concerns which probably would have been included in an indictment had the wholesale indictment route been followed instead of this consent decree route."


183 According to the SPA counsel, "the Government investigators did not include in that consent decree all of the lumber manufacturing
The decree itself was signed on February 21, 1940, by United States District Judge Wayne G. Borah in New Orleans, and it included the names of the Southern Pine Association, the Southern Pine Lumber Exchange, and forty-one prominent southern pine manufacturing firms. The decree restrained the SPA and the other defendants from fixing prices, controlling production, and making agreements in relation to the sale of lumber products to any particular types or classes of trade. The association was specifically authorized to continue the compilation and dissemination of statistics, and there was nothing in its terms to prohibit the continuation of traditional Southern Pine Association activities in the areas of transportation, trade promotion, conservation, and legislation. The most significant part of the decree was the second section, which said:

That the defendant Southern Pine Association . . . shall accomplish a separation of all grading rules, standardization, inspection and grade-marking activities, on the one hand, from any and all other activities carried on by SPA, on the other hand. Said grading, inspection and grade-marking activities shall thereafter be carried on only by and through a separate and autonomous bureau of said SPA to be newly created and to be known and designated as Southern Pine Inspection Bureau. The services and activities of said Bureau will be at all times available on equal terms to all manufacturers of Southern Pine lumber without favor or discrimination and without any requirement for joining or otherwise subscribing to said SPA or to any other trade association, or supporting any service or activity other than those of grading, standardization, grade-marking and inspection to be carried on by the Bureau aforesaid.184

concerns against which they had a showing of a violation of the law. They did insist upon the large and responsible manufacturers, who, they said, would be representative of the Southern Pine industry." "Report of Counsel, J. H. Crooker," in "Proceedings of Southern Pine Association Twenty-Fifth Annual Meeting . . . 1940," SPA Records, Box 73b.

184"In the District Court Of The United States For The Eastern District Of Louisiana, New Orleans Division, Civil Action No. 275, United States of America, Plaintiff, versus Southern Pine Association, Et al., Defendants," ibid., Box 39a.
The leaders of the association and their legal advisers spent much of their time at a general industry meeting and the Southern Pine Association's annual meeting in March, selling their decision to enter into a consent decree to SPA subscribers. The leader in this effort was Southern Pine Association President P. A. Bloomer of the Louisiana Long Leaf Lumber Company in Fisher, Louisiana. Bloomer, along with SPA attorney J. H. Crooker, emphasized that the SPA had not actually been convicted of anything, that there was nothing in the consent decree to interfere with the association's normal activities, that the arrangement was actually beneficial in illuminating what the SPA could and could not do, thereby enabling it to chart its future course more clearly, and finally, that the establishment of the Southern Pine Inspection Bureau would actually strengthen the industry's grading and inspection program. Bloomer told the subscribers that the industry had escaped the very real threat of having grading, inspection, and standardization activities taken over by the government.\footnote{Proceedings of Southern Pine Association Twenty-Fifth Annual Meeting . . . 1940, ibid., Box 73b; Proceedings of Industry-Wide Meeting of Southern Pine Manufacturers . . . March 29, 1940, ibid.} H. C. Berckes later wrote that to Bloomer should go "tremendous credit for satisfying the lumbermen that their interests were being well watched, also for keeping them patient."\footnote{Berckes, "The Pitch in Pine," 193.}

The consent decree, as the Southern Pine Association was careful to point out, did little to change the normal operations of the industry. The Southern Pine Association paid a fine of $10,000, and the Southern
Pine Inspection Bureau was set up as an autonomous organization with its own board of governors within the Southern Pine Association, but even in this case the original relationship was not greatly altered, and SPA Assistant Secretary-Manager A. S. Boisfontaine simply moved over to the position of SPIB secretary-manager. One historian of the New Deal has written that, while Thurman Arnold "gave the antitrust drive a vigor it had not had at least since the Progressive era, he could claim few substantive gains." The investigation and proceedings against the Southern Pine Association would not appear to have done much to embellish the assistant attorney-general's record of accomplishments.

The Southern Pine Association, on the other hand, had survived a difficult decade of transition, depression, and government conflict with its organization intact and in some cases strengthened. Its very survival during the deep depression years was a major accomplishment. The experience with the Lumber Code was instructive and helped to force the SPA and its industry to come to grips with some of the changes in their region, such as the growing importance of the small mill, and to continue their interest in forestry and conservation. The fight over wages and hours and the consent decree episode at the end of the decade focused the attention of the SPA upon the activities and attitudes of government, which would be exceedingly important in years to come.

CHAPTER X

THE SOUTHERN PINE ASSOCIATION DURING WORLD WAR II

In 1943 during the midst of World War II President Franklin D. Roosevelt explained that old Dr. New Deal who had treated the United States for the internal illness of the depression had been replaced by Dr. Win-the-War who was dealing with the injuries suffered on December 7, 1941, at Pearl Harbor. The Southern Pine Association had become increasingly disenchanted with the prescriptions of Dr. New Deal, but because of its genuine concern for the patient's fate, the SPA became a valuable, although sometimes critical, associate of Dr. Win-the-War. The important role played by the southern piners and other lumbermen during the mobilization and the second World War belied the opinion of many lumber producers which was articulated in 1939 by Secretary-Manager Wilson Compton of the National Lumber Manufacturers' Association when he stated that "lumber is not a war industry." In fact, the Southern Pine Association and its industry were heavily involved in the national mobilization effort long before the war began.

While the beginning of full-scale formal warfare in Europe came after Hitler's invasion of Poland in the fall of 1939, it was not until


early 1940 that the American lumber industry began to feel the impact of military needs when the British government placed large orders in the United States for aircraft lumber. The Roosevelt Administration, in the meantime, was groping toward the creation of administrative machinery to direct a defense or mobilization effort. The first step was the creation of a War Resources Board headed by Edward R. Stettinius, Jr. in September, 1939. This board drew up recommendations which were ignored by the President, and it was succeeded by the Office for Emergency Management, created on May 25, 1940, and the National Defense Advisory Commission which was appointed on May 29 of the same year. The commission was theoretically advisory to the Council of National Defense which had been formed during World War I and was now revived, but in fact it formulated and carried out policy. The National Defense Advisory Commission included a lumber group within its Industrial Materials Division, but the Council did not initially anticipate a shortage of wood products.

As early as June, 1940, the Southern Pine Association offered its assistance in the defense effort to the War Department, the National Defense Advisory Commission, and other agencies. As the intensity of mobilization began to build, the SPA augmented its staff, kept the industry informed about government lumber requirements, offered its services

3Ibid., 451-52.

to government contractors, and reopened its Washington office to keep in closer touch with events. During the summer of 1940, the tempo of this work gradually increased, until in the fall Southern Pine Association leaders decided to call an industry-wide meeting in New Orleans to inform lumbermen of the situation and to organize the entire southern pine industry, rather than simply the SPA, for full participation in the defense program. The meeting was scheduled for September 20. By September, the United States government had become the country's largest lumber consumer, and in that month it ordered two billion feet for the construction of cantonments, with southern producers asked to furnish most of the material.

At the industry-wide meeting in New Orleans the defense situation was explained by a number of speakers, including Secretary-Manager H. C. Berckes and other SPA officials and National Lumber Manufacturers' Association Secretary-Manager Wilson Compton. According to a contemporary newspaper report, the result of the meeting was that industry members and the Southern Pine Association "voted unanimously to forgive and forget its quarrel with President Roosevelt and his New Deal policies, and to rally the whole Southern pine industry with all its resources to support the emergency of national defense." To do this the meeting organized the Southern Pine Emergency Defense Committee, composed of one manufacturer from each southern pine-producing state and chaired by C. C. Sheppard of the Louisiana Central Lumber Company

5 H. C. Berckes to P. A. Bloomer, September 12, 1940, Southern Pine Association Records, Box 75a (Louisiana State University Archives, Baton Rouge, Louisiana). Hereinafter cited as SPA Records.

6 Hidy, Hill, and Nevins, Timber and Men, 452.
in Clarks, Louisiana. The committee's name was later appropriately changed to Southern Pine War Committee.

During the course of the day, the SPEDC met for the first time and recommended that the entire industry voluntarily assume the financial burden of war activities which had been borne since the beginning of June by the Southern Pine Association. The assembled lumbermen agreed to a voluntary assessment of three cents per thousand feet on shipments to support the work of the Southern Pine Emergency Defense Committee. The southern piners also voted unanimously to supply the government complete information on all aspects of the industry except prices, and adopted a resolution pledging complete cooperation with the defense program. The general tenor of the meeting was that the industry had sufficient facilities and raw material to meet government needs, but that lumber stocks were depleted because of prevailing low prices. All producers were urged by the speakers to give priority to government orders. The mood of the meeting was set by SPEDC Chairman C. C. Sheppard's pledge to the government that "this industry is going to make good on the job of delivering this material," and his admonition to lumbermen to "deliver the goods . . . not with the idea of trying to pinch out the last dollar that we can prevail

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7 Southern Pine Association Press Release, September 20, 1940, SPA Records, Box 75a; Southern Pine Emergency Defense Committee to All Southern Pine Manufacturers, September 23, 1940, ibid., Box 87b; The Times-Picayune (New Orleans), September 21, 1940; "Minutes of a Meeting of the Southern Pine Emergency Defense Committee . . . September 20, 1940," SPA Records, Box 75a.
upon the Government . . . to pay." Thus, fifteen months before Pearl Harbor the Southern Pine Association had established the basic structure which would carry the industry through the defense and war experience.

The first step in the SPEDC's effort was to mail a questionnaire to some 2,800 southern pine manufacturers asking them to estimate the amounts of various lumber items that they could furnish for defense. On the basis of this information, the committee prepared three-month forecasts of the industry's defense capacity which were supplied to the National Defense Advisory Commission to help in planning the mobilization effort. The Emergency Defense Committee also operated as a liaison between lumbermen and contractors on government projects.

While the Federal Government relaxed lumber specifications to permit the use of a wider range of species, lower grades, and higher moisture content, the Southern Pine Inspection Bureau attempted to speed the granting of grade-marking privileges to producers supplying government projects.

Concern about the international situation and enthusiasm for the mobilization effort did not, however, bring an end to problems on the home front, either civilian or governmental. During the early phase of the defense drive, Southern Pine Association subscribers were intensely concerned about the possible inroads of other species and

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substitute materials in the government's mobilization effort. These threats were, of course, actively resisted, and the SPA viewed the defense program as an excellent opportunity to renew old acquaintances and demonstrate to new contacts among engineering and architectural firms lumber's possibilities and uses. At the SPA's annual meeting in March, the board of directors voted additional funds to carry out an expanded trade promotion program, and in July the association embarked on a campaign which required doubling the organization's expenditures in that area. The fields open to lumber producers dramatically widened during this period as frame prefabricated buildings and wooden beams came into use, cheaper grades were converted into boxes and crates, wood was utilized for buildings ranging from giant airplane hangers to defense housing, and forms of wood were used in British and American aircraft.\(^{11}\)

However, despite the myriad of new possibilities for using wood and generally good relations with government officials, the southern pine industry was running into heavy criticism from some quarters in official Washington. The most vigorous and controversial came from Leon Henderson who was serving as Defense Commissioner in charge of Price Stabilization. Henderson had strongly criticized the lumber industry, and the southern pine industry in particular, during 1940 because of steadily rising prices which he attributed to the attempt of

lumbermen to capitalize on the government's defense needs. Henderson's charges created quite a stir in the industry, and on January 23, 1941, the fiery New Dealer appeared before an industry-wide meeting in Washington and angrily chastized the assembled lumbermen. President M. L. Fleishel of the National Lumber Manufacturers' Association, a prominent southern pine manufacturer, presented the industry's point of view. Lumber producers, particularly in the South, attributed rising price levels to the impact of wages and hours legislation, the tremendous lumber demand created by government programs, and the government's lack of coordination in buying lumber. The lumbermen believed Henderson acted unfairly and boorishly at the meeting. The New Dealer charged that he had not been properly informed of the framework and organization of the session. Regardless of the validity of the charges and counter charges, Henderson had the better of the battle for public opinion. Drew Pearson's "Washington Merry-Go-Round" gloried in Henderson's performance, and the lumber industry decided not to continue the controversy in the press. Furthermore, Henderson's warnings of probable future governmental controls over prices and production sounded ominous to an industry which had not yet outlived its disenchantment with the National Recovery Administration.12

In April the industry's fears were realized when President Roosevelt established the Office of Price Administration and Civilian Supply "to take all lawful steps necessary or appropriate in order to prevent price spiralling, rising cost of living, profiteering, and inflation..." By fall, ceiling prices imposed on southern pine lumber had aroused wide opposition in the industry. Nevertheless, its leaders, such as Chairman C. C. Sheppard of the Southern Pine Emergency Defense Committee, participated in a conference of some sixty or seventy southern pine figures, including manufacturers, wholesalers, and commission men, which was called by Leon Henderson to discuss and advise the government concerning prices. After the government's price schedule was announced in August, federal officials proved willing to meet and talk with the lumbermen concerning modifications or exemptions from the prices which were to go into effect on September 5. Such a meeting was held in New Orleans on August 30, where more than six hundred lumbermen conferred with Peter A. Stone, Price Executive of the Lumber and Buildings Materials Section of the Office of Price Administration and Civilian Supply. Stone promised to convey their views on lumber prices to the proper officials, and it appeared that the channels of communication between the industry and government would remain open for fruitful negotiations and agreements. Prices were not the only area of controversy between the southern piners and the government. There

13Mitchell, Depression Decade, 382-83; "Summary of Letters and Wires Received Pertaining to Price Schedule No. 19," SPA Records, Box 75a.

14"Transcript of Meeting of the Southern Pine Emergency Defense Committee . . . August 30, 1941," ibid., Box 68a; Southern Pine Association Press Releases, September 1, 1941, and August 30, 1941, ibid., Box 75a.
were also reports of the shipment of green lumber, cheating on grades, and overbidding on government contracts during 1940.\textsuperscript{15}

All of the earlier accomplishments and difficulties of the southern pine industry paled into insignificance when Japanese bombs struck Pearl Harbor on December 7, 1941. SPA President Earl M. McGowin immediately sent a telegram to President Roosevelt pledging the association's unqualified support, and on December 12 the Southern Pine Emergency Defense Committee and the SPA Executive Committee met jointly in New Orleans and adopted a resolution to expand the industry's efforts in the crisis.\textsuperscript{16} C. C. Sheppard told his fellow lumbermen that "there can be no doubt that the requirements of the war will present a demand on the lumber industry, compared with which, previous requirements will be insignificant," and he pledged that "every Southern Pine producer, regardless of size or location, will go the limit and extend the limit to produce and supply the war needs of our nation."\textsuperscript{17}

During the first year of actual warfare, modifications were made in the southern pine industry's defense structure. One of the changes was merely semantic—on March 27, 1942, the Southern Pine Emergency Defense Committee became the Southern Pine War Committee.\textsuperscript{18} During the year, another change of sorts was made in the War Committee's support

\begin{itemize}
\item ^\textsuperscript{15}"Proceedings of 26th Annual Meeting Southern Pine Association, March 13-14, 1941, and Industry-Wide Meeting of Southern Pine Emergency Defense Committee, March 14, 1941," \textit{ibid.}, Box 73b, 33.
\item ^\textsuperscript{16}Collier, \textit{The First Fifty Years of the Southern Pine Association}, 119.
\item ^\textsuperscript{17}Southern Pine Emergency Defense Committee to Southern Pine Manufacturers, December 8, 1941, SPA Records, Box 75a.
\item ^\textsuperscript{18}"Minutes of a Meeting of the Southern Pine Emergency Defense Committee . . . March 27, 1942," \textit{ibid.}
\end{itemize}
when the Southern Pine Association's executive committee voted that the SPA would absorb its subscribers' three-cents-per-thousand-feet-contribution to the War Committee out of the association's general subscription fee. Facilities were established in the SPA's offices to provide rapid contact between industry members and the government. Equipment was installed for the reproduction and dissemination of government orders, rules, and regulations. The importance of communications was reflected in sizable telegraph, telephone, and printing charges incurred by the association during the war period.

As the nation plunged deeper into war activities, the realization dawned in Washington that lumber was not an inexhaustible resource and its use had to be regulated. The industry soon came to be governed by a maze of regulations, beginning with War Production Board Ruling L-21 of May 13, 1942, which restricted the use of softwood construction lumber for non-military purposes. The ruling was amended on July 10th and was superseded on August 27th by Conservation Order M-208 which introduced detailed priority ratings on lumber and controls on specific grades. There were also additions, adjustments, amendments, and supplements to the government's price ceilings, and efforts to eliminate a shortage in railroad cars through a "Maximum Loading Order" issued by the Office of Defense Transportation.

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19 H. C. Berckes to C. C. Sheppard, September 2, 1942, ibid., Box 75b; "Minutes of a Meeting of the Southern Pine War Committee . . . September 29, 1942," ibid., Box 75a.

20 "Southern Pine At War," ibid., Box 81a, 4-5.

During that year the government also moved toward centralization of its purchasing efforts, and the men who were to be most influential in lumber procurement emerged. In the summer of 1942, J. Philip Boyd left the Weyerhaeuser Sales Company to become chairman of the lumber committee of the Army and Navy Munitions Board, and then in January, 1943, director of the Lumber and Lumber Products Division of the War Production Board. SPA Secretary-Manager H. C. Berckes found Boyd to be a capable and fair government representative during the war, although he "may have represented the West Coast viewpoint a little bit more than ours. . . ."

To centralize purchasing for the Army, Navy, and other service branches, a Central Procurement Agency under the auspices of the United States Corps of Engineers became active under the direction of Colonel F. G. Sherrill. It cooperated with Boyd's Lumber and Lumber Products Division. Berckes had an excellent relationship with Sherrill and later praised the Colonel's performance and his abilities as a diplomat.

By the middle of 1942, the problems which were to hamper the southern pine industry's efforts in war production had become clear. The most important seemed to be securing tires and an adequate labor supply. At a Southern Pine Emergency Defense Committee meeting at the beginning of the year, the major topic of discussion was the tire shortage which threatened to force many lumbermen to shut down operations. By the World War II period, it was estimated that over ninety

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per cent of southern logging and lumbering was done on rubber-tired vehicles, and an adequate supply of tires was thus obviously essential. There were similar but less serious difficulties and shortages in other supply and equipment areas.24

The labor situation also became serious early in the war. The Southern Pine War Committee sponsored a manufacturers' clinic in New Orleans in June, 1942, to gather information on it, as well as other matters, for presentation before the War Production Board and Office of Price Administration officials.25 The basic problem in the labor area stemmed from the induction of men into the military and the drift of laborers away from lumbering, particularly toward the high-paying defense construction and defense industries, such as the shipyards of the Gulf and South Atlantic coasts and the military cantonments in the South.26 The SPWC's New Orleans clinic unearthed abundant evidence of the labor shortage in the southern piney woods. Secretary H. C. Berckes advised the lumbermen that the government was cognizant of the problems and that there was "a very distinct movement going on in Washington to have some relief for skilled labor for the sawmills."27


26 Hidy, Hill, and Nevins, Timber and Men, 460-61.

27 "Proceedings of Clinic Held Under the Auspices of Southern Pine War Committee . . . June 3, 1942," SPA Records, Box 68a, 47.
The New Orleans meeting brought numerous cries of pain from lumbermen who were obviously feeling both the economic and cultural shock of changing labor conditions produced by the war. One employer incredulously noted the transformation brought about by the new defense industries. "A nigger that I raised--I was quite proud of the nigger, I thought he was pretty smart--come [sic] by with a check for $92 for a week's work. That's more than I make," lamented the manufacturer. 28

Another discussed bitterly the impact of a defense project near his plant and company town:

... they sent a labor truck to the plant. Talking in our sawmill language, I was so damned mad I wanted to go outside. Niggers we raised and that have been there to the third generation--before the third generation was born--we have been operating there forty years; we have been their doctors, lawyers, nurses and everything; we are bankers and everything else for them; and they go down there and work for those people because they are paid 55 cents and 50 cents--and they live in our houses, and we furnish water and light. I've seen these niggers eat canned peaches that we don't even have ourselves. They have raised the standard of living down there--and I don't see where Paul McNutt is going to come in; I don't know. 29

A common complaint was voiced somewhat later by an Arkansas producer who noted that his operation had "green lumber all over the yard because we are short the necessary men to stack it," and further that on the government camp construction sites in his state "they pay the men more than we can afford to pay and the men claim they don't have to work half as hard at the camps as they do at the lumber plants." 30

By the latter part of 1942 the lumber industry's labor problem attracted government attention. In September, 1942, the War Manpower Commission classified the major forest industries as essential. Paul V.

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28 Ibid.
29 Ibid.
30 W. J. Yost to H. C. Berckes, September 4, 1942, Ibid., Box 75b.
McNutt, Chairman of the Commission, issued a "freeze order" or employment stabilization plan in twelve western states, including the important southern pine-producing state of Texas. The order prohibited workers employed in logging and lumbering in those states from seeking employment in other industries. McNutt threatened to issue similar orders for other parts of the nation if necessary. Toward the end of the year the War Production Board's chairman Donald Nelson instructed the industry to implement a forty-eight hour week wherever possible; the Selective Service Board provided draft deferment eligibility to workers in forestry, logging, and lumbering; and the War Labor Board approved sizable wage increases.

The seriousness of the labor situation in the southern piney woods was reflected in SPA Secretary-Manager Berckes' testimony before Harry S. Truman's Special Senate Committee to Investigate the National-Defense Program on November 24, 1942. The SPA secretary-manager pointed out that a study made in August by the War Production Board, based upon some 597 southern pine mills with an estimated forty per cent of the industry's total production, showed that on January 1, 1942, they employed 53,826 wage earners, but by July 31, this figure had declined to 51,620, with a labor turnover of thirty-seven per cent. During this seven-month period, 19,703 workers left the southern pine industry, with sixty-three per cent going to such other jobs as shipyards,


32 Hidy, Hill, and Nevins, Timber and Men, 461; Southern Pine War Committee, "War Bulletin," XLVII (September 16, 1942), Southern Pine War Committee, "War Bulletin," LXXXIV (February 28, 1943), copies of both
war-construction projects, and railroads, in pursuit of higher wages; fifteen per cent entering the military; and twenty-two per cent leaving for various other reasons. Of the 17,497 workers added to the payrolls during this period, many were older men and formerly part-time and unemployed workers who were generally inexperienced and undependable. Absenteeism was an increasingly acute problem.\footnote{33}

As if supply and labor problems were not enough, during 1942 the southern piners and other lumbermen also became involved in a running dispute with the United States Forest Service, when in June acting Chief Forester Earl W. Clapp presented a scheme for increasing the production of lumber, called the Forest Products Service Plan, for the consideration of the War Production Board. The plan basically contemplated the allocation to the Forest Service of a revolving fund of $100,000,000 from the Commodity Credit Corporation to be used to purchase, produce, store, and sell forest products and to provide funds to enable small producers to obtain credit, markets, and transportation. The original proposal was to be carried out by means of an executive order and would give the Forest Service authority to take over plant facilities and acquire timber. There was a heated outcry from the lumber industry, including the agencies of the southern pine area, who argued that the Forest Products Service Plan was simply another scheme of the advocates of publicly controlled cutting practices; that it would encourage government competition with private enterprise; that it was based on an exaggerated and pessimistic estimate of the industry's timber supply,

\footnotesize{bulletins in SPA Records, Box 75a; Southern Pine War Committee to Southern Pine Manufacturers, March 1, 1943, \textit{ibid}.}

\footnotesize{33\textit{"Southern Pine and Its Production, Statement by H. C. Berckes . . . November 24, 1942," \textit{ibid.}, Box 90a, 3.}}
forest practices, and performance; that the credit needs of small producers could be met adequately from existing sources; and that the government would do better if it would help existing producers through better coordination of government lumber usage, and easing the supply and labor problems of the industry. Despite internal disagreements, the plan received the support of the War Industries Board and got to the desk of the President where it continued to come under heavy opposition until it was finally dropped. Under the impact of declining production in 1943, however, parts of the program were finally put into effect despite the lumber industry's continued strong resistance.\textsuperscript{34}

In the meantime, drastic measures were being utilized to deal with the southern pine industry's chronic wartime labor shortage. The problem in 1943 continued to result from several factors, including better working conditions in other industries, the relatively low wage scale in lumbering, competition from southern defense industries, and the increasingly heavy migration of Negroes out of the South in search of jobs in northern and western defense plants. All of these problems were major topics of discussion in February as southern pine producers convened in New Orleans for a conference with government representatives.\textsuperscript{35}

At the February meeting, a War Manpower Commission representative explained the services and new programs of the Commission and the United States Employment Service, told the lumbermen that an arrangement had been worked out with the Gulf Coast shipyards whereby the yards would

\textsuperscript{34}Hidy, Hill, and Nevins, Timber and Men, 460. There are numerous circulars, newspaper clippings, letters, and other materials relative to the Forest Products Service Plan and later related legislation in SPA Records, Boxes 52b, 94a, and 94b.

\textsuperscript{35}Robert C. Weaver, "Negro Labor Since 1929," The Journal of Negro History, XXXV (January, 1950), 35-36. Because of the large number
no longer employ a worker transferring from another essential industry "unless he has a very special case," and recommended "planned utilization of the remaining labor supply, especially of older men, and if possible, of women." The plea for cooperation with the U. S. Employment Service in at least some cases fell on deaf ears. "And we are told to go to the . . . United States Employment Agencies," bellowed one prominent lumberman, "the men in charge of them are very gracious, they seem eager to help you, but the class of men they have to offer you, they would be in your way. You could afford to pay them money to stay away." This man believed much of the labor difficulty stemmed from government projects paying "excessive wages." The Louisianian noted ironically that "if some of these experts can tell us how to get men to swamp and cut down the trees during the hot summer months, they will go far in solving our problems." Others in the meeting echoed virtually the same sentiments.

of Negroes employed in southern lumber mills and camps, the migration of the blacks was naturally a major conversational subject, and the comments of Chairman C. C. Sheppard of the Southern Pine War Committee probably summed up the feelings and experiences of many lumbermen, "I would like to call the attention of those Government representatives to one movement that is now starting in our section of the country," said Sheppard, and the Louisianian noted that "some of our Negro labor is leaving our plant and going north to higher-rated jobs around Detroit and Chicago. Last Sunday, there were six of them loaded into one automobile and started north." Sheppard remembered that "we had a lot of that during the first World War," and he warned that "we are not troubled just by the shipyards paying higher wages and taking our labor, we are troubled with other industries, war industries; we are troubled with the paper mills taking them, and many of the war industries located North and East—shell loading plants and all those operations." "Proceedings of Joint Industry-Wide Conference of the Southern Pine War Committee and the Southern Hardwood Industry War Committee . . . February 19, 1943," SPA Records, Box 68a, 73.


37 Ibid., 70.

38 Ibid., 71-72, 75-76.
Two months later, in April, 1943, the Southern Pine War Committee met with the Southern Hardwood Industry War Committee in New Orleans to review the defense situation and its development since the earlier session. Spokesmen from various parts of the southern pine belt focused once again on labor as the major problem. An Alabama manufacturer reported a meeting between a lumberman from his state and a government representative who asked the southern pinner if he would like to recover laborers who had drifted to the Gulf Coast for higher pay, and received the frustrated retort, "No, I can't do anything with them now, after they have been to the shipyards." Spokesmen from Arkansas and Oklahoma bemoaned labor raids from West Coast defense industries, and one Arkansas producer noted that "we have colonies of Negroes located in California," and added that out of 454 men lost by his company between January 1 and April 1, only forty-five were drafted. A Floridian listed the usual complaints, including the loss of labor to defense industries, but added a new note—the raiding of female lumber employees. "They are now picking up these women, taking them to the airfields and other camps and working them in the places where they have worked soldiers, cleaning up the quarters and running the laundries, and they give them about $25 a week," he noted. Out of a town of some three thousand inhabitants, he estimated, approximately 150 to 175 women were being transported twenty miles daily to work at an airfield. A Louisiana producer chimed in that his efforts to put women to work had been foiled after about eight or ten had started, when "they had a chance to go to the laundries as mentioned and they quit their
jobs and went to the laundries because it was easier work." Reports from
other parts of the southern piney woods were similarly pessimistic.\textsuperscript{39}

To deal with the labor problem, the southern pine industry
beginning in 1942 and continuing through the end of the war took several
extraordinary measures. It requested and received from local draft
boards excellent cooperation in granting deferments to key employees.
It also employed "men with one arm, one leg, one eye, and men with
other physical handicaps, who normally wouldn't be considered as proper
material for sawmill labor."\textsuperscript{40} The southern pine industry's experience
was not significantly different from that of sawmills on the West Coast
which found themselves recruiting "women, old men, teen-agers, interned
Italian seamen, physically disabled men, malaria convalescents, and
even two college professors."\textsuperscript{41} In the southern piney woods, however,
there were two labor developments which were especially interesting--
the use of female laborers and prisoners of war. The utilization of
women in southern lumbering had been extremely rare before World War II,
and it was not until 1942 that reports of their entry into Dixie's
lumber industry became common. During 1943, as the labor shortage be­
came more acute, females began to fill formerly all-male jobs, and by
the middle of the year they were working in operations throughout the
South as moulders, edgers, cut-off and rip-saw loaders, checkers,
bundlers, resaw roller operators, graders, janitors, planing machine

\textsuperscript{39}"Proceedings of Joint Meeting of Southern Pine War Committee
and Southern Hardwood Industry War Committee . . . April 14, 1943,"
ibid., Box 74b, 3-19.

\textsuperscript{40}"Proceedings of Joint Industry-Wide Conference of the Southern
Pine War Committee and the Southern Hardwood Industry War Committee . . .
February 19, 1943," ibid., Box 68a, 67.

\textsuperscript{41}Hidy, Hill, and Nevins, Timber and Men, 462.
operators, and in other capacities. A Southern Pine War Committee sur-
vey conducted from June 29 to July 12, and covering thirty-four mills
in Alabama, Arkansas, Florida, Louisiana, Mississippi, Oklahoma, and
Texas, found twenty-five mills employing 797 females. Of these, 441
were white and 356 black, and they performed twenty-eight different
kinds of jobs. The committee noted that there were several hundred
additional women employed in other southern lumber plants.

According to the SPWC report, many of the women came from fami-
lies with other members working in the lumber industry, many were per-
forming both household chores and their lumbering duties, and many saw
their employment as a temporary thing to assist their families and help
win the war. One supposedly typical female lumber worker was a veritable
Pauline Bunyon, who "in addition to working 48 hours a week felling
trees . . . kept house for her husband and seven children, a step-
brother and a boarder, milked two cows night and morning, made butter
for the family and attended to other household duties with the help of
her older children." According to the Southern Pine War Committee,
this truly fortunate woman's husband "indicated she was as capable as
a man." The committee said that the managers of lumber plants surveyed
"are of the general opinion that the women employees give practically
the same satisfactory service, and display practically the same effi-
ciency on the jobs as men workers; that the women were quick to learn
their jobs. . . . are enthusiastic and conscientious about their
work. . . ." Despite raids from other defense industries, women
had by the end of 1943 become valuable contributors to the southern
pine war effort.

42Women Workers In South's Lumber Industry, Report of a survey
of lumber manufacturing plants in portions of seven states—Alabama,
The utilization of prisoner of war labor in the southern pine and other industries during World War II was in many ways more interesting than the concurrent influx of females. By the latter part of 1943, there were 163,706 German and Italian prisoners interned in the United States. Their numbers increased to a total of 196,948 in late June, 1944, and reached a peak of 425,806 by the end of June, 1945. Not all of these prisoners, however, were eligible for labor in the United States. By the terms of the Geneva Convention of 1929, only privates could be required to perform labor, and they could not be forced to work at jobs that were dangerous, unhealthful, or of direct military applicability. The major use of prisoners during World War II was in their own camps and in other military installations, but a few small groups were made available to private employers before the end of 1943.

The fundamental policies regarding prisoner of war labor were worked out by August, 1943, and most non-military aspects of the problem were delegated to the War Manpower Commission. In response to a request by a private employer for prisoner of war workers, it made an investigation and, if it found civilian labor to be unavailable, certified the employer's need for prisoners. The commission also determined the conditions and terms of employment. Matters relating to interpretation of

Arkansas, Florida, Louisiana, Mississippi, Oklahoma, and Texas. Conducted by Southern Pine War Committee, New Orleans, La.," SPA Records, Box 82a.


44Ibid., 190.
the Geneva Convention and security were handled by the War Department. Prisoners were available only in cases where there was a dearth of other workers, and the procedure for obtaining POW laborers was for the employer to file a request through the U. S. Employment Service and agree not to discriminate against the prisoners, to pay them the prevailing wage rates, and to provide suitable working conditions. In the final analysis, however, the local labor supply was not so important in allocating the prisoners as was the existence in certain industries of strong labor unions which strongly opposed their use. In lumbering, prisoners were more extensively utilized in the Southeast and in Maine than on the Pacific Coast where there were fairly effective labor organizations.

The preliminary stages of the first mass transfer of prisoners to America came in August, 1942, when the British Government requested the United States to intern some 150,000 British-captured prisoners of war in order to relieve overtaxed facilities in England. The Joint Chiefs of Staff agreed and initiated plans for the construction of facilities for the prisoners and for their employment. The original plans, submitted in September, 1942, by the Provost Marshal General, called for the distribution of approximately seventy-five per cent of the first batch of some fifty thousand prisoners to unused camps in the Eighth Service Command in the Southwest which had originally been planned for the housing of enemy aliens. Because of the uncertainties of construction, the PMG also planned to house prisoners in temporary housing on

46Ibid., 193.
military installations, some of which finally became permanent. The second group of one hundred thousand prisoners was expected to be interned in the Fourth, Seventh, and Eighth Service commands in the South and Southwest. By the latter part of 1942, there were numerous camps completed or under construction which would house prisoners in areas conceivably within range of southern pine operations.  

The first Southern Pine Association or SPWC contact with the prisoner of war system came in June, 1943, when Field Man C. N. Gould called on Eighth Service Command Headquarters in Dallas to investigate the availability of prisoners for employment in the southern pine industry. Gould reported to the SPWC that the only war prisoners within the Eighth Service Command who were then near enough to the belt to be utilized were at Huntsville and Sherman, Texas, and at Fort Smith, Arkansas. However, there was a possibility that camps at Leesville and Ruston, Louisiana, would soon be occupied by prisoners. While Gould was conferring with Eighth Service Command Headquarters, another SPWC representative was talking with representatives of the Fourth Corps Area Service Command in Atlanta, and by early June these efforts were successful in securing some fifty war prisoners for employment by southern pine manufacturers in Georgia.  

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47 George G. Lewis and John Mewha, History of Prisoner of War Utilization by the United States Army, 1776-1945, Department of Army Pamphlet 20-213 (Washington: Government Printing Office, 1955), 83-86. Pages 84 and 85 of this work contain a list of the plants completed and under construction, showing their capacities.


49 Southern Pine War Committee to Abrams Brothers Lumber Company, June 12, 1943, *ibid.*, Box 87a.
one Texas company was using fifteen prisoners from the Huntsville Internment Camp. 50

During the summer of 1943, Southern Pine War Committee field men visited numerous manufacturers and conferred with camp commanders and government officials regarding the use of prisoners in the southern pine industry, and found all three groups generally favorable toward the idea, but rather vague about the procedures to be followed and other details of the POW situation. Of those lumber operators who were able to give a definite response, an overwhelming majority, by a ratio of approximately fifteen to one, indicated that they would be willing to use the POW's. 51

Despite widespread interest in the use of POW's in the southern pine industry and the growing numbers of prisoners in the United States, the industry did not make effective use of such labor. The pulpwood and lumbering industries used a total of only 165,743 man-months of POW labor and trailed only agriculture in the employment of this type of labor from June, 1944, to August, 1945. 52

50 "Daily Report, C. N. Gould, July 31, 1943," ibid., Box 52a. On August 2, 1943, Gould visited the plant of the Hall Bros. Lumber Company in Huntsville, Texas, which was using seventeen prisoners-of-war, and reported that after three weeks of working the prisoners the proprietors of the firm were quite pleased with the results. One of the owners remarked that he "wouldn't take a thousand dollars for what we have done with these prisoners already, because it has put us back into normal production which we had been unable to do otherwise." "Daily Report, C. N. Gould, August 2, 1943," ibid.

51 Reports of these field visits are in SPA Records, Box 52a.

industry had difficulty in arranging with the government for obtaining these workers.\(^5\)

That the southern pine industry needed additional workers is shown by the fact that the production of southern pine lumber actually fell during the war, despite all of the talk on the part of both the industry and the government about meeting the nation's wartime needs. By the latter part of 1943, southern pine production was running seventeen per cent behind a similar period for 1942, and there had been a ten per cent production decline during the latter year. Stocks on hand and unfilled orders also reflected a serious fall in production.\(^5\) According to a survey of some three hundred producers representing approximately thirty per cent of southern pine production in the middle of 1943, the leading difficulties were manpower shortages, of which ninety-three per cent complained; inability to secure timber which bothered eighty-one per cent; problems connected with the government's regulations on prices and wages cited by fifty-three per cent; and troubles with priorities which bothered forty-nine per cent. In each of these categories, a sizable number of producers believed their difficulties were increasing.\(^5\)

The southern pine industry made a poor production record despite a drive spearheaded by the Southern Pine War Committee for maximum production during 1943. As part of the campaign, the committee sponsored

\(^5\)H. C. Berckes to C. C. Sheppard, April 12, 1944, SPA Records, Box 91a.


\(^5\)Ibid., 28.
meetings throughout the southern pine district which were attended by government representatives and some twelve hundred manufacturers to discuss production problems. The committee also sent out field men to consult with both manufacturers and representatives of government agencies in an effort to remove production impediments. They were in effect roving trouble shooters.

By April, 1943, the problems of the southern piners and other branches of the lumber industry had become serious enough to attract a good deal of national attention. In April the Small Business Committee of the House of Representatives under Congressman Wright Patman of Texas began an investigation of the industry. According to a United States Forest Service estimate, that spring some nine thousand of the nation's thirty-one thousand sawmills were closed down due to various wartime problems, and the committee was inundated with complaints from all quarters about the lumber situation and particularly the small mill segment. The committee's first action was to appoint a subcommittee which held a hearing in Washington at which the department chiefs of the various Federal agencies charged with lumber matters and Secretary H. C. Berckes of the Southern Pine War Committee testified. Berckes stated that he believed that about a thousand small southern pine mills were

56 "Statement by C. C. Sheppard, Chairman, Southern Pine War Committee, Wednesday, April 14, 1943," ibid., Box 75b.

57 "Field-Work" (Typewritten report), ibid.

58 "The Problems Of The Lumber Industry In 1943, First Interim Report From The Committee On Small Business, House Of Representatives, Pursuant to H. Res. 18, A Resolution Creating A Select Committee On Small Business Of The House Of Representatives And Defining Its Powers And Duties" (Washington: Government Printing Office, 1943), 1-2. This is a committee print which is in SPA Records, Box 88a.
out of production, and emphasized the lack of coordination between government agencies concerned with lumber and timber problems. He also stressed the industry's chronic labor shortage.59

Because of complaints by Berckes and other witnesses at the May hearing, the House Small Business Committee recommended the creation of an interagency committee to coordinate the efforts of Federal agencies dealing with the lumber program. As a result of the efforts of the committee and Donald M. Nelson, chairman of the War Production Board, a six-man interagency committee called the Log and Lumber Policy Committee was created on July 6. The committee's members included the director of the Lumber and Lumber Products Division of the War Production Board; the price executive of the Lumber Branch of the Office of Price Administration; a public member of the National War Labor Board; the director of the Bureau of Placement of the War Manpower Commission; the chief of the Materials and Equipment Branch, Office of the Chief of Engineers, Engineers Corps, War Department; and an assistant chief of the Forest Service, United States Department of Agriculture.60

The House Small Business Committee hearing elicited from Federal officials the first public admission that there was a shortage of lumber for national defense. The committee's chief investigator in his report


60"The Problems Of The Lumber Industry In 1943," 2.
also mentioned simmering disputes within the industry between factions inside and outside of the associations.61 These two matters began to hit the newspapers in late summer. In his "Washington Merry-Go-Round" column on August 14, Drew Pearson alleged that there was dissension within the ranks of government agencies, and reported that "serious charges have been made that big lumber dealers are throttling smaller mills, and that Gen. Eugene Reybold, chief of army engineers, has played into the big lumber dealers' hands." Pearson declared that Reybold had "issued orders that Army purchases must come only from the lumber associations, which comprise the big mills. . . ." He singled out the Southern Pine Association for special criticism:

In the South, for instance, about 750 mills belong to the Southern Pine Association, one of the most powerful lumber associations, while 15,000 small Southern mills do not belong. The Southern Pine Association was prosecuted by the Justice Department for monopolistic practices and was forced to sign a consent decree. Nevertheless, Army engineers have ruled that Army lumber purchased in the South must come from the Southern Pine Association, thus leaving 15,000 smaller mills out in the cold.62

Pearson's articles prompted the Patman Small Business Committee to schedule another Washington hearing to investigate the journalist's charges, and the Southern Pine Association was advised in advance by the Committee's chief investigator that the SPA could send a representative to defend itself.63 The hearing was actually held on October 11 and 12 before Congressmen Estes Kefauver of Tennessee and J. W. Robinson of Utah and the Patman Committee's Chief Investigator, Dan W. Eastwood.

61Ibid., 5, 14.


63Dan W. Eastwood to Oliver O. Bright, September 13, 1943, SPA Records, Box 88a.
The sessions were concerned not only with the charges that the Corps of Engineers was limiting its purchases to members of recognized lumber associations and ignoring smaller producers; but also with complaints that former Weyerhaeuser employee J. Philip Boyd, as director of the Lumber and Lumber Products Division of the War Production Board, was favoring his old company and that the southern lumber industry was lagging behind other sections in meeting its defense obligations. They covered, besides, the policies and procedures of the Office of Price Administration and the chronic manpower problem, particularly in the southern lumber industry. Among the numerous witnesses who testified were H. C. Berckes and A. S. Boisfontaine of the southern pine industry. Berckes' testimony consisted primarily of a rehash of the southern pine industry's problems and accomplishments and an account of the services performed by the SPWC for all producers, large and small. At Berckes' suggestion, the Patman Committee agreed to hold hearings and conferences in the South to examine the problems of the southern lumber industry. In the opinion of the Wood Industries Editor of the Chicago Journal of Commerce, industry figures who had come under criticism were cleared by the hearings, and the proceedings had brought "a break in the cloud of secrecy and buck-passing that has obscured the lumber production and pricing program. . . ."65


In anticipation of the Patman Committee's visit to the South, critics of the SPA and its related organizations began to voice their complaints. One of the most vocal of these critics was Secretary W. W. Findley of the West Side Lumber Association, an organization of Arkansas lumber producers. As early as June, 1943, Findley charged in a letter to Chairman Wright Patman of the House Select Committee on Small Business that "the Southern Pine War Committee and the Southern Pine Association have very little standing with sixty per cent of the lumber producing operators of the United States." "We have found in the past twenty years of dealing with the Lumber Industry of Arkansas . . . that the Southern Pine Association has been a detriment to the sixty per cent of the producing area," said Findley. The Arkansan concluded by once more reminding Patman "that the Southern Pine Association, the Southern Pine War Committee, Mr. C. C. Shepherd [sic] and Mr. Berckes do not represent the majority of the Lumber Industries as they have specifically stated in testimony before your committee."\(^{66}\)

On November 8, Findley reiterated to the Patman Committee his allegation that the SPA and SPIB did not represent the industry and included a lengthy collection of criticisms of the SPIB's structure and activities. "If at the proposed hearing of this committee in New Orleans, men are to be called on to testify as to the situation in all its phases that have heretofore been called upon by the committee and whose efforts so far have not borne any fruit as regards increased production or anything else favorable to the war effort," concluded Findley, "the hearing in New Orleans will be of no benefit in securing

\(^{66}\)W. W. Findley to Wright Patman, June 25, 1943, SPA Records, Box 88b.
increased production of lumber and naturally we feel that the expense attendant upon a trip to New Orleans, the loss of time away from producing properties where the management is essential and most essential at the present time, will be a waste of effort."^67

The New Orleans hearings brought Wright Patman and the entire House Committee on Small Business, rather than simply the subcommittee on lumber matters which had previously been handling these problems, to the Crescent City on November 29 and 30. The Log and Lumber Policy Committee also held meetings there during the week, as did the Southern Pine War Committee, and all southern pine producers were invited to testify. The SPWC estimated that some seven hundred members of the southern pine industry came to New Orleans and that about thirty of them appeared before the committee. In their testimony, the lumbermen placed the blame for much of the industry's difficulties on government policies. The industry figures also cited the usual long list of production impediments.^68

Secretary W. W. Findley of the West Side Lumber Association did not repeat his charges of November 8 against the Southern Pine Association during his testimony before the committee, and anyway the SPA had already answered them in a lengthy letter to Wright Patman before the hearings began.^69

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^67 W. W. Findley to Wright Patman, November 8, 1943, ibid.
^68 Southern Pine War Committee Press Release, November 30, 1943, ibid.
^69 H. C. Berckes to Wright Patman, November 29, 1943, ibid.
hearings was an announcement by J. Philip Boyd, Director of the Lumber and Lumber Products Division of the War Production Board, that the southern pine industry would be placed under a limitation order similar to that under which the western industry was already operating. The purpose of the order was to ensure that lumber production would be channeled into the hands of the government and military. This announcement in part represented the WPB's response to what was essentially a challenge to its authority from Colonel Fred G. Sherrill of the Central Procuring Agency who had sent a telegram to southern lumbermen demanding an extra twenty-five per cent of their production for his agency. The Colonel's action seems to have not only sparked the WPB into action but to have stimulated southern pine war production at least momentarily. It also placated western producers who believed the southern pine industry was not carrying its portion of the war burden. Nevertheless, the southern pine industry's performance during 1943 was a disappointment to all concerned.

The situation in the southern lumber industry at the end of 1943 was summarized by the House Committee on Small Business in an interim report to Congress of January 13, 1944. According to the committee, the southern pine industry's production fell from approximately
11,750,000,000 board feet in 1942 to no more than 9,500,000,000 feet in 1943, a decline of approximately twenty per cent compared with a drop of only about eight per cent in the Pacific Northwest. The committee reported that, as of December 31, 1943, the Corps of Engineers needed more than a quarter of a billion feet of southern pine which it had been unable to locate and acquire. It reiterated the list of impediments to lumber production, including the manpower shortage, low wage scales, low price ceilings, equipment shortages, excessive freight rates, complexity or confusion of some Federal regulations, lack of harmony within the industry, and the fear of post-war competition from substitute products. It pointed out that because of less mechanization it took more man-hours to produce lumber in the South than in the West, thus making the labor situation more critical in the southern pine region. The committee concluded that "the industry as a whole should be commended for its ability to produce as much lumber as it has produced in 1943 in the face of this admitted manpower shortage and other obstacles. . . ."

Although the industry had a poor production record in 1943, the Southern Pine Association had worked hard to increase production. One of its major endeavors was in assisting the War Department to organize and conduct a six-week "Army Salute to Wood Caravan" which was designed to boost morale and enthusiasm among lumber workers. The caravan consisted of some 375 officers and men with nearly one hundred

pieces of motorized military equipment. It traveled more than four thousand miles through the South and presented programs at forty locations before an estimated combined audience of some 191,500 people. It also conducted rallies in thirty-two lumber plants before over twelve thousand sawmill workers. The SPA and Southern Pine War Committee helped with all of the arrangements and publicity before, during, and after the caravan, which was considered a great success by all concerned.72

The last full year of World War II, 1944, saw the Southern Pine Association and its industry continuing to struggle with the problems of wartime production. Lumber of all types was by this time a critical material. It was in fact more critical than steel, and "reversing the previous pattern, steel was now used instead of wood in Army cars, truck bodies, railroad cars, and furniture! Both logging and lumber went on the Production Urgency List."73 The urgency of the situation was compounded by the imminence of the invasion of France and the concomitant need for crating and boxing lumber to package munitions and supplies.74 As J. Philip Boyd, director of the Lumber and Lumber Products Division of the War Production Board, saw the situation, "the war requirements are mounting steadily and at this moment the amount of Southern Pine lumber going to the war is not sufficient to maintain war activities."75

72"Southern Pine At War," SPA Records, Box 81a, 12-13; Collier, The First Fifty Years of the Southern Pine Association, 122-23, 125.
73Hidy, Hill, and Nevins, Timber And Men, 465.
74Southern Pine War Committee to Members of the Southern Pine Industry, March 10, 1944, SPA Records, Box 75a.
75J. Philip Boyd to Southern Pine Producers and Distributors, March 6, 1944, ibid.
The government's solution to these problems came on March 22, 1944, with the issuance of Order L-335, establishing for the first time during the war comprehensive lumber controls to be effective during the third quarter of 1944. The order provided the sort of coordination in purchasing and distribution for civilian agencies which had been effected by the services since the middle of 1942.76 Many lumbermen found the order which defined priorities for supplying lumber to various agencies, confusing. Therefore, J. Philip Boyd, through circulars and a series of regional meetings which he attended, attempted to make the order clear and acceptable to the southern piners.77 When he appeared before the southern piners in New Orleans in the latter part of the year, Boyd described Order L-335, "which some of you have cussed," as "a decided success."78 Boyd said that "within thirty days after the 1st of August . . . [it] had pretty well straightened out the procurement of not only the war agencies themselves, but all of the supporting activities of the war." The order, he declared, had produced a "leveling out of responsibility among all producers as to the war needs themselves," and war requirements were "being spread over this entire lumber industry, east, west, north, and south, and not on a few people who have been bearing the burden for the past three years."79


77Southern Pine War Committee to Members of the Southern Pine Industry, July 1, 1944, SPA Records, Box 75a; Southern Pine War Committee to Members of the Southern Pine Industry, July 10, 1944, ibid.; J. Philip Boyd to The Lumber Industry, July 3, 1944, ibid.

78"Proceedings of Meeting of the Southern Pine War Committee . . . October 26, 1944," ibid., Box 68a, 6.

79Ibid., 8, 10-11.
Nevertheless, the situation in the southern pine industry was still not good. In the face of continued difficulties, production again took a decided drop, with the total for the year amounting to only 8,007,000,000 board feet, a decline of nearly two billion feet from the previous year.\textsuperscript{80} \cite{FootnoteReference}

Returns from a Southern Pine War Committee questionnaire in January, 1945, showed that the chronic problems of southern pine producers remained. Of those replying, 97 per cent reported manpower difficulties, 77.8 per cent had equipment problems, 37.3 per cent complained of government controls; 33 per cent were experiencing difficulties in obtaining timber, and 11.1 per cent had been hampered by weather conditions. The producers believed that their wartime laborers were far less efficient than the prewar crews. Concerning the composition of the labor force, 388 operations reported that only 520, or 2.8 per cent, were women; 256, or 1.3 per cent, prisoners of war; and 164, or .9 per cent, Hondurans. Although many operations apparently wanted war prisoners and resented it when they were taken from them for other work, the comment of a Texas producer reflected the general assessment of the prisoners' performances: "the first month they seemed good, but inexperienced; the last month they were impossible."\textsuperscript{81} \cite{FootnoteReference}

Despite its rather unimpressive performance, the Southern Pine Association was honored on August 31, 1944, when United States Secretary of Commerce Jesse Jones, chairman of the Jury of Awards of the American

\textsuperscript{80}"Southern Pine Production And Stocks—Industry Totals," \textit{ibid.}, Box 12b.

\textsuperscript{81}"Southern Pine War Committee, New Orleans, Louisiana, Report On Operating Conditions In Southern Pine Industry, Analysis of Questionnaire Released by Southern Pine War Committee, January 29, 1945 . . ." (Mimeographed Report), \textit{ibid.}, Box 75a, 1, 2, 9.
Trade Association Executives, announced that the Southern Pine Association had won the 1943-44 national championship among large national trade associations for its cooperative services to businessmen and its comprehensive efforts in the mobilization and war production programs. In the words of the committee, "the award was granted because of the highly successful mobilization program of some 3,000 lumber producers and mill owners in 10 southern states, from Virginia to Texas, by this association." "Utmost coordination of effort was needed on the part of these several thousand firms, most of which were of small size," the committee continued, and "the many-sided war emergency campaign enabled vitally needed lumber to be produced and processed in record quantities and to be shipped to war areas throughout the world in conformity with the special needs of each fighting front."82

Not long after the announcement of the ATAE Award, the SPA and its leaders began looking to the situation with which they would be confronted when the war ended. In the early part of 1944, Secretary-Manager Berckes had written a letter to Southern Pine Association President Paul T. Sanderson outlining the need for dealing with a broad spectrum of matters which would be of major importance in the post-war period, including conservation, trade promotion, labor relations, mechanical efficiency, statistics, and transportation.83 To exchange ideas on how to deal with these and other anticipated problems,

82 Southern Pine Association Press Release, August 31, 1944, ibid., Box 49a. The details of the award contest and the Southern Pine Association's presentation are included in "Southern Pine At War," ibid., Box 81a.

83 H. C. Berckes to Paul T. Sanderson, February 24, 1944, ibid., Box 70a.
the Southern Pine Association called a special two-day meeting in New Orleans on October 25 and 26.\textsuperscript{84} A major topic of discussion at the New Orleans meeting was labor relations. During World War II, there had been some attempts by both the American Federation of Labor and the Congress of Industrial Organizations to unionize the southern lumber industry. Although having little success, their efforts could be interpreted as a portent of things to come and led to the establishment by the SPA's board of directors of a Labor Relations Department on September 16, 1943.\textsuperscript{85} The October meeting featured a report from the Labor Relations Committee which stated that the committee anticipated further organizational efforts in the southern pine industry. It portrayed the SPA's role as that of an information-providing organization which would maintain an educational and information service for its subscribers, so that they could enter labor negotiations fully aware of their rights and existing labor conditions. The SPA was not to enter into negotiations between an employer and his employees, and it was not to concern itself with the establishment of an industry-wide labor policy. However, the Labor Relations Committee's report recommended and the SPA board approved a wide-ranging program of labor activities, including the establishment of a labor relations bulletin service to report and interpret legislation, regulations, and executive orders concerning labor matters; the

\textsuperscript{84}"Or Else--Outline Of Problems Facing Southern Pine Industry, New Orleans, October 25-26, 1944," \textit{ibid.}, Box 11a.

publication of a labor news sheet; the conducting of surveys to determine industry practices regarding sick leave, holidays and holiday pay, bonuses, and similar matters; the institution of an industry-wide wage survey and job classification study; and the gathering and compilation of statistical material. 86

By the end of the war the association's expanded program of labor relations, despite its name, remained primarily concerned with providing Southern Pine Association subscribers the information they would need if and when they became involved in negotiations with groups attempting to unionize their operations. By this time the southern pine industry was aware that there would be major labor difficulties in the post-war period, with returning veterans playing an undetermined role. By the middle of 1945, some thirty southern pine operations were unionized, and the SPA reported that as many mills had been organized in the last eighteen months as in the preceding twelve years, with union agents working actively and effectively in the southern pine territory. 87 "Both the CIO and the AFL have stated, in print, that the lumber industry in the South is going to be organized," editorialized a leading southern trade journal, "and don't try to kid yourself. Just as sure as there are pine trees in Georgia, the unions are going to step up their activities in the South, and within five to ten years, every lumber operation of any size is going to have to face the issue." 88

86 "Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . October 26, 1944," ibid., Box 11a, 44-51.

87 "Meeting the Problems of the Southern Pine Industry," ibid., Box 84a, 13-17.

The Southern Pine Association, without openly taking sides as an organization, was bending every effort to see that southern lumber manufacturers were prepared for the impending onslaught.

The labor problem, as was shown in connection with wartime production difficulties, was extremely important to southern pine producers because of the slight degree of mechanization in the industry and the low productivity of southern lumber workers compared with those in other sections. During the war, the Southern Pine Association staff had been interested in new mechanical developments, such as the use of power saws by woods workers, and as the conflict neared its end Secretary-Manager Berckes began to sound out his subscribers on the need for a program of mechanical efficiency so that southern pine producers could initiate "more skillful mechanized lumber operations" which would enable them to "compete in future markets and continue to pay the high labor rates that we are now paying." Berckes noted that the SPA had been "working with manufacturers of sawmill machinery and equipment, many of whom are engaged in the development of new ideas for improved manufacture and increased efficiency in the production of Southern lumber."^89

The main objection to such an SPA program arose from the fact that many southern pine producers were small with operations of an uncertain duration, thus causing them to hesitate to spend money for expensive equipment.\(^9\) An advocate of a mechanical efficiency program, however, agreed:

\(^89\)H. C. Berckes to Paul T. Sanderson, July 21, 1944, SPA Records, Box 42a.

\(^9\)As one critic of the proposed SPA effort put it, "frankly I don't think the Association can expect to make much headway in
We must all have the very best equipment that can be had, equipment that will increase the production per man hours in order to enable us to obtain a greater production with shorter hours and at the same time equip us to meet the wage schedule that we will hereafter be forced to pay.

The lack of such equipment made it most difficult. . . . Our plants were scheduled for long hours and low production due to the fact that we were all operating antiquated machinery. . . .

There is no question but that the $1.25 negro is no longer available, and we held on to him too long. Instead of installing machinery to do the work, we always undertook [sic] to do it putting in another cheap negro.91

At its October meeting, the SPA staff announced the development of services to combat high manufacturing costs through research into mechanization or mechanical efficiency and by furnishing association subscribers lists of available used machinery and equipment. The SPA called upon the manufacturers to exchange ideas through and cooperate with the program.92 The SPA's Mechanical Efficiency Committee was revitalized and authorized to develop these activities. It seemed to be the consensus of those present at the meeting that improved mechanical efficiency would be the industry's greatest need at the war's end.93

By 1944 the Southern Pine Association was also concerned with advertising and trade promotion. The 1920's and 1930's had seen lumber from other sections and substitute products invade traditional southern pine markets, and World War II conditions had seriously damaged the southern pine industry's reputation in some quarters. At the meeting in mechanization in the Southern Pine Industry as 90% of the mills in the South are very small and somewhat uncertain in their operations and will not be in position to spend much money on modernizing." E. L. Kurth to H. C. Berckes, July 24, 1944, ibid.

91L. O. Crosby to H. C. Berckes, July 26, 1944, ibid.

92"Minutes of a Meeting of the Board of Directors of the Southern Pine Association . . . October 26, 1944," ibid., Box 11a, 46.

93Collier, The First Fifty Years of the Southern Pine Association, 135.
October, J. Philip Boyd told the southern piners of complaints reaching his office concerning wartime practices in the industry:

I don't need to tell you fellows some of the practices that have been going on in the past year or more, in which not all of the mills but many mills have taken advantage of the situation to an extent that has hurt your whole industry in the minds of the buyers. These buyers did not come to you and tell you what they thought of you when you gave them something that they didn't want and shoved it down their throats, because they were afraid that you would cut them off from even that, but they did come to us in increasing numbers. . . . it would have been a tragedy if, by these actions which can be very bluntly called greed in many cases, you should have offset all of the good things that you were trying to do on one hand by antagonizing the buyer on the other. Believe you me, I have had more than one big buyer, big user, of lumber tell me that if it was possible and when it was possible, at the first time he could do it, he was going to throw wood out of his plant completely and get hold of something else that he could depend on. We have had too many of those come into the War Board. You would be surprised at the testimonials that have come in along that line.94

The Southern Pine Association's correspondence from the distribution channels of the lumber trade supported Boyd's statement.95

To allay this discontent on the part of its users, to meet the competition of other materials, and to take advantage of the anticipated post-war housing and building boom, the Advertising and Trade Promotion Committee recommended and the board of directors unanimously approved an expanded and comprehensive trade promotion program. This program contemplated not only reforging close relationships with retailers, wholesalers, and commission men, and advertising in an effort to offset the claims of competing materials, but also continuing the SPA's efforts to maintain the teaching of timber engineering in colleges and sponsoring

94"Proceedings of a Meeting of the Southern Pine War Committee . . . October 26, 1944," SPA Records, Box 68a, 8-9.

95For examples of the dissatisfaction with the southern pine industry's treatment of wholesalers and retailers see H. W. Shepard to Southern Pine Association, March 15, 1944, ibid., Box 70a; Everett H. Haines to Southern Pine Association, February 23, 1944, ibid., and J. H. Austin to W. H. O'Brien, February 15, 1944, ibid.
research in areas such as glue laminating, chemical treatments, and other fields which might enlarge the market for southern pine. In the research area, the Southern Pine Association's efforts were on a relatively small scale and consisted mainly of cooperation with other agencies, like universities, on such things as paint and glue lamination tests. The situation confronting the Southern Pine Association was exemplified by the fact that while during the war it had been spending only about $30,000 per year for advertising and trade promotion, the radio program of one major substitute materials producer cost over $800,000 annually! Obviously the association had a lot of ground to cover.

The industry's concern about its image and competition from other species and substitutes did not diminish its interest in developments in forestry and conservation. The Southern Pine Association's basic forestry and conservation position remained essentially the same as it had been during the pre-war years—with the southern piners opposing increased federal and state regulations and advocating private forestry and conservation efforts as a means of forestalling governmental action. By 1944 one of the SPA's more progressive subscribers complained to Secretary-Manager Berckes about this essentially negative approach, noting that he could not "justify for myself the promotion of better

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"Summary of Committee Recommendations Unanimously Approved by the Southern Pine Association Board of Directors, October 26, 1944," ibid.


forestry practices on the sole basis of nullifying federal arguments for regulation." Berckes' reply illuminates the awkward situation of an employee who endeavors to lead his employers in new directions. "I agree with what you say, especially in regard to a positive attitude on forestry," lamented the secretary-manager, "but you know that many of our people still feel that we must continue to wage a running battle with Federal, and even State, officials."99

Among the association's constructive forestry and conservation efforts during the war was the extension of the tree farms program into the southern piney woods. The "tree farms" movement originated in 1941 when the lumber, pulp, paper, and plywood industries formed the American Forest Products Industries, an organization which encouraged better forestry practices and tree growing and conducted public relations for the member industries. One of the AFPI's major activities was a program under which timberland owners who practiced proper forest management principles and placed their property on a sustained-yield basis could apply to the organization for inspection and certification as a tree farm.100 As a writer in the Journal of Forestry explained, "tree farms mean adequate forest protection, efficient cutting practices, necessary artificial reforestation and good wood utilization."101

99P. F. Watzek to H. C. Berckes, September 5, 1944, ibid., Box 11b; Berckes to Watzek, September 7, 1944, ibid.

100Hidy, Hill, and Nevins, Timber And Men, 505; "Proceedings of Meeting of the Southern Pine War Committee . . . October 26, 1944," SPA Records, Box 68a, 39.

101Hidy, Hill, and Nevins, Timber And Men, 505.
The tree-farm movement, it was hoped, would not only benefit the industry through helping to preserve its timber supply, it would also help to eliminate much of the popular disdain for the lumber industry which had been engendered by the old cries of timber famine. In addition, it would blunt the campaigns of the Gifford Pinchot followers for public regulation of forests. According to one leading study of the industry, "by forming lands into tree farms, lumbermen could show the public that they were devoting themselves to the nation's welfare," and "the plan to turn privately owned forest land into tree farms would be not only sound business but also excellent public relations."\(^{102}\)

Although the tree farms program was first put into operation in Washington and Oregon, by 1942 it was under way in the South. Introduced by Stanley Horn of The Southern Lumberman at the request of the AFPI, the program started in Alabama with immediate plans for its extension into Arkansas and thence into the other southern states. According to Horn, the SPA took "a very active and interested part in supporting the movement in the South and in helping it get started in each of the states where we have taken any steps so far."\(^{103}\) The program's adoption was facilitated by the fact that numerous southern pine firms were already practicing various forms of enlightened forestry or sustained-yield activities.\(^{104}\)

\(^{102}\)Ibid., 505-506.


\(^{104}\)For descriptions of these programs on the lands of the various southern pine operations see "Proceedings of Meeting of Conservation Committee, New Orleans, Louisiana, March 13, 1941," ibid.
By the latter part of 1944, the Southern Pine Association had taken over the southern tree farms program from the AFPI and organized it on a state unit basis. By this time, the program was operative in Alabama, Arkansas, Mississippi, North Carolina, and Texas, with requests on file to extend the program to Georgia, Louisiana, Tennessee, and Virginia. Some 565 landowners with holdings ranging from 10 to 230,000 acres had been recognized as tree farmers, and there were some 5,783,461 acres under the tree farms program in the South.105 To determine the most suitable means of handling the system, the SPA tested various methods of operation, ranging from association financing for the general overhead expenses to the employment of an SPA forester who devoted all of his time to the tree farms project. The Southern Pine Association also financed extension of the program into North Carolina, Mississippi, and Texas, and contributed the association forester's services for planning and development work. The SPA contemplated extending the "Tree Farm System" to all twelve southern states.106

While the southern pine industry was working toward the improvement of its forestry and conservation practices, the Federal Government was also active in this field. In 1944 alone, Congress passed four measures described as "desirable" by the chairman of the Southern Pine War Committee's Legislation and Taxation Subcommittee. The first of

105 "Forestry Provides the Future, Report of W. C. Hammerle, Ass'n. Forester, at the Conservation Committee meeting ... October 25, 1944," ibid., Box 11a, 3.

106 Ibid., 4; "Statement Tree Farms Sub-Committee, Presented by N. F. McGowin, Acting Chairman, at the Conservation Committee meeting ... October 25, 1944," ibid.; "Summary of Committee Recommendations Unanimously Approved by the Southern Pine Association Board of Directors, October 26, 1944," ibid., Box 70a.
these was a law which provided for the establishment of a federally-sponsored, cooperative sustained-yield program entirely on federal land and also in cooperation with private individuals and state or local authorities. Second was an amendment of the Clarke-McNary Act of 1924, providing increased federal funds for cooperative forest fire control activities with the states. The appropriation for this purpose in 1945 was to be upped from $2,500,000 to $6,300,000, with gradual increases over the next three years to a level of $9,000,000. The third act was the Timber Tax Amendment to the Internal Revenue Code, which allowed lumbermen to treat income from the sale of timber as a capital gain in computing federal income taxes. Previously, an owner who sold his standing timber had the excess of its market value over its historical cost taxed at capital gain rates, while the owner who cut his own timber had been required to treat the excess of market value over historical cost as ordinary income, subject to regular income tax rates, and in the case of corporations, to excess-profits tax rates. This inequity was now removed. The fourth act of Congress provided funds for the completion of a national survey of forest resources.\textsuperscript{107} Thus, with a more favorable federal legislative framework and growing public and industry awareness of the possibilities of conservation and sustained-yield, the southern pine industry could look forward to the post-war period with confidence and the expectation of continued progress in forestry and conservation.

The final year of World War II found the southern pine industry continuing to struggle with the problems which had plagued wartime production efforts, and marshaling its forces for the period of post-war adjustment. Even with victory in Europe imminent in the late spring of 1945, tight government controls were maintained and War Production Board orders affecting lumber were retained. The Army, however, sent no more lumber to Europe after April, and by the end of June controls were relaxed. The demand for military lumber continued to decline during the summer, and finally in mid-August the War Production Board revised lumber control Order L-335 permitting lumber to be sold virtually without restrictions. The order was finally annulled on September 30th, and on October 15 the government removed all limits on new construction, leaving lumbermen subject to no controls other than the OPA price regulations.\(^{108}\) The production trend for 1945 continued downward, with a total southern pine output of only 7,400,000,000 board feet, a decline of some eight per cent from 1944. During the same period, there was a drop of about seven per cent in the available stockpile of southern pine. These figures boded ill for the prospect of supplying the pent-up lumber demand that the war's end would obviously bring.\(^{109}\) During the years starting with the defense effort through the end of the war itself, 1940-1945, the industry produced over 57,600,000,000 board feet of lumber despite the tremendous difficulties mentioned, and during the heaviest war years, 1942 through 1945, southern pine production exceeded 37,100,000,000 board feet.\(^{110}\)


\(^{109}\)"Southern Pine Production And Stocks--Industry Totals," SPA Records, Box 12b.

\(^{110}\)Ibid.
The paperwork contribution of the Southern Pine Association and the Southern Pine War Committee to this great production achievement was impressive. During the conflict, to keep the industry advised of governmental regulations, the SPWC issued 1,048 releases and 184 war bulletins, with an average mailing of 3,300 copies; plus nine editions of ceiling price bulletins and numerous amendments, totaling some 76,000 copies of price bulletins and 277,500 copies of amendments. During the defense period the committee also issued more than 1,200 circulars notifying mills of lumber lettings by government procurement agencies and of other vital war information.

In paying for this work, the members of the southern pine industry contributed a substantial sum of money. During the four years and nine months of the Southern Pine War Committee's operation, from September 1, 1940, through June 30, 1945, Southern Pine Association subscribers contributed $357,612.57 and non-subscribers $220,246.38, a total of $577,858.95, for the support of the SPWC. Its expenditures included almost $32,000 for printing, over $26,000 for telephone and telegram expenses, and $57,321.11 for the maintenance of an office in Washington, D. C. The Southern Pine Association contributed the services of its staff members, including Secretary-Manager H. C. Berckes, to the War Committee without charge, and on June 30, 1945, the SPA assumed the SPWC's deficit of $57,004.76. On September 6, the Southern Pine War Committee took action looking toward its final dissolution, and expressed its gratitude for services rendered to the committee by the Southern Pine Association.111

111"Report of Southern Pine War Committee," ibid., Box 11a; C. C. Sheppard to the Board of Directors, Southern Pine Association, September 7, 1945, ibid., Box 75a.
On the civilian front, the Southern Pine Association's board of directors, which had formulated a comprehensive but tentative program for submission to the industry in October, 1944, met again on January 18 and 19, to officially adopt plans which had by this time received the approval of most SPA subscribers. In the field of forestry and conservation the program contemplated efforts to secure additional state appropriations for cooperative fire control programs, to control what the SPA still considered the South's number one and basic forestry problem. There was to be continued emphasis on the tree farms programs, and finally, close attention to government and legislative developments affecting private forest owners and lumber manufacturers.  

The southern pine industry was expecting aggressive efforts in the post-war period from other species and substitute materials which had made tremendous gains during the war, often at the expense of wood. According to the SPA's analysis, among major substitute competitors would be aluminum with a capacity six times greater than before the war; magnesium, sixty times as great; plywood, not yet a southern pine product, three times as great; and steel, which had increased its capacity by fourteen million tons during the war. To fight these competitors, the SPA's expanded program anticipated the use of new literature, advertising, field men, films, and cooperative efforts with other interested agencies. The association also planned a strong effort to rebuild contacts with the channels of distribution and sales: wholesalers, retailers, architects, engineers, and specifiers. Major possibilities for success were expected in home construction, the agricultural trade, and railroads.  

112"Meeting the Problems of the Southern Pine Industry," ibid., Box 84a, foreward, 9-12.  
113Ibid., 18-23.
To develop new uses for wood, the SPA also inaugurated an admittedly belated research program with the employment of a research specialist to work with laboratories engaged in experimental work on product development in areas such as lamination and glues. To support the expanded program the association in January reduced its basic subscription fee from sixteen cents to twelve cents per thousand feet, with additional voluntary contributions of four cents for trade promotion, and one cent each for labor relations, forestry, research, and contributions to the National Lumber Manufacturers' Association.

The end of World War II thus found the Southern Pine Association and its industry in a somewhat contradictory position on several fronts. They had on the one hand been praised on a number of occasions for contributions to the defense effort, but on the other had come under heavy criticism and had, in fact, not produced lumber in the quantity desired. The association had in a sense once again received recognition and enhanced its stature in the industry through its role as the industry's spokesman in dealing with the government, but again it naturally became to a certain extent the focal point for both industry and public dissatisfaction with lumber conditions. While the war emergency had spurred research efforts which had seen wood used in new ways which promised new opportunities for the future, at the same time substitute products had made tremendous gains which suggested a tense competitive situation in the post-war period. The Southern Pine Association had inaugurated


comprehensive new programs in labor relations and forestry, but they would be needed, for the post-war years held the threat of strong challenges to time-honored industry principles and programs in both areas. Emerging from World War II with a mixed record, the Southern Pine Association faced stiff challenges in the post-war period. The organization's fourth decade promised to be a period of great change which would allow no respite to reflect on the glories or failures of the past.
CHAPTER XI

THE END OF AN ERA, 1946-1954

The post-World War II decade was extremely significant in the annals of the Southern Pine Association, because it brought fundamental changes in the nature and personnel of both the association and the southern pine industry. During the years after the war, the problems of the preceding two or three decades remained, and the SPA's normal work in areas such as forestry and conservation, statistics, advertising and trade promotion, mechanical efficiency, grading and inspection, and transportation continued. However, there were other significant matters which demanded attention during this period. These included the attempts of the American Federation of Labor and the Congress of Industrial Organizations to organize the southern pine industry, the activities of the Southern Pine Industry Committee in fighting the extension of wages and hours legislation and endorsing the continuation of the Taft-Hartley Act, the mobilization effort for the Korean War, the increasing number of small mills in the industry, the tendency of larger operators to merge and come under the control of corporate conglomerates, the emergence of new industry leaders, and finally, the retirement of the man who had led the Southern Pine Association since the early 1920's. All in all, these years truly marked the end of an era.
At the end of the war, the Southern Pine Association placed trade promotion at the head of its list of important activities. As has been shown, its leaders were anticipating stiff competition from other sections and substitute materials, as well as the end of the wartime seller's market. Furthermore, relations between the southern pine producers and many of their pre-war distributors had deteriorated during World War II, partially due to the inferior quality of the southern pine lumber they had been receiving. The Southern Lumberman, supporting this view, observed that because of the wartime disruption of normal trade channels, the shipment of poorly-manufactured lumber, black market practices, and unreasonably high prices "it is undeniable that lumber to-day does not enjoy as good a reputation as it did five or six years ago." By 1947 the southern pine producers were becoming more aware of the displeasure of retail dealers and wholesalers. In an editorial which pointed out that retail lumber yards were increasingly concentrating on substitute products, however, the Southern Lumberman noted that "it seems doubtful [sic] whether the manufacturers of southern pine lumber have a proper realization of the feeling of resentment that exists today among so many retail lumber dealers." Dealer dissatisfaction and poorly-manufactured southern pine dominated much of the attention at the

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1 H. C. Berckes to W. B. McNeal, April 4, 1946, Southern Pine Association Records, Box 9a (Louisiana State University Archives, Baton Rouge, Louisiana). Hereinafter cited as SPA Records.


3 Southern Lumberman, March 1, 1947. Reprint in SPA Records, Box 10b.
SPA's annual meeting in March. As a result of subscriber sentiment expressed at this meeting, in May Chairman J. R. Bemis of the Advertising and Trade Promotion Committee presented the SPA board of directors a three-year trade promotion campaign costing $167,000 to be financed by a special fee of ten cents per thousand feet. The board endorsed the program, subject to the approval of a majority of the association's subscribers. The program, which was approved and implemented, was broken down into seven component parts: space advertising, field work, dealer cooperation, technical service, literature, publicity, and research.4

The SPA's newly adopted advertising and trade promotion program was promptly put into effect. The Advertising and Trade Promotion Committee in September inaugurated a space advertising program in lumber trade journals, architects' and contractors' publications, and agricultural magazines.5 The SPA's expanded trade promotion effort was evident in other areas as well. For example, an office was opened in Chicago, manned by an experienced field representative and designed to work with dealers, salesmen, and industrialists in an effort to regain the southern pine industry's once-dominant position in midwestern markets. The association employed additional technical men, and prepared promotional, educational, and technical publications for dealers,  


vocational schools, and engineering and architectural colleges. It also developed numerous advertising devices ranging from films to radio spot announcements. To improve relations with dealers, promotional literature was mailed to over seventeen thousand lumber dealers throughout the southern pine consuming territory. It complemented numerous personal dealer contacts and interviews which were made both individually and in SPA-sponsored meetings for the purpose of ironing out differences between producers and merchandisers. To solidify southern pine's position with the construction industry and specifiers, the association in January, 1949, published Modern Timber Engineering, which was used as a textbook in over fifty colleges in twenty-five states, and by many architects and engineers.6

As the Southern Pine Association moved into the 1950's fears of encroachment into southern pine markets by competitors became in some cases a reality, with West Coast fir becoming particularly troublesome. The West Coast lumber industry conducted a million dollar trade promotion campaign designed to secure the acceptance of lower grades and supposedly inferior species of lumber by specifiers. Southern pine's difficulties were compounded by its reputation for being hard to paint and by the failure of experiments by paint companies to overcome this problem. However, the Korean War brought a respite of sorts to the industry as the government purchased lumber in large quantities for military use, including the construction of some seventy to eighty

wooden minesweepers. The Southern Pine Association thus approached the middle 1950's under heavy pressure from competitors, but with an expanded trade promotion campaign which, it was hoped, would at least allow the industry to hold its own.

The southern piners' struggle with competitors, of course, was waged on several fronts and among the most important was transportation. SPA Traffic Manager A. G. T. Moore appeared before both the Southeastern Railroad Executives Committee and the southern and southeastern railroad executives as early as May and June, 1945, to discuss post-war problems and the plans of the southern pine industry. In the period after World War II, railroad freight costs climbed progressively higher, and the Southern Pine Association was concerned lest its western competitors should obtain rate reductions that would disturb the relationship between the two sections, a concern which was matched by the West Coast Lumbermen's Association. The SPA was also wary about possible efforts by the rail systems to compensate for reductions in class rates through increasing southern commodity rates. The association, therefore, was very conscious of the need to convince the railroads that southern pine would be a long-lived industry, and that it would be in the best


8Ellis Lucia, Head Rig: Story of the West Coast Lumber Industry (Portland: Overland West Press, 1965), 125-27.
interests of the railroads to cultivate the southern lumbermen's good will. 9

Despite the professed intent of the Southern Pine Association and the West Coast producers to work together in traffic matters and maintain the existing rate relationships, the southern piners, as the transportation committee's annual report for 1949 showed, had during the eleven-year period from 1937 to 1948 gained an eleven and one-half cent per hundred pounds advantage on the West Coast producers on shipments to the important market of Chicago. The transportation committee estimated that this meant a sales advantage of approximately three dollars per thousand feet on lumber items normally sold in the Chicago market, which was considered typical of the entire Official Territory. The SPA believed that southerners were "fully entitled" to this advantage "by virtue of our shorter haul and lower transportation cost factors." The SPA, however, realized that the westerners "seem to feel they have suffered a real disadvantage," and the transportation committee and department were on guard against possible attempts at readjustment. In fact, the committee advised association subscribers of "the necessity of their letting us know at once of any rumors or proposals of intended rate reductions from the West Coast to any part of our common consuming territory," for "in this way, and in this way only, can our industry be

assured of full protection from 'quickie' attempts made by our
competitors to get reduced rates into our consuming markets."

The industry's attention was not concentrated exclusively on
the railroad situation. In fact, there was a good deal of concern
about possible inroads by competitors into southern pine territories
via water and truck transportation, or varying combinations of water-
truck-rail shipments. The growing importance of motor trucks in trans­
porting lumber was reflected in the SPA's 1947 decision to begin collec­
ting and interpreting statistics in that area. By 1950 the preliminary
results of Southern Pine Association studies on the changing industry
transportation patterns were in—and they were truly a revelation. The
traffic department reported that "our Industry no longer can be consid­
ered strictly 'rail shippers,' nor can it be said that lumber is 'tied
to the rails.'" The department's preliminary studies showed that 149
mills surveyed reported total monthly shipments of 142,218,000 board
feet of lumber, of which almost forty-three per cent was moving by truck.
Of the total footage, truck shipments were almost evenly divided between
interstate and intrastate traffic. Furthermore, some mills surveyed
were using their own trucks as well as those of common carriers, cus­
tomers, and itinerants. The department reported that some trucks were
traveling as far as 1,200 miles from the mill, and concluded that "dis­
tance no longer can be considered a factor as to how far Southern Pine
lumber may be trucked at reasonable costs." The department also noted

that "in almost every case, those resorting to truck shipments report it is because of high rail freight costs." The department was determined to use the threat of truck shipments and the results of its findings to try to persuade the railroads to reduce their rates. The Southern Pine Association's traffic department was thus fighting rather effectively for the protection of its industry's interests in the transportation area through the compilation of information and statistics for presentation both to the carriers themselves and in appearances before the Interstate Commerce Commission as the SPA moved into the 1950's. Ironically, this effort was to be weakened, as will be shown, not by the opposition of the association and industry's antagonists, but by upheaval within the ranks of the SPA itself.

An area of Southern Pine Association activity closely related to transportation was forestry and conservation. In fact, both fields were supervised by long-time SPA staff member A. G. T. Moore. While superficially most dissimilar, their activities were tied together by the Southern Pine Association's need to convince southern railroads that the piney woods were being managed on a sustained-yield basis, and that the southern lumber industry was permanent, and therefore its interests should be protected by Dixie's carriers. In fact, the association hoped to establish southern lumbering as an agricultural pursuit "harvesting rotating crops of trees" rather than "mining natural forest resources," and thereby get its transportation rates down to the low levels enjoyed by agricultural products.

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Transportation costs were not, however, the only factor pushing the SPA into forestry and conservation activities. Despite the earlier remarks of H. C. Berckes during World War II, much of the association's forestry and conservation work was still designed to prevent the development of government regulation of practices on privately-owned timberlands. The pressure for increased governmental, particularly federal, activity was compounded by the heavy toll of the nation's forests taken by World War II and the emergence of national labor unions as strong proponents of federal regulation. As Southern Pine Association Assistant Secretary-Manager Stanley P. Deas saw the situation immediately after the end of the war, "the heavy cutting of our forests to meet the tremendous war demands is now being used as the basis for expanded propaganda by proponents of federal regulation . . . the C.I.O. is now carrying the same torch . . . openly asking for federal control of your forests." Deas concluded ominously that "the cold, hard fact is . . . we cannot relax our efforts for self-government in forestry."\(^\text{14}\)

The Southern Pine Association saw three major forestry issues facing the industry at the war's conclusion: federal forest land acquisition, public forest regulation, and public forest management service. All these issues were combined in an omnibus forestry bill introduced in the House of Representatives by Congressman Frank E. Hook of Michigan on April 30, 1946. The proposed measure would ignore state administrations entirely while empowering the United States Secretary of Agriculture to regulate private forest operations by direct federal

\(^{14}\)S. P. Deas, "Lumbermen, What of Tomorrow?" (Mimeographed speech), \textit{ibid.}
action. It was strongly and successfully opposed by the Southern Pine Association, which termed it "the most drastic and radical attempt yet made to secure federal control of all lands and to direct and regulate the production of forest products as well as the growing and harvesting of our timber resources."  

In opposing the Hook Bill, the Southern Pine Association reiterated its long-standing policy regarding forest regulation:

(1) That the place for publicly owned forests is in areas of low productivity or otherwise unsuited to private ownership and management, and that any program of public forest acquisition in Southern states that may be proposed by any public agency should be formulated only after due representation has been afforded the forest industries.

(2) That, whenever there shall be presented specific cutting regulations which, after voluntary trial by the Lumber Industry, have been proved practical and desirable, we would then be willing to consider the incorporation of such rules of forest practice in the statutes of the respective Southern states.

The SPA's emphasis on state action bears out the statement of former Chief Forester and secretary-manager of the West Coast Lumbermen's Association William B. Greeley that "public regulation under state administration is favored by many people as a means of forestalling or showing there is no necessity for, the exercise of Federal police power over private forestry."


17Ibid.

18Greeley, Forest Policy, 244.
The latter part of 1946 brought a meeting in Washington, D. C., of an American Forest Congress sponsored by the American Forestry Association in order to consider the nation's post-war forestry problems. It was the first such gathering since President Theodore Roosevelt's widely-publicized American Forest Congress of 1905. The meeting came on the heels of separate but complementary surveys conducted by the AFA and the United States Forest Service of the nation's forests. The surveys showed that the country's forest growing stock was inadequate and poorly distributed; in terms of board-foot volume, drain was exceeding growth by about fifty per cent; the management of private forests was on the whole, despite some conspicuous exceptions, much less satisfactory than that of those in public ownership; and the key to better forestry rested in improved management of small, non-industrial holdings which made up three-fourths of the total area of privately-owned commercial forest land.\(^1\) The Southern Pine Association was represented at the congress and in the meetings presented its comprehensive Forest Conservation Policy Statement. The association seemed most impressed by the proceedings and believed that the forestry and conservation situation now boiled down to a choice between private or governmental control of cutting practices, with the public demanding effective action and willing to support whichever method could be proved to be better.

The Southern Pine Association's annual meeting in March, 1947, featured discussions of the American Forest Congress and the AFA and United States Forest Service surveys. Some subscribers were concerned

that the SPA was not paying enough attention to the forestry problem, and there was an apparent consensus that in order to upgrade the general performance of the industry in forestry and conservation it would be necessary to inaugurate a comprehensive program of education and cooperation with small operators and timber owners who were considered chronically slow in initiating new methods. The Southern Pine Association also planned a broad program of publicity carried out along several lines to convince the public that private industry was concerned about effectively safeguarding the nation's future timber supply.\(^2\)\(^0\)

According to the SPA's own studies, conditions in the southern pine industry were widely varied. The association sent out questionnaires to its 246 subscribers and received replies from 138, or 56.1 per cent. Of those reporting, 77.7 per cent owned forest land, with an average acreage of 57,064 per company. A great percentage purchased their stumpage from small landowners. The survey of the southern pine region showed a much greater tendency toward destructive cutting practices on privately-owned, non-company lands, thus pointing up the need for the education and indoctrination of small landowners in profitable and proper methods of forest management.\(^2\)\(^1\) As part of the effort to bring private interests of all kinds into the campaign for enlightened


\(^{21}\)W. C. Hammerle to H. C. Berckes, January 8, 1947, \textit{ibid}, Box 12b.
forestry and conservation, the Southern Pine Association invited representatives of the pulp and paper industry to address the 1948 annual meeting in the hope of laying the groundwork for cooperation between the South's two most significant wood-using industries.\textsuperscript{22}

During the 1948 annual meeting, Colonel William B. Greeley, former head of the West Coast Lumbermen's Association, told the Dixie lumbermen that "in the South you are far ahead of the Northwest in utilizing what your forests grow." Greeley noted the cooperation between lumbermen and the pulp and paper industry and stated that the old production rivalry between southern and western lumbermen had been diverted to the "far more constructive fields of forest management and utilization, and I have flown here from Puget Sound to tell you that the South is in the lead." Citing the statistics of the United States Forest Service, Greeley stated that eighty-six forest operations in the southern states were operating on a sustained-yield basis, and that these operations constituted some sixty-one per cent of the larger forest holdings in the South.\textsuperscript{23}

The accomplishments of the Southern Pine Association and its subscribers in forestry and conservation were truly rather impressive by 1948. The Tree Farms program was well under way, covering eight states and including some 1,046 certified Tree Farms with a total acreage of over nine and one-half million. By the end of 1948, the association

\textsuperscript{22}Southern Pine Association Press Release, April 10, 1948, \textit{ibid.}, Box 10b.

\textsuperscript{23}"Proceedings of Meeting of Subscribers to the Southern Pine Association and Southern Pine Industry Committee . . . April 8 and 9, 1948," \textit{ibid.}, Box 74a, 64-65.
had spent over $12,000 on Tree Farms, and only Louisiana and Oklahoma remained outside of the program. While the SPA still considered fire the primary forestry problem of the South, action in cooperation with federal and state agencies was being undertaken in this area as well. During 1947 alone, over seven million dollars were expended in Dixie to control fire, and by the middle of 1948 organized protection was provided for fifty-four per cent of the total state and private forest land in the South. Less intensive protection, primarily in the form of education, was utilized on an additional eleven per cent of the forests, leaving some 35,500,000 acres of private forest land without any organized form of protection. A more positive set of statistics showed the South leading the nation in forest land under management programs, with most large landowners doing a respectable job of managing their forests.

The forest reappraisal survey of 1945-1946 had shown that approximately seventy-two per cent of the large landholdings were utilizing cutting practices described as of a fair to high order. However, only a small percentage of total southern forest lands were held in lots of over 50,000 acres. Over seventy-three per cent, or 122,000,000 acres, were controlled by some 1,650,000 owners of fewer than 5,000 acres each, and the reappraisal classified seventy-four per cent of the cutting practices on these holdings as poor or destructive. During 1948, the Southern Pine Association was pushing for improvement of all of these figures, and was also conducting a forest planting survey and providing technical assistance in the formation of seedling nurseries. In addition, it furnished technical advice to numerous subscribers with regard
to their individual forestry problems and programs, and it was working
toward the establishment of demonstration cutting areas to publicize
the wisdom of growing trees.24

While the tree farms program and other forestry and conservation
activities continued to grow, one of the healthiest signs for the future
was the development of southern state tree nurseries. Whereas in 1948
nearly 170,000,000 seedlings were produced and distributed from nine­
teen southern state nurseries, almost twice the production of the pre­
vious year, in 1949 the lumber industry alone purchased some 22,400,000
seedlings from state-operated nurseries. That same year, it grew over
two and two-thirds million of these in company nurseries or purchased
them from other sources. During 1949, 122 lumber manufacturers in
twelve southern states reforested over 28,000 acres of company-owned
lands. Of these, sixty-two manufacturers were SPA subscribers, who
planted eighty-five per cent of the total figure. The upward trend
continued in 1950, and by the time of the 1951-1952 planting season
the number of state nurseries in the South had increased to twenty-one,
while twenty per cent of their seedling production went to the lumber
industry. During the season the lumber companies planted over 39,250,000

24"Annual Report Forest Conservation Department, Southern Pine
Association, W. C. Hammerle, Forester, April 7, 1948," ibid., Box 10b;
H. C. Berckes to H. M. Seaman, November 3, 1948, ibid., Box 70a. The
industry's strides in moving toward enlightened forestry and conserva­
tion policies were lauded in a reflective mood by SPA President Q. T.
Hardtner, a member of the famous pioneering family in southern forestry,
who said during the 1948 annual meeting that the "steady and sure pro­
gress through the years toward a permanent Southern Pine Industry and
the reflection of this belief by my fellow subscribers," was "the ful­
fillment of a dream come true." "Presidential Address Q. T. Hardtner,
33rd Annual Convention, New Orleans, April 7, 8 and 9, 1948," ibid.,
Box 10b.
seedlings from state nurseries, plus an additional 6,000,000 grown in company nurseries or acquired elsewhere. The industry planted 52,291 acres of company lands, and distributed over one million trees for planting by farmers. As a result of the efforts of the Southern Pine Association and other interested parties, by 1952 southern pine saw-timber growth was exceeding harvest and mortality by twenty-two percent. The southern pine industry seemed finally to have achieved a permanent basis and the old fears of a "timber famine" should by this time have been largely discredited.

However, as President E. O. Lightsey told the assembled SPA subscribers in the 1952 annual meeting, while the southern piners had "made great strides toward self-government in forestry and in the management of our own affairs," the industry still faced "the threat of federal regulation." The specter of increased federal control over private forest holdings was constant throughout this period, and the efforts of the SPA and Southern Pine Industry Committee to resist them were paramount in the industry's second phase of forestry and conservation activities.

25"Annual Report Forest Conservation Department-Southern Pine Association, W. C. Hammerle, Forester, April 6, 1949," ibid., Box 10a; "Forest Conservation," (Mimeographed report), ibid., Box 12a; Southern Pine Association Press Release, August 9, 1950, ibid., Box 53a; Southern Pine Association to Subscribers, August 9, 1951, ibid.


The first federal regulatory measure in this period was a timber control bill drawn up at the suggestion of the U.S. Forest Service and introduced in the Senate by Clinton Anderson of New Mexico on May 10, 1949. It provided for giving the Secretary of Agriculture, in the absence of federally-approved state action, the power to impose a program of improved forest practices regulations on privately-owned forest lands. In the case of approved state plans, the federal government would provide matching funds to help finance the program. The Southern Pine Association, SPIC, and other lumber interests bitterly and successfully fought this proposal during 1949 and into the 1950's.

Other legislation included the Granger Bill which originally called for amendments to the Clarke-McNary Act providing substantially increased federal funds for forest fire control, forest nurseries and planting, forestry education, and forest management services for landowners and operators. This bill was strongly opposed by the SPA, SPIC, NLMA, and other regional associations, but was finally passed with amendments and the deletion of the forest management section. The Southern Pine Association opposed this legislation on the grounds that it was dangerous to private control and constituted an unwarranted extension of federal powers. The association also unsuccessfully opposed as a matter of economy a 1949 act which increased the authorized appropriation for conducting the nationwide forest survey provided for by the McSweeney-McNary Act of 1928, as amended in 1944. Along the same line, the SPA unsuccessfully voiced its reservations about the Cooperative Forest Management Act of August 25, 1950, which authorized an annual appropriation of $2,500,000 to enable the Secretary of Agriculture to
cooperate with state foresters in providing technical services to private forest landowners and operators and processors of primary forest products. The association's concern here was that the legislation would again pave the way for further expansion of the U. S. Forest Service into forest management on private lands. In fact, the Southern Pine Association, or its leaders, by this time seemed to have become obsessed with the fear that all of the events of this period, in labor as well as conservation and forestry, were part of a vaguely defined plot or conspiracy to overwhelm the private enterprise system.28

The pressures of World War II which had exerted such a strong influence on the Southern Pine Association's activities in forestry and conservation and transportation were also responsible for giving a new importance to the mechanization and efficiency of southern lumbering operations. One of the key factors in leading the SPA into action after the war was the increasing cost and continuing scarcity of labor which caused southern manufacturers to give more serious consideration to increasing the efficiency of the men they had, thereby making possible a greater return on their labor investment. The basic problems faced in this area were first, to persuade southern lumbermen to share their technological ideas and innovations with the rest of the industry, and

second, to bring machinery manufacturers and lumbermen together so that they could jointly develop the best equipment for southern pine lumbering.

The first major development was the utilization of power saws in the woods to fell and trim trees. It came during World War II, as the wartime labor shortage led southern lumbermen to search for means of increasing log production. Although the SPA had not yet formally begun its mechanical efficiency program, it actively promoted the use of power saws from 1943 to 1945 by means of promotional demonstrations in the southern pine belt from Texas to Virginia.  

In October, 1944, at a special Southern Pine Association meeting in New Orleans, it was determined to strengthen the association's mechanical efficiency program to deal with what was believed would be the industry's most important post-war problem. The mechanical efficiency committee began to study production and handling and to compile information on machinery and equipment early in 1945. The following year the committee continued to gather and analyze information. It also planned group meetings of lumbermen to exchange information, recommended a plan to train young men for employment in the lumber business, and received the SPA board's approval of a plan to employ an experienced

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sawmill man to travel among subscriber mills and disseminate and gather information about mechanical innovations.30

During 1947, the mechanical efficiency committee adopted a policy of direct assistance to lumber manufacturers. It conducted a series of regional meetings and "on the ground" demonstrations throughout southern pine-producing territory. The association also revived its bulletin service listing equipment for sale and desired, and it inaugurated a bulletin service for the exchange of mechanical efficiency ideas developed by the association staff and subscribers.31 The first mechanical efficiency bulletin was published in August. It contained pictures, diagrams, and descriptions of new mechanical innovations applicable to southern pine lumbering.32

The emphasis in 1948 was on improved drying methods and devices for debarking logs. The mechanical efficiency committee, although convinced that substantial progress had been made by this time, was nonetheless aware that mechanization in southern pine lumbering continued to lag behind that of other basic industries. In the committee's opinion, the basic need was for better understanding of specific problems in the southern lumber industry by machinery manufacturers, and, therefore, it began to plan toward bringing lumbermen and machinery manufacturers


together for direct exchanges of ideas and discussions of problems.\textsuperscript{33} The first major step in this direction came at the SPA's annual meeting in April, 1949, when an entire session was devoted to mechanical efficiency. It included a discussion of new developments and equipment with time provided for the representatives of machinery companies to explain their products and answer questions.\textsuperscript{34} In the fall, the mechanical efficiency committee sponsored additional regional meetings of lumbermen to stimulate interest in its programs.\textsuperscript{35}

SPA President H. M. Seaman of Houston's Kirby Lumber Company set the tone of the Southern Pine Association's annual meeting in April, 1950, when he stated that the passage in 1949 of an increase in the federal minimum wage had "impressed upon us the necessity of . . . reactivation and strengthening of the Mechanical Efficiency Department."

"And there has been a great deal done along that line," said Seaman, "and I might say there is more interest in that subject manifested by the lumbermen of the South than there ever has been at any time in the history of Southern lumber."\textsuperscript{36} The lumbermen's interest was further aroused by the first major sawmill and woods machinery exposition which was held under the sponsorship of the SPA in conjunction with its annual

\textsuperscript{33} H. C. Berckes to H. M. Seaman, November 3, 1948, SPA Records, Box 70a; Collier, \textit{The First Fifty Years of the Southern Pine Association}, 139.

\textsuperscript{34} "Southern Pine Meeting Held in New Orleans," Southern Lumberman, April 15, 1949. Reprint in SPA Records, Box 10a.

\textsuperscript{35} Collier, \textit{The First Fifty Years of the Southern Pine Association}, 139.

meeting. This was to become a bi-annual event. The first one attracted sixty-three manufacturers who displayed over a million dollars worth of equipment. More than five hundred lumbermen registered and saw the exhibits.  

According to the SPA's director of advertising and publicity,

The important thing about the first Exposition was not the size of the crowd or the machinery on display but the close liaison that materialized between lumbermen and machinery manufacturers. Knowledge gained by the latter as to the former's problems and needs was promptly translated into action on the drafting boards of countless factories. The development of a host of new machines and equipment specifically adapted to the requirements of the Southern lumber industry was underway.  

At the beginning of the 1950's, Manager E. R. Schindler of the mechanical efficiency department could report progress in the mechanization of the southern pine industry. "We are slowly getting out of the muck down here," he declared, "thanks to mechanized equipment and the progressive outlook of some of our operators." While the planned bi-annual machinery exposition was not held in 1952 because of the Korean conflict, the first debarker ever installed in a southern lumber mill was placed into operation on February 26 in Warren, Arkansas. The following month, the mechanical efficiency committee sponsored a meeting in Warren to enable other lumbermen to see the machine in action. The demonstration apparently stirred a good deal of interest, for the

37"Southern Pine Industry Stresses Modernization and Mechanization," The Lumberman, June, 1950, 3; Collier, The First Fifty Years of the Southern Pine Association, 139-41.

38Collier, The First Fifty Years of the Southern Pine Association, 141.

SPA estimated that between 1952 and 1960 over a thousand mills acquired debarking and chipping machinery. The association's machinery expositions were resumed on a bi-annual basis in 1953 on a larger scale than before, and were influential in exposing southern pine manufacturers to countless mechanical innovations. Although far from becoming an automated industry by the mid-1950's, southern lumbering had increased its mechanization and efficiency significantly.40

The World War II problems of scarcity of labor and its low productivity remained matters of great concern in the southern pine industry after the war. This was particularly true because of the threat of federal legislation to increase wages and of labor unions to organize the southern lumber industry.41 The question of labor legislation was handled primarily by the Southern Pine Industry Committee, while the Southern Pine Association's Labor Information Service was responsible for keeping subscribers informed of labor conditions and of their

40Collier, The First Fifty Years of the Southern Pine Association, 141-43.

41The SPA's safety efforts during this period were controversial and doomed to failure. In order to reduce the accident rate in the industry and thereby hopefully to reduce its subscribers' insurance rates, and to improve the industry's public relations, the association ordered the mechanical efficiency department to include a health and safety program with its work, and to gather and disseminate information along these lines for the subscribers. Opposition to this program came from large mills which had their own safety programs and from subscribers who felt that the association's money should be spent in more emphasis on advertising and promotional work. The health and safety efforts rather quickly fell victim to these interests. There are scattered materials concerning the SPA's health and safety efforts in the SPA Records, Boxes 10a, 10b, 43b, 46b, 70a, 74a, and 85a. There is a short account of these programs in Herbert C. Berckes, "The Pitch in Pine, a Story of the Traditions, Policies and Activities of the Southern Pine Industry and the Men Responsible for Them" (Unpublished manuscript in possession of the author), 242-43.
rights and obligations with regard to labor organizations. The LIS
only gathered and disseminated information and statistics, and neither
it nor the SPA took any official position on the introduction of unions
into any particular operation or into the South generally. While it is
fairly obvious that SPA staff members were not favorably disposed toward
union organization, the fact that the SPA and LIS remained officially
neutral is demonstrated by the belief of some southern pine manufac-
turers who felt that "the Association may be conditioning the minds of the
operators to make them receptive to unionization," while officers of
the International Woodworkers of America reported to their membership
that "the Southern lumber operators through the Southern Pine Associa-
tion and other trade associations are putting up a solid front in re-
sisting our demands for higher wages and better working conditions."^43

The battle for the organization of southern industry generally
got under way in the spring of 1946, when the Congress of Industrial
Organizations declared its intention to mount a million dollar campaign,
called "Operation Dixie," to organize some 1,500,000 non-union southern
workers, with heavy concentration on the key industries of textile manu-
ufacturing and lumbering. The campaign was headquartered in Atlanta,
and was led by Van A. Bittner. Assistant to the president of the United
Steel Workers and a close confident of CIO President Phillip Murray,
Bittner was respected and feared for his previous efforts at leading

^42Southern Pine Association to C. T. Parsons, September 24, 1946,
SPA Records, Box L.I.S. 42.

^43"Excerpt from Officers Report to the 12th Annual Constitu-
tional Convention of the International Woodworkers of America," ibid.,
Box L.I.S. 11.
Organizational drives in the meat-packing and steel industries. The CIO's effort was to be bi-racial, directed at the entire South, and while concentrating on textiles and lumbering was to include such other industries as furniture, clothing, rubber, oil, chemicals, packing houses, and various white-collar fields. The union planned initially to put some two hundred full-time organizers in the field, and in order to head off resentment and charges of "outside agitation" hoped to sprinkle its organizational staff heavily with native southerners and veterans.44

Responding to the threat of the CIO drive, which he termed "just another seasonal March wind," the American Federation of Labor's southern representative, George L. Googe, pointed out that his organization would continue to spend $2,500,000 and utilize three hundred field organizers in the South annually. An operation of this scale, he noted, "is considered merely a normal function of the Federation." Googe placed the AFL's southern membership at the time at 1,800,000 including 390,000 Negroes. His organization, he declared, contemplated a campaign in the South to increase wages, working standards, and political activity by workers. Announcing that the AFL was "adequately prepared for the next excursion of the CIO's Politico-Communist organizations and their fellow travelers into the South," Googe calmly dismissed the southern activities of the rival union:

We have had the experience of seeing Sidney Hillman and the CIO Politico-Communists raise large slush funds and broadcast to the world that they were going to organize all Southern wage earners and revolutionize the people of the Southern States. But the net result has been sporadic raids upon AFL Unions, picnic junkets of Northern radicals and a motley crew of parlor-pink intellectuals squandering funds and bestirring hatred to the trade union movement as a whole.\footnote{Doris Lockerman, "'Just Another Season March Wind' Googe Says Of CIO Plans In South," Atlanta Constitution, March 22, 1946.}

Approximately a month later, however, the AFL announced its own southern membership drive with a goal of one million new members. In that drive, Googe boasted, unlike the CIO the AFL would not be "compelled to call upon Northern Communists or broken down left wingers from New York and the West to carry on our campaign in the South."\footnote{"AFL To Contest CIO Dixie Drive, Counterattack Launched By Rival Group," The Times-Picayune (New Orleans), April 26, 1946.}

In May, AFL delegates meeting in Asheville, North Carolina, heard their leaders, including President William Green and Secretary-Treasurer George Meany, attempt to pin the charge of Communist domination on the CIO, pledge that the AFL's membership drive and activities would be conducted without regard to race or color, and warn southern businessmen that they faced inevitable unionization and should choose between the AFL or its radical rival. Like the CIO, the Federation announced its intention to use local residents as organizers.\footnote{Chris A. Mathisen, "AFL Says 'Home Town Boys' Will Organize South," Washington Star, May 12, 1946; Louis Stark, "AFL Warns South}
as "un-American" and charged that "it is a Russian organization; and, possibly back of it all is the undertaking to create all of the chaos they can in our country to weaken and break us down to where the industry of this country will be so handicapped with the confusion now being created that the Communists will have their opportunity, through the support of Russia, to accomplish in the United States what they are seeking to accomplish in all countries."\textsuperscript{48}

Many southern piners saw the effort to resist the unions as useless. As one prominent manufacturer put it, "I don't think there is anything we in the Southern Pine Industry can do to combat it . . . all we can do is to hope that the CIO and other unions will not be successful in our individual plants. Unionization, however, seems to be on the move, and I don't think it can be stopped."\textsuperscript{49} A Missouri lumberman summed up the general attitude most succinctly: "it seems we will have to make a choice of two evils, whether we are to have the C.I.O.-P.A.C. communistically inclined, come into the south and stir up race trouble, or whether we will go along with the more conservative A.F.L., which I believe will be more reasonable in their efforts to organize, and of course will fight the C.I.O. in any way they can."\textsuperscript{50}

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\textsuperscript{48}L. O. Crosby to H. C. Berckes, March 20, 1946, SPA Records, Box L.I.S. 42.

\textsuperscript{49}Arthur Temple to H. C. Berckes, March 20, 1946, \textit{ibid}.

\textsuperscript{50}C. F. McKnight to H. C. Berckes, June 5, 1946, \textit{ibid}.
The Southern Pine Association was of course concerned with all of these labor developments, and union activity was a major topic at its 1946 annual meeting. "Neither this industry, your Committee, nor the Southern Pine Association can take any concerted action to forestall unionization. It is the law of the land under the Wagner Act and we will proceed lawfully," wrote H. C. Berckes, "but there is no necessity for the members of our industry acting and thinking 'in the dark' to negotiate collective bargaining agreements without sufficient economic data and full instructions in regard to management's rights and obligations."51 Accordingly, as the unions moved into the field during 1946, the SPA and its Labor Information Service continued to gather information and to channel it to subscribers through circulars, bulletins, the "Collective Bargaining Contract Clause Manual," and personal contacts.

Both the AFL and CIO talked optimistically during 1946, but their progress was by no means as dramatic as the advance ballyhoo might have led one to expect. In fact, the announced goals of one million new members for each union were probably simply part of the organizations' propaganda efforts. Not long after the campaign started, a CIO official was reported to have said that 250,000 new members would have been a reasonable goal for his organization, while an AFL leader laughingly stated that the Federation's target had been "set in Washington."52 Both organizations seemingly spent as much time attacking

51 H. C. Berckes to C. C. Sheppard, April 4, 1946, ibid., Box 9a.

52 Max Hall, "Labor Drives To Organize, AFL And CIO Simply Are Asking More Than They Expect To Get," New Orleans States, May 27, 1946.
one another as they did the industries they were attempting to organize, with the AFL pursuing the theme that their opponents were tinged with Communism and the CIO alleging collusion between the American Federation of Labor and the employers. The CIO's established policy of organizing both blacks and whites in the same unions also exposed it to the charge of race-mixing in the South. Bittner himself had a strong anti-Communist reputation, and he surrounded himself with a staff that was calculated to take the teeth out of that charge. He also loudly repudiated the proffered assistance of a New York organization called "Help Organize the South," which was led by Negro United States Congressman Adam Clayton Powell. The CIO drive was to be billed as an effort of, by, and for southerners.53

Despite Bittner's reputation and actions, the Communist charges against the CIO were enthusiastically picked up by businessmen and the conservative community of the southern piney woods. The Southern Pine Association's mimeographed publication "Labor News Items" in August, 1946, passed along to SPA subscribers the titillating news that the AFL's George Googe had issued a list of Communist-dominated international unions, including naturally the CIO-affiliated International Woodworkers of America. While noting that Bittner had denied that any of his organizers were Communists, the SPA newsletter suggested somewhat

vaguely and ominously that "even though officers of the international union may not be Communists, many of their locals are dominated by those who are, and the reverse may be true."

During the same period, a circular of the Southern States Industrial Council, which listed prominent Southern Pine Association subscriber C. C. Sheppard of Clarks, Louisiana, as a member of the executive committee, lambasted the CIO's southern campaign for approximately three and one-half pages in language which clearly anticipated the McCarthy era. The CIO and its Political Action Committee were accused of planning to "establish political control over the nation and to supplant our democratic institutions with centralized federal control, patterned on Communist concepts." "If these people should be successful in their efforts," the circular predicted, "the free Southern workman will become the serf of the Communist-CIO-PAC leaders, his working hours will be filled with fear for existence, and his sleep made miserable by dreams of the horrors that fill his heart and mind." As for the southern blacks, the circular reported:

One of the most pitiful, and at the same time most dangerous features of this drive to organize the South is the way the Negroes are being misled and used by these Communist groups. By advocating a system of social and economic equality, and by arousing racial ill-will and hatred between the White and Negro races, these people are promising the Negro an earthly Utopia which they know they cannot deliver, and which they really have no intention of attempting to deliver. . . . I predict that the ones who will suffer most from the abortive efforts of this group of carpet-baggers will be the Negro who permits himself to be used in this unholy effort. He will

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have no friends among his own race, and certainly he will have none among the Whites. Perhaps his Communist friends will take care of him by 'liquidation,' as they have so many others they could no longer use.55

By the end of 1946, despite optimistic statements from both the AFL and CIO, it was apparent that both organizations were lagging far behind their anticipated goals, although the CIO particularly was making some gains in the southern lumber industry. According to the SPA's Labor Information Service, by October the CIO had organized thirty-two southern lumber operations, while the AFL had organized ten.56 According to SPA statistics, during all of 1946 there were 106 National Labor Relations Board elections in the southern lumber industry, with the CIO winning 71, the AFL 14, and independent unions 2. The Southern Pine Association estimated that 150 or more operations were unionized, with the C.I.O. being the region's dominant labor organization.57

While disappointed with the union's 1946 organizing efforts, the CIO's Van A. Bittner promised that his work would be carried on with

55Remmie L. Arnold to The Employers of the South, April 29, 1946, ibid. The mood of the "establishment" in areas directly affected by the CIO's drive was reflected in a Monroe, Louisiana, newspaper editorial celebrating the union's failure to organize prominent southern pine operations in nearby Clarks and Urania, as the publication pulled out all stops in describing the union's "carpetbagging chicanery," "seductive propositions," "ignominious record," "rotten policies and pernicious doctrines," "despicable examples," "vicious mask of deceit and hypocrisy," "disgusting obstinacy," "spurious facade," and "malevolent and revolting" designs! "The C.I.O. Retreats," Monroe Morning World, November 3, 1946.


renewed vigor during the next year. He noted that his 250 organizers in the field were now composed of eighty-five per cent southerners and seventy-five per cent veterans.\(^58\) The need for battle-tested organizers was pointed up in Bittner's charges toward the end of the year that seventeen CIO organizers and members had been assaulted, some in lumbering areas, since the beginning of "Operation Dixie."\(^59\) According to Bittner, "one of the worst things about this situation is that law enforcement officers in some towns are working in close collusion with employers or have become suddenly blind to the beating of organizers and union members."\(^60\)

Despite the problems of 1946, it was to prove to be the peak year for both the AFL and CIO membership drives in the South. The internecine warfare and other factors which had hampered the two unions' activities in 1946 continued in 1947, now accompanied by a strengthening of the employers' legal position with passage of the Taft-Hartley Act over the veto of President Truman on June 23. One CIO spokesman noted that employers were resisting collective bargaining, and charged that "they seem to think that labor unions are going to be legislated out of the picture and that they can return to the old

\(^{58}\)Mark Temple, "CIO Out To Beat South's 'Industrial Tyranny', Bittner Speaks At Convention, Resolution Condemns Injunction," Atlanta Journal, November 21, 1946.

\(^{59}\)"Union Organizers Beaten Is Charge," The Times-Picayune (New Orleans), September 29, 1946.

\(^{60}\)"CIO Organizers Assaulted In Anti-Union Conspiracy," International Woodworker, October 2, 1946.
open sweat shop conditions that the workers are fighting so hard to eliminate from industry."^61

There was one significant change in union tactics during 1947. Both the AFL and CIO dropped their emphasis on using native southerners and military veterans as organizers. Apparently part of the blame for the poor showing of the unions during 1946 was placed on the inexperience of the original organizational staffs, and therefore they were replaced with experienced and tough-minded northern organizers from the steel, coal, and automobile industries.^62 Part of the difficulty of the original organizers may possibly be seen in Southern Pine Association Secretary-Manager H. C. Berckes' recollection that "because of past experience, timidity or caution, union organizers did not push violently in their work." "They approached the employers more cooperatively, and were met with a similar attitude," recalled Berckes. "Some of the organizers were taken on fishing and hunting trips, were otherwise profitably entertained and usually left the South with little progress being made in their organizing efforts."^63 Despite the use of more professional personnel in 1947, the results were meager. Business Week in assessing "Operation Dixie" near the end of the year, said that "the glamor had worn off; the trappings were tarnished."^64

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Information Service's statistics showed that during the year there had been only seventy-three NLRB elections in the southern lumber industry, with forty-nine union victories—twenty-nine for the CIO and twenty for the AFL.\footnote{Note 65}

With only brief exceptions, organizing efforts in southern lumbering continued to decline in intensity and importance down to the middle-1950's. Finally, in 1953 the CIO officially terminated "Operation Dixie" in the wake of the death of President Phillip Murray in 1952 and the subsequent reordering of the union's structure. Although there were conflicting opinions about the manner in which the drive had been handled and the degree of success attained, there can be little question but that the CIO effort in the South had been disappointing.\footnote{Note 66}

The AFL had begun to curtail its activities as early as the spring of 1947.\footnote{Note 67}

The results of NLRB elections during this period reflected the downward trend of union organizing activity. The number of elections progressively declined from sixty-three in 1948 to twenty-nine in 1949 and twenty-one in 1950. In 1951 there was a brief resurgence with forty-five elections held, but this number declined to thirty-four in 1952. During the period, the unions won approximately 136 elections,\footnote{Note 65}

\footnote{Moore and Buchwalter, "Collective Bargaining in the Southern Lumber Industry," \textit{Southern Lumberman}, July 15, 1952.}

\footnote{Marshall, \textit{Labor in the South}, 263-69.}

\footnote{Ibid.}
with the CIO enjoying much more success than the AFL. The Southern Pine Association attributed the unions' failure to five factors:

(1) the small size and wide scattering of individual operators; (2) management had been well informed and knew how to deal effectively with the situation; and (3) employers spoiled one union argument by raising wages and giving other benefits voluntarily; (4) the 75¢ FLSA minimum wage in January 1950 made union promises of wage increases, their principal argument for unionization, fall flat; and (5) the cost of organizing and negotiating a collective bargaining agreement in many operations exceeded the per capita return the parent union could hope to collect from the organized workers.

As has been indicated, there was a steady increase in the wage rates for southern lumber workers from 1946 to 1953, but it is debatable whether this was due to the influence of unions or to the rise in minimum wage levels imposed by federal wage and hour legislation. Statistics compiled by the Department of Labor's Bureau of Labor Statistics for the years from 1938 through 1953 indicate that the southern lumber industry, utilizing a high percentage of relatively unskilled laborers, had a high concentration of workers laboring at or slightly above the prevailing minimum wage levels. The bureau concluded that "during the past 15 years the general trend of average hourly earnings in this industry has paralleled changes in minimum wage legislation." While the presence of labor unions in neighboring plants may have

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68 The available figures on elections and results are not entirely consistent. Those cited are taken from Moore and Buckwalter, "Collective Bargaining in the Southern Lumber Industry," Southern Lumberman, July 15, 1952; and from A. E. Boadle to S. P. Deas, July 14, 1953, SPA Records, Box L.I.S. 11.

69 A. E. Boadle to S. P. Deas, July 14, 1953, ibid.


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influenced non-union operations to increase their wages in an attempt to prevent organization, it is nevertheless true that the average hourly rate differential between union and non-union workers in southern lumber mills in the post-World War II decade was relatively small.71

The Southern Pine Association during this period maintained its normal round of labor activities through the Labor Information Service and continued its policy of strict non-involvement in personal negotiations between subscribers and unions. The association's attitude toward unions was quite clear, but there is no evidence that it acted in anything approaching the manner of the old Southern Lumber Operators Association, which, it will be recalled, had been so deeply and directly involved in the labor difficulties of the southern pine industry during the early part of the twentieth century. This change was due in part to the fact that by the 1940's and 1950's the southern pine industry no longer enjoyed the homogeneity of opinion with regard to organized labor that it once had. As a spokesman for the SPA's Labor Information Service Committee noted in 1948, "while there is no record that any Southern lumber producer has cordially welcomed a labor union at his plant, it is a fact that many employers believe that, if their workers want a union to represent them, that is the workers' business and the employers will deal with them as long as they are reasonable." "On the other side of the fence," he continued, "there are lumber producers

71"Average Hourly Straight-Time Rates For Common Labor, Union Vs. Non-Union—October 1, 1951," (Confidential mimeographed report), SPA Records, Box L.I.S. 10. This report, covering mills in ten southern pine states, shows an average hourly wage differential of only .046 cents between union and non-union mills.
who think that hysterical labor unions organized by outside professionals do not bring benefits either to their own members or to the companies, and therefore, an all-out effort should be made to resist their entry into a plant.\textsuperscript{72} The same speaker attempted to allay the fears of some subscribers "that the operation of a labor information program would create a reputation for the Association as an anti-labor, union-busting group. . . ."\textsuperscript{73} If the SPA did not acquire this reputation, it was not due to any lack of effort on the part of the unions, or specifically the CIO. As the fortunes of "Operation Dixie" declined, there was a tendency among CIO spokesmen to single out the Southern Pine Association as a major villain. During a 1949 CIO organizing campaign at the Southern Pine Lumber Company in Diboll, Texas, union handouts featured cartoons which portrayed the Southern Pine Association as responsible for wage cuts, and union speakers described the SPA as a "big owners' union."\textsuperscript{74} In 1951, Carl Winn, secretary-treasurer of the International Woodworkers of America, at a Washington, North Carolina, Labor Day celebration, accused "the lumberman's association" of the "damnable practice" of "playing the workers in one mill against the workers in another." He went on to charge that "the Southern Pine Association supports the individual operator financially when his workers strike to try to force a decent contract."\textsuperscript{75} Manager P. C. Gaffney of

\textsuperscript{72}"Proceedings of Meeting of Subscribers to the Southern Pine Association and Southern Pine Industry Committee . . . April 8 and 9, 1948," \textit{ibid.}, Box 74a, 69-70.

\textsuperscript{73}\textit{Ibid.}, 70.

\textsuperscript{74}Arthur Temple, Jr., to John G. Curren, May 11, 1949, \textit{ibid.}, Box L.I.S. 11; "Two Unions Stand Alone In Fight Against Pay Cuts," (CIO leaflet), \textit{ibid.}

\textsuperscript{75}"Strong Union, Area Negotiations Is Answer, Carolina Workers Told," \textit{International Woodworker}, September 12, 1951.
the Southern Pine Association Labor Information Service angrily branded Winn's remarks as "typical of the inflammatory remarks that are endlessly made by professional union people for the purpose of creating a cleavage between management and employees," and, he observed, "as the intensity of a [sic] organizing campaign increases, or as the solidity of a union diminishes, so generally does a respect for the truth decline."^76

Anti-union charges were made against the SPA all during "Operation Dixie." In 1951, for example, the southern representative for the IWA-CIO cited his organization's accomplishments "despite the fact that the Southern Pine Association is fighting our union with every weapon at its command," and in 1953 the CIO's regional director for Mississippi and Louisiana charged that the SPA had been "set up principally as an employers' 'Union' to prevent employees from gaining the rights of organized labor. . . ."^77 Although it is certainly true that the Southern Pine Association, its staff, and its subscribers were by no means admirers of labor unions, there is nothing in the association's records or activities during the period to justify the charges that it intervened directly in labor conflicts or that it in any way acted like the older-type employers' associations. It did, however, exert strong

76 P. C. Gaffney to L. W. Morgan, October 9, 1951, SPA Records, Box L.I.S. 11. In a previous letter to Gaffney, Morgan had written that as a member of the SPA's board of directors "I don't recall seeing any such disbursement shown on the trial balance which I have seen. This only goes to show how unreliable and careless with the truth the organizers can get." Morgan to Gaffney, September 28, 1951, ibid.

efforts in behalf of legislation that can only be regarded as anti-
organized labor in tenor, and it consistently supported generally con-
servative governmental activities and legislation throughout the post-
World War II period, as, in fact, it had done since its inception. 
These activities, however, were not carried out by the SPA or its 
Labor Relations Service as such, but by a series of committees under 
various names which supposedly represented the entire industry, SPA 
subscribers and non-subscribers alike, but which actually were 
dominated by SPA manufacturers and served by the Southern Pine Asso-
ciation's staff. In the post-war period, the most important of these 
committees in dealing with labor matters, as well as other legislation, 
was the Southern Pine Industry Committee. 

The Southern Pine Industry Committee, as was noted earlier, was 
formed in 1937 to carry out the southern pine industry's unsuccessful 
fight against passage of the Fair Labor Standards Act. With the advent 
of World War II, the SPIC became dormant, and the Southern Pine Associa-
tion shifted its support to first the Southern Pine Emergency Defense 
Committee and then the Southern Pine War Committee. At the war's end, 
the SFWC was of course still in existence, but it was not considered 
appropriate for this organization, which had functioned supposedly as 
a representative of all the southern pine industry and which had been 
designed to cooperate with and facilitate the government's war effort, 
to enter into the many partisan issues which would almost inevitably 
find the southern piners at odds with the Federal Government. There-
fore, in January, 1946, the SFWC and the old SPIC were liquidated and 
their functions absorbed by a temporary organization called the Joint 
Emergency Committee for the Southern Pine Industry.
In May the JEC was succeeded by a new, permanent Southern Pine Industry Committee. It was chaired by C. C. Sheppard of Clarks, Louisiana, and was to represent the entire industry and to be supported by voluntary contributions from both SPA subscribers and non-subscribers. It was contemplated that the committee would represent the industry before the OPA, working for higher price ceilings and for the abolition of that agency; maintain liaison with the Civilian Production Administration through a Washington office; operate as a lobby to influence legislation, particularly in the fields of forestry and labor; and generally act as an information-gathering and disseminating agency for the southern pine industry.

The Southern Pine Industry Committee was registered under the Regulation of Lobbying Act of 1946, but generally did not have its staff members lobby in person on Capitol Hill. The southern piners, furthermore, were very careful to keep the SPIC and SPA separate and distinct. As a leading SPA staff member described the set-up in 1952, "the Southern Pine Association gets into Legislation only after the laws have been passed, whether it is labor laws, tax laws or any other kind. After the legislation is on the Statute books, then the Association will pass out information to its subscribers and there isn't any chance for a


79"What Your Money Buys when you support the Joint Emergency Committee for the Southern Pine Industry," (Typewritten report), ibid., Box 9a. This report, prepared for the industry's May 9, 1946, mass meeting, represents the functions of the SPIC as well as the JEC, for in reality there was little difference between the two organizations.
conflict with the provisions of the anti-lobbying Act." "On the other hand," he continued, "the Southern Pine Industry Committee has been the agency which has carried on relations with the government departments, and more especially, has dealt with Congress on legislation." 80

SPA Secretary-Manager and SPIC Secretary H. C. Berckes later recalled that "the Industry Committee availed itself very little of any direct approaches to Congressmen and Senators. It gladly appeared before Congressional Committees and spoke for the industry there. It also supplied economic data when requested to do so by Congressmen and Senators." "When the effect of any legislation was felt by the members of an industry the Industry Committee urged those members affected to write to their Representatives and Senators frankly and fully as to how they would be affected individually," wrote Berckes. "Congressmen and Senators wanted that type of information from their constituents; not the harangues of paid lobbyists or representatives, nor to receive scores of form letters or stereotyped objections. The Southern Pine Industry Committee continued this 'grass roots' approach insistently and its standing and reputation was enhanced thereby." 81

In addition to its activities in attempting to inform its own contributors and assist their efforts in influencing lawmakers and administrators, the Southern Pine Industry Committee maintained close relationships with other organizations, and produced a veritable flood of circulars, advertising copy, pamphlets, news releases, and other


materials designed to build up support for the industry's position on a variety of issues of interest to the industry. The campaigns and causes of the post-war years were many. The principal matters which the industry opposed were the attempts of the United States Forest Service and other interests to expand the role of the Federal Government in forestry and conservation on both public and private lands, the continuation of World War II price ceilings, the constant push for upward revision of wage levels under the Fair Labor Standards Act, and the effort of the AFL and CIO to unionize the southern pine mills.

In the immediate post-war period, the continuation of ceilings on lumber prices was a subject of much concern to the southern pine industry. There was a tremendous demand for new housing, but the Truman Administration, concerned about inflation, was reluctant to remove price controls on lumber. 82 On August 18, 1945, President Truman issued an executive order providing that the Price Administrator could adjust price controls in order to eliminate inequities which would interfere with the transition to a peacetime economy. An industry advisory committee, composed of southern pine manufacturers, wholesalers, and commission men, and created by the SPA, had recommended in May, 1945, that southern pine price ceilings be adjusted upward, only to be turned down by the Office of Price Administration. 83

The new housing that was being constructed was very unsatisfactory, and the entire industry was being blamed. According to Eric


83 Untitled mimeographed report in SPA Records, Box 11a.
Goldman, "housing units kept going up . . . but rarely according to schedule and never enough. Many new dwellings promptly started falling apart. They had been thrown together with green lumber, ersatz plumbing, slapdash carpentry, and a general air of who-cares." The Southern Pine Association's subscribers and staff were determined to shift the onus for insufficient and poorly-manufactured lumber to the Office of Price Administration. In January, 1946, a special committee of southern pine lumber manufacturers, headed by Tom DeWeese, a prominent Southern Pine Association subscriber, presented a statement to the Stabilization Administrator of the Office of War Mobilization and Reconversion, chronicling the industry's production and pricing problems, and blamed them on the OPA. The committee characterized recent OPA price adjustments in certain categories of lumber as inadequate and promised that "southern lumber operators can and will substantially increase production if given a price increase to justify their efforts and risks." It blamed the OPA's restrictions for the increasing channeling of poorly-manufactured and over-priced lumber into the black market. 85

Finally in March, 1946, the OPA modified its ceilings on lumber prices, but its action failed to halt the booming black market on lumber. One Alabama manufacturer, in a typical complaint to the Southern Pine Association, reported "small mills . . . are utterly disregarding all OPA regulations and are selling lumber higher than our dress price

84Goldman, Crucial Decade, 26.

even though the lumber is rough and green . . . OPA is simply making no effort in this territory to enforce the regulations. . . . "86 At the Southern Pine Association's annual meeting in May, the president of the National Retail Lumber Dealers Association declared that black market operations were rampant, with individual truckers buying from mills for supposed intrastate delivery within a twenty-five mile radius, and then driving the lumber as much as a thousand miles away and selling it at twenty-five to one hundred per cent above ceiling prices.87 Chairman C. C. Sheppard of the southern pine industry's Joint Emergency Committee charged that "OPA has wrecked our industry to the extent that there is only one answer—wipe the office of price administration off the books."88

A directive issued by Judge J. C. Collet in February, 1946, granting the southern pine industry a price increase was given credit for a rise in southern pine production, but the OPA's adjustments were characterized by the Southern Pine Industry Committee as "too little and too late." A press release made by the SPIC in September, 1926, accused the Office of Price Administration, National Housing Administration, and other government agencies of "placing false and 'foreign' philosophy [sic] of economics before 'American' needs," and said that "every experience of the Southern Pine Industry with government agencies before, during and since the war has demonstrated that expediency,

86M. P. Tinsley to H. C. Berckes, March 19, 1946, ibid., Box L.I.S. 42.

87"Lumber Lack Is Blamed On OPA," The Times-Picayune (New Orleans), May 9, 1946.

88"Lays Black Mart To Regulations," The Times-Picayune (New Orleans), May 9, 1946.
politics, and promotion of 'foreign' ideals have had a throttling effect upon the production of Southern Pine.\textsuperscript{89} Propaganda of this sort was accompanied by reprints of newspaper and magazine editorials critical of the OPA and other government agencies, which were widely distributed by the SPIC.\textsuperscript{90} When finally, in November, 1946, the Office of Price Administration removed all price controls, the price of lumber rose to the heights previously commanded on the black market, and the Southern Pine Industry Committee thankfully turned its attention to other matters.\textsuperscript{91}

The second major area of post-war concern for the southern pine industry was the constant pressure for increases in the minimum wage levels established by the Fair Labor Standards Act. This pressure came from organized labor, some northern manufacturers, and other interests who were concerned about the impact of low southern wages on industries and workers in other sections. As was noted earlier, the old Southern Pine Industry Committee had fought unsuccessfully against passage of the first wages and hours law in 1938, which had established an original minimum hourly wage of twenty-five cents, rising on a gradual basis to forty cents in February, 1944. As the minimum level had risen, average wages in the southern pine industry had tended to increase, remaining slightly above the legal minimum levels. Under the impact of World War II, in October, 1946, wages in the industry rose to an average of

\textsuperscript{89}Southern Pine Industry Committee Press Release, September 20, 1946, SPA Records, Box 52b.

\textsuperscript{90}Examples of this type of material are scattered throughout the SPA Records. For examples see boxes 9a, 49b, and 31.

\textsuperscript{91}Hidy, Hill, and Nevins, Timber And Men, 467.
sixty-four cents an hour, far above the minimum level, and reached sixty-nine cents by late 1949. Nevertheless, the southern pine industry strongly resisted efforts to revise the minimum, which were successful in 1949, with a seventy-five cent minimum becoming effective on January 25, 1950.92

While denying industry opposition to higher wages for its employees, the Southern Pine Industry Committee offered several arguments against raising the minimum wage. These arguments generally stressed the predominance of small producing units in the southern pine industry which had a high percentage of unskilled workers and little mechanization, and were, therefore, characterized by relatively low labor productivity and high labor costs per unit of production. Increased labor costs could not be overcome by the small mills through mechanization, because of their transitory nature and generally-low capitalization. Furthermore, mills which were selling in interstate trade, and were thus affected by the federal wage requirements, were often in direct competition with mills in intrastate commerce having lower wage scales. In addition to its economic arguments, the Southern Pine Industry Committee questioned the right of the Federal Government to establish a wage structure, and bemoaned the growth of government control and the trend toward a collectivist society.93


93 Typical examples of this approach are a speech by J. H. Ballew of the Southern States Industrial Council which was delivered before a meeting of southern pine manufacturers in New Orleans on September 6, 1945, and which was published and distributed in pamphlet form by the SPIC under the title "Dangers of Impending Legislation to Southern Industry," a copy of which is in the SPA Records, Box 93b; and a booklet
With the amazing victory of Harry Truman in the 1948 presidential election and the replacement of the "do-nothing, good-for-nothing" conservative-dominated Eightieth Congress by a new Congress in which the Democrats controlled both houses, the Southern Pine Industry Committee correctly anticipated upward revision of the minimum wage. As SPIC Secretary H. C. Berckes saw the situation after the election, "the pressure will be very strong now for an increase in the minimum wage, and, to a level higher than that which a Republican Congress might have recommended . . . we will have to conduct a stronger fight to get necessary amendments to the Wages and Hours Law that will eliminate time-and-a-half for overtime, define regular rate of pay, and clarify administrative provisions and procedure . . . it will be only through the conservative Southern Democrats in Congress plus the returning Republicans who were sympathetic to overhauling the Wage and Hour Law, that any relief can be secured."94

entitled "Effects of Wages and Hours Upon the Southern Pine Industry" which was published by the Southern Pine Industry Committee in November, 1945. The material in this booklet was prepared for presentation to the Committee on Education and Labor of the United States Senate and to the Labor Committee of the United States House of Representatives, which were considering amendments to the Fair Labor Standards Act of 1938. There is a copy of this booklet in SPA Records, Box 93a. As Vice-Chairman Tom DeWeese expressed it in a paper delivered before a meeting of the SPIC on March 18, 1947, "a statutory minimum wage is the first step toward a controlled economy." DeWeese also hit some other major objections to the proposed wages-hours measures, including the provisions for higher pay rates for overtime work or work in excess of forty hours per week, which the southern pine industry felt was unfair to logging operations because of the uncertainties and weather difficulties which might make it necessary for a crew to work far less than forty hours one week and far more the next, and the lack of enforcement of the existing legislation which had been a chronic weakness of federal regulation of the southern pine industry since the time of the National Recovery Administration. Tom DeWeese, "The Effects Of The Wage-Hour Law," SPA Records, Box 9a.

94H. C. Berckes to C. C. Sheppard, November 3, 1948, ibid., Box 70a.
The Southern Pine Industry Committee met in January, 1949, to review the events of the preceding few months and to map strategy for the continuing campaign against wage and hour law revisions. Convinced that more strenuous activity would be needed, it voted unanimously to request all southern pine manufacturers to contribute an additional five cents per thousand feet of production, in addition to the usual six-cent voluntary fee, in order to support the expenses of the intensified fight. The committee members were informed that some 46,542 pieces of wages-hours literature published by the SPIC had been ordered and distributed by 135 cooperating industrial and trade organizations, chambers of commerce, and individuals. In addition to the distribution of literature opposing an increase in the minimum wage, on February 4, 1949, four witnesses for the Southern Pine Industry Committee testified before the House Committee on Education and Labor against such an increase. During the last six months of its intensive fight against the measure, the Southern Pine Industry Committee had spent approximately $16,000 for printing, $8,500 for mailing and postage, $7,000 for telegraph and telephone expenses, and an additional $8,000 "incidental to meetings, hearings, and witnesses, etc., plus additional amounts for expansion of our regular facilities." Of the $40,000 expended, some $30,000 had been contributed by Southern Pine Association


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subscribers, and $10,000 by others who "had a keen interest in our fight but a distant relation to our Southern Pine industry." Despite all of the SPIC's efforts, the Eighty-first Congress passed, and, on October 26, President Truman signed, the Fair Labor Standards Amendments of 1949, which raised the minimum wage level to seventy-five cents, effective January 25, 1950. On November 1, 1949, the SPIC published and began to distribute the text of the wage-hour law revision with explanations of sections which would be particularly significant for southern pine manufacturers.

During the early post-war years, as the Southern Pine Industry Committee was struggling with the wages-hours question, it also became deeply involved in the efforts to amend or eliminate that old bete noire of industry the Wagner Act. The path was smoothed by the post-war resurgence of conservatism and anti-New Dealism which had been dramatically demonstrated in the 1946 Congressional elections as the Republicans won control of both houses of Congress. Writing from Washington, in March H. C. Berckes suggested to SPIC Chairman C. C. Sheppard that his committee would have to consider its position in regard to revision of the Wagner Act. Berckes bemoaned the "tendency on the part of business and other witnesses to be on the defensive and take a negative approach to labor legislation," and submitted for future consideration

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97 H. C. Berckes to Southern Pine Industry Committee, October 27, 1949, ibid., Box 70a.

98 "Text Of The Wage-Hour Law (As Revised) and Explanation Of Sections Of Particular Interest To Southern Pine Manufacturers," ibid., Box 12a.
by the committee "a simple, rough outline of an approach which seems strong." 99

Berckes' proposed "Memorandum On Labor Legislation" bore a striking resemblance to the emerging Taft-Hartley Act and was a clear exposition of the SPA leader's personal views in regard to organized labor. According to the memorandum:

Outlawing the 'closed shop' is a negative approach to a problem that should be handled more positively. The issue is a man's 'right to work.' It might be held that this right, is not an absolute one, but it can be regulated just as the 'right to strike.'

A 'closed shop' is actually an agreement through conspiracy (bargaining if you prefer) to bar a man from work, all other factors notwithstanding, because he does not belong to a particular union. That act, not by the judgment of a single individual, but by conspiracy, infringes upon a man's constitutional right to 'life, liberty, and the pursuit of happiness.' It is also a blot upon a free labor movement.

Industry-wide bargaining is also a conspiracy; it is the restraint of trade on a scale that could bring national disaster to our economy, if not carefully watched. By an industry-wide bargaining agreement between one labor union and all units in one industry, a product that is vitally necessary could be curtailed in volume, distributed unfairly, and costs projected so high as to be ruinous to users and consumers of the product.

Mass-picketing and some of the evils thereof should be subjected to a 'highwayman's act.' The evils and the methods are the same. In mass-picketing two or more men conspire, use force or through joint efforts infringe upon a man's 'right to work,' to his use of the public highways and streets.

None of the above would be tolerated if indulged in by two or more business organizations or by non-union citizens. The evils are the result of class regulation, piecemeal as well.

99 H. C. Berckes to C. C. Sheppard, March 6, 1947, ibid., Box 55b.
The logical solution of all of these problems can only be arrived at through the principle of equal justice under law. The application of anti-trust laws, conspiracy laws, and restraint of trade laws should apply alike to all citizens.100

Returning to New Orleans, on March 18 Berckes discussed with the Southern Pine Industry Committee proposals to amend the Wagner Act and his memorandum to C. C. Sheppard. The following day the SPIC approved instructions to the secretary to "participate with other organizations in the effort to secure at the present session of Congress amendments to the Wagner Act and other remedial legislation that would cure the abuses in employee-employer relations. . . ."101 With the strong support of the Southern Pine Industry Committee and like-minded organizations, the Hartley Bill passed the House in the spring. After modifications, the measure emerged from the Senate in June, 1947, as the Taft-Hartley Bill. It was vetoed by President Truman, but was promptly passed over his veto. The measure, which organized labor liked to call the "slave-labor" act, outlawed the closed shop, revived government injunctions as a means of dealing with labor disputes, and through Section 14b enabled states to pass "right-to-work" laws outlawing the requirement of union membership as a condition of employment. The Southern Pine Association and SPIC were pleased with the law. Although a speaker at the association's April, 1949, annual meeting declared, "the Taft-Hartley Law is not too strong; it's not strong enough," southern pine organizations dedicated much of their efforts in ensuing

100"Memorandum On Labor Legislation" attached to H. C. Berckes to C. C. Sheppard, March 6, 1947, ibid.

101"Minutes of a Meeting of the Southern Pine Industry Committee . . . March 19, 1947," ibid., Box 9a. A mimeographed copy of Berckes' March 18 statement to the committee is stapled to these minutes.
years to ensuring that the law remained on the statute books without modification. ¹⁰²

Increasingly in the 1950's there seemed to run through the publications and activities of the Southern Pine Industry Committee the theme which stressed the need for Americans to return to an older way of life, or as H. C. Berckes saw it, to the principles on which the United States had been founded and which had enabled it to grow and prosper. With years of service behind him, the secretary became bolder and more willing to explain his personal views on what he regarded to be a noble cause. In January, 1950, Berckes advised his associates within and outside of the industry to become involved, and warned that "our efforts will advance us little if we do not get into the political battle in 1950 and '52." ¹⁰³

In 1950, the Southern Pine Industry Committee published and distributed a reprint of an article published by Berckes in a trade journal, which clearly revealed the direction in which the Southern Pine Association leader was traveling. Entitled "Fight Fire With Fire," the piece warned that "the great danger facing the American people today comes from within. It is the trend toward Socialism." "For twenty years," Berckes warned, "socialists, collectivists, advocates of the welfare state, and other 'do-gooders' have been propagandizing the American

¹⁰² This comment on the Taft-Hartley Act was part of a speech by Irving G. McCann who was a former counsel of the Committee on Education and Labor of the United States House of Representatives. "Southern Pine Meeting Held in New Orleans," Southern Lumberman, April 15, 1949. Reprint in SPA Records, Box 10a.

¹⁰³ Undated form letter from the Southern Pine Industry Committee, dictated by H. C. Berckes, sent out to several hundred interested groups. Copy in SPA Records, Box 12a.
people and conditioning them to the acceptance of their theories. They have made many converts." Berckes singled out "crack-brained economists," "opportunists," and "demagogues looking for power" as leaders of the movement, and lamented the fact that businessmen and industrialists had not taken the time or interest to fight them. He particularly urged that businessmen must "overcome our squeamish attitude toward politics," and that "every business man should contribute to the cause of sane government by supporting conservative candidates and by active propaganda work for American business." "Learn the arguments against socialized business," he counseled, "and discuss with individuals the fallacy of Socialism. Make speeches, talk over the radio, and send out persuasive anti-socialistic literature." 104

Although this philosophy, or at least its open advocacy, was not entirely accepted in the southern pine industry, it found much powerful support. In a 1950 speech before the Southern Pine Association's annual meeting, for example, SPIC Chairman R. M. Eagle noted that while his committee's "activities have been restrained because the industry as a whole was not prepared to go the full distance some of its leaders thought it should go . . . the Committee has been unwilling to abandon the fight for 'old-fashioned' ideals because of the prediction in some quarters in the industry that the old order of government and society in America had disappeared." Eagle then went on to proclaim, "we are battling all of these radically unsound and politically-inspired,

104 C. Berckes, "Fight Fire with Fire," Southern Lumberman, December 15, 1949. There is a copy of the reprint pamphlet published by the Southern Pine Industry Committee in SPA Records, Box 54a.
vote-getting proposals whether they take the form of an FEPC, Social Security, Labor Relations Act, forestry regulation, subsidized housing, Wage-Hour measure, an extravagant budget, socialized medicine or whatever must be fought. 105

Berckes' political and economic views led him to accept the philosophy of states-rights and to support the Dixiecrats in the 1948 presidential campaign. Nominally, Berckes was a lifelong Republican, but he was in general political agreement with the Southern Pine Association's dominantly-Democratic subscribers, at least during the greater part of his employment by the association. As a Republican, the secretary-manager enjoyed access to political circles not open to most of his subscribers, thereby enhancing the Southern Pine Industry Committee's lobbying efforts. 106

While deeply involved in domestic economic and political matters, the SPA was also affected by developments in American foreign affairs. Among the most important foreign problems of the 1950's was the Korean War, which began in June, 1950. It created again the problems of organizing the economy to meet both civilian and military needs. As in the case of both world wars, the southern pine industry, the SPA, and the industry's committees were in the forefront of the mobilization effort.

Actually, a defense program had been in operation prior to 1950. The Southern Pine Association and the Southern Pine Inspection Bureau

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106 Interview with H. C. Berckes, January 24, 1968. By 1968 Berckes' quest for a leader who would "lead me out of the wilderness" had brought him to contribute money to the campaign of Alabama's George Corley Wallace.
had been working with the office of the United States Corps of Engineers in St. Louis on problems related to the procurement of the lumber and allied products needed by all of the armed forces. By the time of the Southern Pine Association's annual meeting, in April, 1950, plans had been made for the mobilization of the lumber industry in the event of national emergency or war. Immediately after the meeting, the Southern Pine Industry Committee appointed several technical committees to facilitate the defense effort. The most important of these were a Technical Committee on Lumber Procurement, a Timber Supply Technical Committee, and a Price Controls Committee.  

Shortly after the outbreak of war in Korea, Congress passed the Defense Production Act, which authorized the freezing of prices and stabilizing of wages, but, due to inadequate enforcement mechanisms, it was not until early 1951 that mandatory ceilings were imposed and the Office of Price Stabilization established. However, the Southern Pine Industry Committee and its technical committees began to swing into action shortly after the North Korean invasion. The Committee on Lumber Procurement maintained daily, personal contact with the office of the Corps of Engineers in St. Louis and acted as a liaison between the southern pine industry and the military. It was responsible for


108 On July 19 the SPIC wired Chairman W. Stuart Symington of the National Security Resources Board that due to the "increasing seriousness of the international situation and because you and other responsible authorities desire to accelerate the preparedness program, Southern
the preparation and dissemination of printed material outlining the government's requirements and regulations for lumber. The Timber Supply Technical Committee was authorized to make a comprehensive survey of forest reserves, public and private, in the southern pine states and of the productive facilities of the southern pine industry. On April 16, 1951, it published a reasonably comprehensive statistical overview of the southern pine industry's productive facilities which could serve as a guide for both the industry and government in organizing the war effort. The Price Controls Committee considered the problems of stumpage prices and manufacturing costs in order to "aid in the establishment of equitable ceilings for Southern pine," but it was eventually disbanded because of the creation of an Industry Advisory Committee by the OPA. The Southern Pine Industry Committee and its various specialized bodies also handled the normal range of wartime problems—dealing with the railroads and their regulatory agencies, publishing and interpreting the rapidly-changing wage and salary stabilization regulations for southern pine manufacturers, and offering assistance to the industry on problems stemming from priorities on

Pine manufacturers meeting here today feel that you should be informed of their eagerness to cooperate 100% in the preparedness program. . . ." "Minutes of a Meeting of the Executive Committee of the Southern Pine Association . . . July 19, 1950," ibid., Box 70a.

109 H. C. Berckes to James G. McNary, February 2, 1951, ibid., Box 1. An example of these publications is a pamphlet put out by the Southern Pine Industry Committee on July 17, 1950, entitled "U.S. Government Requirements in Lumber Purchasing, Taken From Specifications Of U. S. Corps Of Engineers." Copy in SPA Records, Box 12a.

machinery and equipment.\textsuperscript{111} Although the southern pine industry was ready and willing to undertake a mobilization and defense effort similar in organization and intensity to that of World War II, the military conflict in Korea was tailing off by the end of July, 1951, and despite inflation and the momentary dislocations spurred by the war, "the production and priorities problems of a full scale war were never seriously encountered."\textsuperscript{112}

At the very time the Southern Pine Association was mobilizing its resources to aid in the nation's defense effort, within the industry events were beginning to come to a head which would formally mark the end of one era and the beginning of another. Since the formation of the Southern Pine Association in 1914, the southern pine industry had experienced a gradual evolution in nature and leadership. During the SPA's early days, it had been dominated by large producers and strong pioneering individuals such as John Henry Kirby, Charles S. Keith, and R. A. Long. These men had hand-picked their association leaders and

\textsuperscript{111} "Proceedings of Thirty-Seventh Annual Convention of the Southern Pine Association and Industry-Wide Meeting Under the Auspices of Southern Pine Industry Committee . . . April 7, 8 and 9, 1952," \textit{ibid.}, Box 68a, 68-70.

\textsuperscript{112} Berckes, "The Pitch in Pine," 254. In fact the only episode which gives a touch of urgency to the southern pine industry's military program during this period occurred in 1951 when speakers representing the Materials Control and Materials Development Divisions of the United States Navy's Bureau of Ships addressed the Southern Pine Association's annual meeting and announced a wooden-ship building program. At that time bidding was in process or contracts had been awarded for the construction of some ninety-five wooden minesweepers in three classes, ranging from 138 through 165 feet in length. "Proceedings of Thirty-Sixth Annual Convention of Southern Pine Association, also Industry-Wide Meeting under the auspices of Southern Pine Industry Committee . . . April 16-17-18, 1951," \textit{ibid.}, Box 73a.
supported them as long as they stayed within certain broadly-defined lines. As the pioneers began to fade from the scene, they were replaced by a new type of men, the managers. They were corporate employees who, although they ran their operations from the mill offices, were thoroughly familiar with the industry from standing timber to finished lumber and sales. These men often grew up in the industry and in some cases eventually became corporate officers or even partial owners of the firms whose operations they managed. A typical example of this type was C. C. Sheppard of the Louisiana Central Lumber Company in Clarks, Louisiana.

The managers began to come into prominence in the southern pine industry during the 1920's, sharing the spotlight with the pioneers until the 1930's when they truly came into their own. Within the Southern Pine Association itself somewhat the same change took place. J. E. Rhodes, who had been hand-picked by John Henry Kirby and other industry giants, died during the early 1920's, and was replaced by H. C. Berckes who moved into a position of leadership as a contemporary of the new managers. Berckes, however, had been with the Southern Pine Association since the beginning and enjoyed the friendship and confidence of the older leaders as well. As secretary-manager, consequently, he acted in the full knowledge that although he was just an employee of the association, he could go to both the old pioneers and the new managers as an intimate and receive authorizations to act or decisions on important matters without delay. More importantly, knowing these men's views and having their confidence, he could act somewhat independently with the assurance that they would generally support him in what he had done.
With the changes in leadership, the industry itself was changing. By the 1920's many of the large mills were cutting out and either ceasing operations altogether or moving their facilities to the West Coast, as in the case of the Longs and Charles S. Keith. There were dire predictions that the industry and with it the Southern Pine Association were dying. However, amidst the shadow of gloom renewed hope came with the realization of the tremendous regenerative powers of the southern forests. At the same time, hundreds of small "peckerwood" mills began operations, cutting patches of southern pine in supposedly deforested areas the big mills had cut through. Although the Southern Pine Association acted to enlist many of these small producers as subscribers, it was not sufficiently successful to be able to presume to speak for the vast majority of production in the industry. Within the SPA, then, to the old divisions between east and west, and longleaf and shortleaf producers, was joined that of large producers against small.

The changing nature of the industry required that the secretary-manager of the Southern Pine Association exhibit great sensitivity to the currents and needs of the association's subscribers and that he have the ability to mold its disparate elements together into a coherent whole. For nearly thirty years, H. C. Berckes exhibited those qualities, and became in a real sense the stabilizing force around which the SPA was maintained. Berckes increasingly came to be the personification of the Southern Pine Association. Despite occasional crises and personal resentments, to a remarkable degree Berckes kept the association intact from the 1920's until the end of World War II.
However, in the post-war period the southern pine industry and the SPA underwent significant changes in organization and personnel. Many important southern lumber manufacturing firms and Southern Pine Association subscribers were absorbed by, and became mere divisions of, larger diversified corporations. With these mergers frequently came new managers who were often men without an intimate knowledge of the industry, its traditions, or its people. These new men were frequently critical of practices and policies in both the industry and the Southern Pine Association. Furthermore, they often had difficulty in justifying association membership and activities to their superiors, and they had neither the power, the insight, nor the inclination to give the SPA staff the support or quick decisions it had once so routinely relied upon. During this period, new leaders emerged even in many of the firms which remained independent. They not infrequently came from the sons of the older pioneers and managers.

Secretary-Manager Berckes was, of course, affected by these changes. He was not fundamentally opposed to the emergence of new men within the industry or the Southern Pine Association. Within the association he had prided himself upon training a capable corps of

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113 The following account is based primarily upon correspondence, copies of official Southern Pine Association minutes and reports, and other materials which are in the possession of H. C. Berckes. While the author has examined all of these materials, due to their sensitive nature some will not be cited at this time. It is hoped that in the future they or duplicate copies will become available to others interested in the history of the Southern Pine Association or the southern pine industry through the good offices of either Mr. Berckes or the SPA. The general outline of the text which follows is substantially accurate. The opportunity to cite the materials mentioned, however, would have made it possible to add detail and thus depth to the account.
"young men" who would someday succeed him, just as he had succeeded J. E. Rhodes. In fact, recognizing the changing nature of the industry, in 1950 Berckes was largely responsible for the creation of a Committee on Study and Planning which undertook a thorough survey of the SPA's background and development with the idea of modernizing and revamping it wherever necessary. In 1952, he helped organize a young men's conference in an effort to bring the new generation into a more meaningful role in the association. These efforts, although well-intentioned, were largely negated by problems growing out of the Korean War and battles on the legislative and competitive fronts which absorbed much of the industry's attention, and, coincidentally, added to the growing split in the industry. The fact was that despite his efforts, Berckes was not able effectively to work with the industry's new leaders. Not only did he disagree with them over policy matters, but they resented the independent and somewhat autocratic manner in which Berckes ran the association.

Differences between Berckes and the lumber companies' managers began to be apparent in the 1950's. The first issue over which they divided had to do with the inclusion of requirements for dry lumber in building codes. Representing the West Coast lumbermen's interests, the National Lumber Manufacturers' Association opposed such a requirement. It also called upon the industry to give greater support to a national advertising campaign. Although both of these positions were detrimental to the best interests of the Southern Pine Association, some of the new southern pine industry leaders supported them while Berckes opposed them. Berckes and the Southern Pine Industry Committee, as has been related,
had since the passage of the original wages and hours legislation in 1938 fought all efforts to raise the minimum wage levels. By the 1950's, however, some industry leaders voiced opposition to the often blunt and always vigorous manner in which Berckes conducted this fight; a number, in fact, stated that the fight should be stopped entirely, thus undercutting Berckes' position in his own industry. In addition, there was a growing feeling in some quarters that the Southern Pine Association's activities had become too large and covered too much territory. By cutting expenses and eliminating some of the association's functions, it was argued, more money could be channeled into advertising and trade promotion.

All of these criticisms and policy disagreements led several large producers in the spring of 1953 to apply pressure to Southern Pine Association President J. R. Bemis to overhaul the SPA's structure and change its emphasis. Fearing the loss of some large subscribers, Bemis appointed a new Committee on Study and Planning, which came up with recommendations for the reorganization of the association. The SPA's board of directors then created a special seven-man committee to carry out those recommendations. Berckes and his staff were almost entirely excluded from these activities. Aggravating the situation was the fact that because of a serious throat ailment which made speaking very difficult, Berckes found himself exasperatingly unable effectively to defend his policies and oppose the proposals of the Committee on Study and Planning.

The changes which were adopted and which the SPA's seven-man committee ordered Berckes to implement were of major importance. They
included the complete elimination of the forestry, labor information, and mechanical efficiency departments; the drastic curtailment of the activities of the traffic and the economics and statistics departments; and a major reduction in the SPA's contribution to the Southern Pine Industry Committee and the closing of the Washington, D. C. office.

These changes required a drastic reduction in the association's office facilities and staff. The latter was cut from some forty employees to about twenty, and the savings of some $12,000 monthly were ear-marked for advertising and trade promotion.

These changes were too much for Secretary-Manager Berckes to accept. Tired, ill, saddened by what must have appeared to be the disintegration of his cherished organization, in the spring of 1954, he returned to New Orleans from an exhausting trip and meeting in Jacksonville, Florida. In Berckes words, "I walked in one day, the day I came in, the 15th of March, called my secretary in, dictated a wire to 'em, and walked out. I went fishin', literally and figuratively. That was the end of it." The telegrams went out to the members of the Southern Pine Association's board of directors who expressed varying degrees of shock and dismay and in some cases tried to reverse the decision, but nevertheless approved the resignation at their meeting on April 6, 1954. Berckes' departure marked the final step in the reorganization of the Southern Pine Association and the end of an era.¹¹⁴

¹¹⁴The quotation is from an interview with H. C. Berckes, February 10, 1968. There is additional information and material on the problems of mergers and the situation surrounding the reorganization of the Southern Pine Association and Berckes's departure in interviews conducted with the former secretary-manager, who incidentally had been named SPA executive vice-president in 1952, on January 24, August 10, and November 6, 1968; and in Berckes, "The Pitch in Pine," 257-302. There
are letters concerning Berckes' resignation and the appointment of his successor, Stanley P. Deas, in SPA Records, Box 52a. For the problem of mergers and their impact on trade associations see H. C. Berckes, "The Effect of Mergers on Trade Associations," American Society of Association Executives Journal, IX (April, 1957), and Raymond Moley, "Trade Associations," Newsweek (January 13, 1958), 92.
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Candidate: James Edward Fickle

Major Field: History


Approved:

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Dean of the Graduate School

EXAMINING COMMITTEE:

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Date of Examination:

December 18, 1969