



Plywood in Retrospect

veneer PRODUCTS COMPANY

No. 9 in a series of
monographs on the
history of West Coast
plywood plants

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Harry Nicolai

Plywood in Retrospect

The Veneer Products Company of Tacoma, the third plywood plant built there, had a surprisingly short life. It soon was reorganized by Harry Nicolai into the Tacoma Veneer Products Company and later, through mergers, into the Oregon-Washington Plywood Company. In 1946, it became a worker-owned cooperative which is still operating successfully today as the North Pacific Plywood Company.

These publications by the Plywood Pioneers Association are made possible through the valuable assistance of the

American Plywood Association and its publications staff.

Grateful acknowledgement is made to those "Pioneers" and members of the American Plywood Association who, through their contributions to the Pioneers' historical fund, make this project financially possible.

Much of the background for this monograph was derived from interviews conducted in 1952 by D.F.P.A. staff members with Phil Garland and Bill Bailey and from Bob Cour's "The Plywood Age" published in 1955.

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A. J. Ritchie

Veneer Products Company

The Veneer Products Company of Tacoma was organized in 1922, primarily by A. J. Ritchie* with help from Phil Garland, who later became well known throughout the industry.

Ritchie and his associates organized the Pacific Steel & Boiler Company in Tacoma during World War I and had large contracts with the Emergency Fleet Corporation (U. S. Shipping Board) for Scotch marine boilers.

With the November 11, 1918, armistice, the government ordered work stopped on all these contracts, pending negotiations as to the best way to terminate the various commitments.

Phil Garland was a young mechanical engineer from the University of Maine who had been sent to Seattle in 1918 by the Shipping Board to help expedite war material for transporting the AEF to Europe. Since part of his duties had been with the Tacoma boiler factory, he was assigned to the Board's legal division to help settle contract claims with Ritchie and his partner. The latter decided to return east and continue to manufacture boilers.

Ritchie, however, was intrigued by tales of plywood's future and wanted the factory as part of his equity in order to organize a plywood plant. Although their claim was the first one from World War I settled on the Pacific Coast, final agreement evidently dragged on for a number of

months. Impressed with Garland's handling of the claim negotiations, Ritchie invited him to join his plywood venture.

Organization

Although Veneer Products Company was incorporated in December, 1920, it was not until early 1922 that the stock company was fully organized with A. J. Ritchie as president and Phil Garland as secretary-treasurer. Two of the other stockholders were Harry Nicolai of Portland and C. E. Evans.

Early in 1922, Bruce Clark, who had been running the Long-Bell Lumber Company veneer plant at Weed, California, was employed as general manager for the new Tacoma plant. He started converting the old boiler plant into a plywood mill and was able to produce some plywood that year.

He sent for his father, Charles M. Clark, to be plant manager. His sister, Myrtle, also came up to serve as Ritchie's secretary. In December, 1922, Bruce called Jewell Lowe and his brother Don at Weed to come and start as day foreman and second shift foreman respectively. Lee Deutro was the lathe operator.

The mill's principal product was 5/16-inch door panels intended primarily for Nicolai's door plant in Portland and for the Portland Door Company. The plywood panels were

*Father of John Ritchie, long prominent in Plywood Association activities.



Philip Garland

cheaper and more shock-resistant than the customary 5/8-inch lumber used in one-, two-, and five-panel doors, a fact recognized by celebrating loggers who, during their Saturday nights in town, liked to show their prowess by splitting door panels with their huge fists. They soon learned to leave plywood doors alone.

Equipment

The mill had an old St. Joe lathe and a Proctor dryer, apparently second-hand from the Portland area, and the usual equipment in vogue then for cold-press operations. Jewell Lowe recalls* being sent to Portland to buy "the first chain saw, installed on a float, to cut logs in the water;" and also a Fenalson automatic clipper, "the first of its kind in chain-feed operation." In addition, the first vat to float logs through during the steaming process was installed and used effectively.

The Tacoma Sunday Ledger, March 25, 1923, under the heading "Veneer Plant Starts Output," stated:

"Tacoma's newest industry, the Veneer Products Company, starts operation Monday with a crew of 40 skilled workmen in a modern \$240,000 plant at 15th & Dock Streets. Three-ply fir panel doors will be the specialty of the new concern, which estimates the value

of its first year's output at about \$1,000,000. The capacity of the plant is expected to be doubled within a year, according to officials.

The new Tacoma plant is said to be one of the largest and most modern veneer plants on the Coast. Everything from vat to dryer represents the latest improvements in veneer plant equipment, and the company's promoters expect to produce the highest grade veneer on the market."

Harrison Clark and Raleigh Chinn were two young men who got their start in the plywood industry that spring at Veneer Products. Harrison (no relation to Bruce Clark) married the latter's sister Myrtle in November of 1923. In later years he rendered yeoman service to the industry in helping to organize and build up the Douglas Fir Plywood Association, which later became the American Plywood Association. Raleigh Chinn, a University of Washington forestry graduate, became a mill sales representative. In 1934, with Jacques Willis (often hailed as "plywood's greatest salesman") Chinn established the highly successful C-W Plywood Company of Chicago, one of the industry's best known distributors.

Despite the organizers' great expectations, misfortune dogged the new Veneer Products Company. First, the



Bill Bailey

President, A. J. Ritchie, died quite suddenly. Then the Superintendent, Charles Clark, became ill and had to be replaced, although Jewell Lowe, the day foreman, took over and performed creditably. Then certain operating problems arose. For example, it was reported that the steam lines, apparently too long and inadequately insulated, often delivered warm water instead of steam. As in so many plants, the dryer was the bottleneck and, with capacity limited to about 35,000 ft., it was difficult to realize a profit.

From the start the mill was under-capitalized and financial troubles soon arose. Nicolai had advanced them \$160,000 for future plywood shipments but that was soon gone. He advanced another \$25,000 to try to save the plant, but this money had to be paid to the bank. In October, without cash, the mill was forced to shut down, only seven months after the formal opening.

Nicolai and some friends moved in, bought out most, if not all, of the original stockholders, paid off the creditors and completely reorganized the company into the Tacoma Veneer Company.

Next, Bill Bailey (who had done an outstanding job as superintendent of the Olympia Veneer co-op) was invited by Nicolai to inspect the old Veneer Company layout to see what needed to be done to put the new company on a paying basis. Bailey made a number of recommendations

“for substantial mechanical changes” including a revised plant layout. He was promptly hired as general manager to carry them out.

Bailey put in a boiler and boosted dryer temperatures; separated sap and heart veneer to permit different drying schedules, an innovation he had used so successfully at Olympia (this soon became standard procedure). He speeded up the fans, put concrete walks in steam vats, bought some new equipment, and rearranged the old for more efficient handling of materials.

The renovated plant went into production February 11, 1924. Phil Garland stayed on as secretary-treasurer; Louis Millette was superintendent and Ed Wallmark, foreman; Ralph McKenna was log buyer; George Jaynes, later general manager, started at that time as a dryer feeder.

Bruce Clark moved to Everett in December, 1923, to become manager of a new mill which he designed and built there for the Waltons. Jewell and Don Lowe joined him, as did Raleigh Chinn, after a brief stint at Elliott Bay Mill Company. The Harrison Clarks also went to work at Waltons in the spring of 1924.

Under Bailey's management, Tacoma Veneer Company moved quickly into a period of prosperity. Within a year they started distributing 5 percent dividend checks nearly every month, a practice that continued “as long as I

remained there, and that was up until 1929"* the year Bailey left to engage in the lumber business on his own. Soon after, while Bill was on his honeymoon, his plant, inadequately insured, burned to the ground. Within a few months he went with Aircraft Plywood Corporation (later a U. S. Plywood mill) in Seattle where he remained until retirement many years later.

Phil Garland's wife, Grace, used to tell how one evening just after Bailey had resigned as manager, Phil, without prior warning to his wife, arrived home with the president of the company, Harry Nicolai, to have dinner with them. She was quite unprepared for such an unexpected and important guest.

This was especially so since Phil generally had a "sparrow-like" appetite and seemed to thrive on cigarettes and coffee. Moreover, she realized Nicolai was a large man with probably a robust interest in food. Quite unflustered by the emergency, however, she prepared a meal with what she had available. Without any apology or comment, she serenely served an omelet, toast and coffee.

Her pleasant and composed attitude greatly impressed Nicolai. Later he told Garland that a man who could pick such a wife must be an excellent judge of character and appointed him as plant manager.

Sales Policy

Sales were in charge of Fred Keinzel, with Bernie Hondo as sales representative in Chicago, and Ray Arndt in New York.

About one-third of Tacoma Veneer's production was contracted to Nicolai's Portland plant for use in door panels. The balance, at first, went partly to other door plants or for cabinets and furniture. Material not good enough for door panels, i.e., "fall-downs," went into a "drawer-bottom grade."

Throughout the industry, door panels constituted the backbone of the business. At first, these were 3/8-inch "good-2-sides." Later 5/16-inch and then 1/4-inch became the standard door panel thickness.

Gradually, as other plywood uses were developed, demand grew. Thicknesses of 1/2-inch and 5/8-inch and then 3/4-inch 5-ply were produced and sold. Panel sizes were increased to as much as 36" x 84" and later, about 1928, to the long-accepted standard of 48" x 96".

As a consequence of these developments, a number of firms started specializing in fir plywood sales and the plywood (or "panel") jobber came into prominence. Basically, he bought carloads from mills and sold to lumber and material dealers who, in turn, sold to the ultimate

*From Bill Bailey interview with Tom Sias, DFPA, 4/29/53.



Denny Slenning

consumer. During the twenties especially, the jobber carried on an aggressive promotion of the sale of fir plywood.

Tacoma Veneer eventually adopted a "jobber policy," as a rule selling only to bona fide jobbers who warehoused the plywood and carried their own customer accounts.

The first carload of plywood for concrete forms was made by Tacoma Veneer Company when Bill Bailey was superintendent. This material was shipped to R. C. Clark Veneer Company, Chicago, whose Don Davis had made the sale to the contractor for a large warehouse in Des Moines. Davis gained prominence later as head of Aetna Plywood & Veneer, Chicago.

Later, Tacoma Veneer and then Oregon-Washington Plywood developed their well-known brand of Locktite® concrete form panels with aluminum paint edge-sealing.

Ray Arndt, O-W's eastern representative in charge of their New York office, attained an enviable reputation as a concrete form specialist for his high volume sales of Locktite to the large contracting firms.

Merger

In September, 1930, a sales merger of four plants – Tacoma Veneer, Portland Manufacturing Company, Elliott Bay Mill Company and Walton Veneer Company, was effected. Nicolai became president and Fred Keinzel sales manager, with all sales out of Portland.

The new group was called Oregon-Washington Plywood Company. The timing of the merger was poor, with a depression under way, and jealousies cropped up over sales and production. A year later the Portland Manufacturing Company and Elliott Bay withdrew, leaving only the Walton mill and Tacoma Veneer to operate as Oregon-Washington Plywood Company, under Nicolai's control, with headquarters in Tacoma. Some years later, in 1942, Nicolai sold the Walton plant at Everett which became a separate entity again under the Walton family.

In Tacoma, Denny Slenning became sales manager for the company. Bernt Olsen was superintendent, followed later by George Jaynes. Fred Keinzel moved to Chicago in charge of O-W's sales office there.

The Nineteen Thirties

O-W, like other plywood mills, limped through the depression years, but sporadic efforts at a cooperative trade association with industry promotion and advertising helped to tide them over the worst part.

In 1935-36, the plywood industry started to pick up. In 1938, with a reorganization of the Douglas Fir Plywood Association, a new spirit of cooperation evolved under the dynamic leadership of W. E. Difford, and the industry started its spectacular rise. O-W, along with other DFPA mills, profited from the turn of events.

The Tacoma News Tribune noted in its February 26, 1938 issue, that at an O-W directors' meeting in Portland three days prior, Phil Garland had been promoted to vice president and general manager.

The increased demand for fir plywood especially during the late thirties and the war years made it difficult for some of the Washington mills to maintain an adequate log supply – and O-W was no exception. Accordingly, the center of gravity of the industry shifted towards Oregon where fine stands of Douglas fir existed.

Harry Nicolai, aware of the trend, leased a mill site at Garibaldi near the Oregon coast in 1945 and built a plywood plant there. It started operating in 1946 as Nicolai Plywood Company, a wholly owned subsidiary of Oregon-Washington Plywood Company of Tacoma, with Harry's son Ted as manager.

Shortly after this, Phil Garland left to become manager of the co-operative plant at Port Angeles, Washington, and was succeeded by Dennis (Denny) Slenning, the O-W

Sales Manager.

In 1949, when log supply for the Tacoma mill had become increasingly difficult and costly, the directors of the company decided to seek a buyer. In August, 1949, the mill was sold to employees who had formed a cooperative to purchase and operate the mill.

The new company started in production on September 12, 1949 as the North Pacific Plywood Company. George Jaynes, who had started in the mill in 1924, was appointed manager in charge of all operations and served until his retirement, sixteen years later. Head foremen were J. Ingvar Berg and Don McDonald. Arthur Hungerford was office manager and assistant treasurer.

Currently, after nearly half a century of plywood production during its brief era as Veneer Products Company, then Tacoma Veneer Company and Oregon-Washington Plywood Company, the mill is still operating as the North Pacific Plywood Company, with Gene Maw, widely experienced in plywood at Aberdeen, as general manager.