

THE W. A. WOODARD LUMBER COMPANY:
A Case Study in "Rugged Individualism"

by

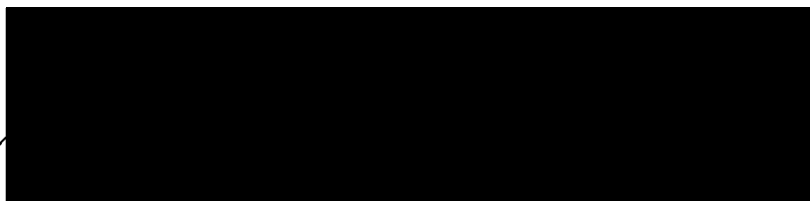
FRED D. STURDIVANT

A THESIS

Presented to the School of Business Administration
and the Graduate School of the University of Oregon
in partial fulfillment
of the requirements for the degree of
Master of Business Administration

June 1961

5



(Adviser for the Thesis)

ACKNOWLEDGMENTS

The writing of this paper would not have been possible without the consent and cooperation of the former executives of the W. A. Woodard Lumber Company. I am particularly grateful to Walter A. Woodard for devoting many hours of his time to being interviewed. He was tireless in his efforts to provide the most accurate answers to questions that often dealt with events many years in the past. Neither he nor any other member of his staff edited the manuscript or requested the omission of any pertinent data.

I am also in debt to Mrs. M. Louise Smith who has been Mr. Woodard's private secretary for over thirty-five years. Her thorough knowledge of the company records greatly facilitated the research. Her familiarity with the history of the company was second only to that of Mr. Woodard.

Any semblance of order or proper presentation should be credited to Professor Kenneth Wiggins Porter of the Department of History and Professor W. Dwaine Richins of the School of Business Administration, University of Oregon. And thanks to my wife, Pat, for her help and patience.

TABLE OF CONTENTS

Chapter	Page
I. "HUSTLING FOR A GRUESTAKE," 1900-1920	1
The Early Background of Walter A. Woodard	1
The Formation of the Company	11
II. "ONLY THE BEGINNING," 1920-1925	14
Building the Organization	15
Problems and Improvements in Production	17
Continued Expansion	29
Incorporation of the Company	34
III. YEARS OF EXPANSION, 1925-1929	37
Timber Acquisitions	37
Expansion of Manufacturing Facilities	45
Financing of Expansion	49
Accident Prevention	52
Marketing of Products	54
IV. YEARS OF STRUGGLE, 1930-1939	56
The Depression and Government Action	57
Other Bradley-Woodard Ventures	65
Expansion during the 1930's	69
Unionization of the Woodard Company	71
Control of the Company and Problems of Finance	79
V. RED TAPE AND READJUSTMENT, 1940-1947	85
Transfer of Sawmilling Operations to Latham and the End of Railroad Logging	86
The Company in Wartime	90
Labor Relations	101
Postwar Readjustment	105
VI. THE END OF AN ENTERPRISE, 1948-1956	110
Expansion	111
Finance	116
Labor Relations	117
Marketing	119
Organizational Structure	123
Philanthropy	124
A Giant Takes Over	129
VII. THE W. A. WOODARD LUMBER COMPANY IN RETROSPECT	133
BIBLIOGRAPHY	140
APPENDICES	144

CHAPTER I

"HUSTLING FOR A GRUBSTAKE," 1900-1920

The coming of the twentieth century witnessed the continuation of the movement of settlers to the western states of this nation, the movement having gained its greatest impetus in the discovery of gold in California in 1849. The discovery of gold in the Bohemia Mountain District of the Cascade Mountains near Cottage Grove, Oregon, in 1858 had also attracted settlers. Not all of those that came were attracted by the prospect of finding gold. Many came to work in and develop industries and business concerns that were far less glamorous, but yet offered a promising future as the economy of Oregon developed.

In 1900 the mining interests still dominated the economy of the southern end of the Willamette Valley. The caption of the Bohemia Nugget, an early Cottage Grove newspaper dating back to 1899, expressed the mining influence. The paper was, "Devoted to the Mining, Lumbering and Farming Interests of this Community, to Good Government, and Hustling for a Grubstake."

The Early Background of Walter A. Woodard

Early in 1900, Ambrose L. Woodard, his wife and eight

children migrated to Oregon from Wheaton, Illinois.¹ The family settled on a section of land seven miles south of Cottage Grove. The mountains surrounding Cottage Grove contained not only valuable minerals such as gold and quicksilver, but also the greatest stand of Douglas fir in the world. A newspaper ad by a Cottage Grove real estate agency described the community as,

the second city in Lane County, Oregon . . . a population of about 1,200. The center of the four points of the compass when it comes to ingress and egress. Bohemia with its vast mining resources only thirty-five miles southeast, with a good wagon road leading from the Southern Pacific Railroad depot right . . . in town. Prospective railroad to the mines. The Coast Fork of the Willamette River, on which is situated the Black Butte quicksilver mines, sixteen miles south, flows through the center of the city furnishing abundant water facilities. It is only a mile and a half to its confluence with the Row river, the outlet of the great timber ranges to the south east. Westward toward the coast range is an inexhaustible supply of timber, interspaced with numerous rich farming lands well improved and cultivated.

North or south . . . on the Southern Pacific Railroad you can reach either Portland or San Francisco and be in touch with the whole world in short notice.²

For the most part the timber in the area had been passed up by lumbermen in favor of the more accessible sources on the coast and along the Columbia river. Yet, before the quarter mark of the new century was reached, the lumber industry was to overshadow all other forms of livelihood in the area.

¹This account of the early history of Walter A. Woodard's activities is based primarily on interviews with Mr. Woodard.

²Bohemia Nugget, August 23, 1901.

Walter A. Woodard, the eleven-year-old son of Ambrose Woodard, was to become a central figure in the development of the lumber industry in the southern end of the Willamette Valley. His introduction to the lumber business was at the lowest level. During their first two years in Cottage Grove Walter Woodard and his two older brothers worked with their father in chopping and sawing cords of wood that were hauled to the railroad tracks and sold to the railroad company to be used as fuel in their locomotives. The Woodards received from \$2.25 to \$2.50 per cord.

Another large company proved to be the market for the Woodards' lumber products for the next two years. During 1902 and 1903 they cut and sold poles up to twenty-seven feet in length to the Pacific Telephone and Telegraph Company. As the sales to this company declined they once again turned to the Southern Pacific which was at this time buying pilings at three and a half cents a foot. The pilings were cut in the forest and run down the Coast Fork river to the railroad tracks where they were loaded on the cars.

By the summer of 1906 the elder Woodard had saved enough money to enable him to enter the sawmill business. In August of that year he became a partner of the newly formed Coast Fork Timber Company. The other partners were M. H. Anderson, G. L. Carlile and T. H. Galland. The mill was constructed one mile south of Cottage Grove. The location was considered "one of the finest natural mill sites in the Willamette

valley, as the logs [could] be floated down the Coast Fork river, and right into the company pond."¹ Getting the logs to the 30,000 board foot capacity mill, which was powered by a one-hundred horsepower steam engine, was at times no simple task. When the river was low flood dams known as "flush" or "splash" dams were erected.² The dams would be constructed at several points along the river. The dams would be released one at a time with the "flush" or "splash" of the water carrying the logs to the next dam. This process would be repeated until the logs reached the company pond.

The sawmill, which employed fifteen to twenty men, produced rough lumber, mostly ties and stringers for the railroads. The stringers used by Southern Pacific in their bridges were 8x17 inches and 30 feet long. Young Woodard worked at various jobs in the mill and eventually became foreman.

This mill was one of the largest in the area and was the closest to Cottage Grove. The decline in lumber production in the Great Lake states in the latter part of the nineteenth century had caused production to increase greatly in the Northwest. Oregon advanced in lumber production from twenty-third place among the states in 1899, to ninth in 1909, fifth

¹Cottage Grove Leader, August 11, 1906.

²For more detailed description of this method see A. R. Reynolds, The Daniel Shaw Lumber Company (New York: The New York University Press, 1957), pp. 76-77; News item in Eugene Register-Guard, January 4, 1942.

in 1914, and third by 1919.¹ This increase in production was reflected by the growing number of sawmills in the Cottage Grove area. The local papers in 1906 carried news every week of mills being constructed or plans being made for additional mills. The following article, which appeared the same day as the announcement of the construction of the Coast Fork Timber Company mill, illustrates the number and the size of mills operating in the area.

The following is a list of sawmills within a few miles of Cottage Grove whose supplies are principally bought in the Grove, and whose pay rolls are paid through the bank at this point.²

<u>Name</u>	<u>Daily Capacity</u>
Brown Lumber Company	45,000
Chambers Lumber Company, Dorena	30,000
Taylor & Sons	15,000
Arro Gordo Lumber Company	10,000
Wildwood Lumber Company	25,000
Star Lumber Company	20,000
Mc Kibben Bros.	15,000
Owens & Sons	15,000
Wm. McCoy, Lorane	2,000
Addison Bros & Ross	5,000
D. W. Hofer	10,000
J. B. Rouse	25,000
Frank Taylor	10,000
G. P. Miller	5,000
W. W. Shortridge	15,000
Wm. Skidmore	5,000
Stewart & Deloney	5,000
Anlauf Bros.	10,000
J. H. Chambers, Alca	40,000
L. P. Mc Coy	3,000
Wm. Chapman	5,000

¹Robert Carlton Clark, History of the Willamette Valley, Oregon (Chicago: S. J. Clarke Publishing Company, 1927), Vol. I, p. 733.

²Cottage Grove Leader, August 11, 1906.

In 1910, Ambrose Woodard and his partners sold their sawmill to J. H. Chambers. Chambers had been active in the lumber business in the area since 1903, when he had constructed his mill at Dorena. He was to become one of the prominent figures in the industry and a major competitor of Woodard's for more than two decades.

The sawmill burned the following year and Chambers hired Walter Woodard to frame the new mill and install the machinery. Within three months the task was completed and Woodard stayed on as millwright for Chambers. As such he was responsible for the installation, movement and the repairing of the equipment and machinery in the sawmill.¹

The rapid growth in the demand for lumber from Oregon resulted in the construction of sawmills throughout most of the state. Woodard took advantage of this boom to travel from place to place, helping to build sawmills in some localities and working in completed mills at others, always observing new methods and techniques of construction and production. His earlier trips took him to Glendale, Mabel and Klamath Falls. Between these trips he would return to Cottage Grove until he heard of a better opportunity for experience in some other town.

In March, 1914, he went to work for the McCloud River

¹United States Department of Labor, Job Descriptions for the Lumber and Lumber Products Industries (Washington: Government Printing Office, 1939), p. 313.

Lumber Company at McCloud, California. This northern California sawmill was at that time the largest in the state. His experience here as head millwright was quite valuable in that the mill was more complex than the mills in which he had previously worked. The sawmill was a double band mill with a daily production of 340,000 feet in two shifts

A single band mill is the conventional unit, but operators with a larger supply of timber or logs may require increased manufacturing capacity and achieve it by an elaboration or multiplication of the basic unit, the band mill, which is called the head saw. Capacity may be increased . . . by the installation of a resaw--a type of secondary band saw which takes thick boards from the head saw, and resaws them into thinner ones.¹

Woodard left McCloud in the winter of that year and returned to Cottage Grove where he once again went to work for Chambers. On June 22, 1915, after installing a resaw in the Chambers' mill and while operating the new saw, Woodard's left hand got caught in the blade. The accident resulted in the loss of all of the fingers on his left hand. Such an accident was not at all unusual in sawmills. The industry had always been, and remains today, notoriously hazardous.

The injury to his hand required several months of inactivity, but as soon as the recovery was complete Woodard resumed his "experience gathering" trips. His travels took him to various sawmills along the Columbia river and throughout the Willamette Valley in Oregon.

¹Stanley F. Horn, This Fascinating Lumber Business (New York: The Bobbs-Merrill Company, 1951), p. 139.

The spring of 1917 once again found Woodard in northern California. He was originally hired by the Weed Lumber Company as a millwright, but was soon transferred to the job of supervising the erection of the frame for a new sawmill. This plant was a huge operation designed to produce over half-a-million feet of lumber a day. This capacity was reached by installing four band mills.

From Weed, Woodard traveled to San Francisco where due to the war, jobs in the shipyards were plentiful. Woodard worked for several weeks at the Shawbatcher Pipe Works. He left San Francisco when he heard of an opportunity farther south that held the prospect of higher earnings.

In the oil fields near Calingo, California, he was able to purchase used wire cable ranging from one-half inch to one inch in diameter. He bought the cable in Calingo at \$50 a ton and shipped it to San Francisco where he sold it to his former employer for \$250 a ton. When no further sales were possible at this source he used his profits to purchase additional cable and shipped it to Cottage Grove. The war had created a paradox in that lumber demand had increased enormously and yet the equipment necessary for the production of lumber became almost impossible to obtain. This was true of the wire cables used on the steam donkeys in the logging operations. With these cables secured to huge timbers, the small steam engines would wind the cables up on a drum and the timbers would be dragged through the woods to the

desired location. Such heavy duties required frequent replacement of the scarce cables. Woodard therefore knew that the wire cable would be in demand in the Cottage Grove area.

The first shipment was so enthusiastically received that J. H. Chambers agreed to provide Woodard with sufficient capital to enable him to ship an entire carload on the next trip. These shipments to Cottage Grove sold for \$200 a ton and Woodard and Chambers shared the profits equally.

This venture, early in 1918, gave the twenty-nine-year-old lumberman his first opportunity to save a large amount of money. Later in the year he used most of the money to purchase 160 acres of timber. He paid \$1,600 for the quarter section which was located six miles south of Cottage Grove on the Coast Fork of the Willamette river.

In the summer of that year, while working in a sawmill near Klamath Falls, Woodard received a letter from J. H. Chambers asking him to return to Cottage Grove to supervise the reconstruction of the Chambers mill that had burned to the ground in the summer of 1917. Woodard replied that he would not return for less than \$200 a month. He mailed his reply on July 1. On July 3 he received the shortest telegram of his long business career--"Come" signed by J. H. Chambers.

The 75,000 foot capacity mill Woodard was to build was to be modern in every regard. He pushed his thirty-man construction crew, and the mill was ready for operation on Armistice Day. Woodard worked as foreman in the new sawmill

until he had another accident.

The accident, which resulted in a badly wrenched ankle, caused Woodard to miss four months work. The injury occurred when Woodard's right leg became entangled in a belt on one of the machines in the sawmill.

In July of 1919, when his ankle had recovered, Woodard contracted to build a mill for M. V. Phillips. The terms of the contract called for the payment to Woodard of \$650 for providing a crew and for supervising the construction of the mill. When the construction was nearly completed, Phillips asked Woodard to do some additional work not provided for in the earlier contract. Finding that Woodard expected additional payment for these tasks, Phillips decided to end the contract on a unilateral basis. On the morning of August 21, Woodard and his crew arrived at the mill only to find that Phillips had hired his own crew to complete the job. Seeing this, Woodard took things into his own hands and turned off the steam that operated the machinery. In the altercation that followed, Phillips struck Woodard with a log hook, severely injuring his left arm. A free-for-all between the two crews was narrowly averted.¹

Phillips was arrested for assault and fined \$25 in the Eugene Justice Court. Woodard sued for money due for operation of the sawmill and for non-performance of the

¹Cottage Grove Sentinel, August 22, 1919.

contract.¹ Phillips settled out of court by paying Woodard \$650 and giving him a five-passenger 1917 Buick.

The Formation of the Company

Early in September of that year Harry Bradley, the Portland agent for N. B. Bradley & Sons approached Woodard concerning the purchase of his quarter section of timber. A price of \$2,500 was agreed upon by the parties. This transaction was of great significance since Bradley also asked Woodard if he would be interested in operating a sawmill in the area in association with the Bradley firm.

N. B. Bradley & Sons was a partnership with its head office in Bay City, Michigan. The partnership had been formed following the Civil War. The company held extensive timber holdings in the Lake States, in Louisiana and in Oregon and Washington. The holdings in the western states were concentrated along the Columbia river where the company engaged in selling logs in the open market. The company operated sawmills in Michigan and Louisiana and was attempting to enter that business in Oregon.

A favorable reply to Bradley's inquiry led the two men to investigate the possibility farther. They inspected the sawmill and logging operations owned by Woodard's father. The purpose of the inspection trip was to determine the

¹Cottage Grove Sentinel, August 29, 1919.

amount of money that would be necessary to purchase and operate that mill or one of comparable size. Bradley returned to Portland after telling Woodard that he would notify him as soon as something definite was heard from Michigan. On February 18, 1920, Woodard received word asking him to come to Bradley's office in Portland. There for the first time he met Fred W. Bradley, president of N. B. Bradley & Sons and cousin of Harry Bradley. He had traveled to the West Coast to personally handle the consummation of the agreement. The agreement provided that \$15,000 would be paid for the sawmill, equipment and timber owned by Ambrose L. Woodard. Of that \$15,000, the Bradleys would pay \$6,000 and Woodard the remaining \$9,000. Woodard paid \$4,000 in cash and the balance of \$5,000 was borrowed from the Bradley firm at 7 per cent interest. The sawmill and equipment was in Woodard's name and the 3,000,000 feet of timber standing on two sections of land was held by N. B. Bradley & Sons. The agreement further stipulated that Woodard would purchase all of the stumpage necessary for the operation of the mill from the Bradleys at two dollars per thousand feet. The cost of \$13 per 1,000 feet for logging, manufacturing the lumber and transportation to the buyer would be added to the cost of the stumpage. The difference between this amount and the sales price would be divided equally between the two parties.

Included in the agreement was a provision that Woodard could borrow any funds from the Bradley Company that he felt

would be necessary to equip the operation in such a way as to guarantee efficient and low cost production. In return for the funds, Woodard was to sign 7 per cent non-negotiable notes. Accordingly, Woodard was advanced \$3,000 to finance operations for the first sixty days.

Thus, an alliance was made between a company with large financial reserves and a man with a reserve of technical ability. This alliance was to lead to the development of an enterprise that would dwarf this small beginning, but the path between the two points was obstructed from time to time by seemingly insurmountable difficulties.

CHAPTER II

"ONLY THE BEGINNING," 1920-1925

A 1920 forecaster of Oregon's future wrote of the state:

The timber resources are the greatest on the continent. Western and Southern Oregon are the leading forest sections of the state. There is over 600,000,000,000 feet of standing timber in Lane county alone--a quantity that cannot be comprehended. The lumbering industry is now the most prosperous in the state, and only the beginning has been made.¹

The small sawmill and logging operations of the Walter A. Woodard Company too, were only beginning. Seemingly, the enterprise could hardly have been launched at a better time. Postwar prosperity kept prices high and orders constant.

The war had ruined for the time being the German export trade and seriously injured the British . . . American exports soared to dizzy heights. They totaled slightly less than \$8,000,000,000 for 1919 and considerably more than that for 1920--over three times their 1913 level.²

The domestic market was stimulated by consumer spending for commodities that had been difficult to obtain during the war. The Cottage Grove Sentinel reported on February 13, 1920, that, although mills in western Washington and Oregon had taken orders for 95,000,000 board feet the previous week, an

¹John C. Almack, "History of the Oregon Normal Schools," The Quarterly of the Oregon Historical Society, XXI (March-December, 1920), 167.

²Oscar Theodore Barck, Jr., and Nelson Manford Blake, Since 1900 (New York: The Macmillan Company, 1952), p. 270.

equal amount had been turned down because of the inability of mills to meet the demand.

Building the Organization

As a result of Woodard's years of experience in sawmills not only had he gained a thorough knowledge of sawmill machinery and operations, but also a realization of the importance of top quality workers. Having worked with and for several hundred different men during his career he had a personal knowledge of many of their abilities. Now that he was managing his own lumber company he set about to hire some of the more highly skilled workers in the area. In order to attract these men to a new and possibly unstable operation he had to offer better wages than they were presently receiving.

M. J. (Jack) Cherry was at that time employed by the Western Lumber and Export Company in Cottage Grove. Woodard had worked with him at that company shortly before entering his agreement with the Bradleys. Cherry had extensive experience in the logging end of the lumber business. He had held the job of logging boss with a number of large companies in Oregon and California. Woodard knew from experience that Cherry could handle not only the technical operations of logging, but also a crew of "timber beasts" as well as any man in the business. Cherry accepted a \$250 a month salary to become the Walter A. Woodard Company's logging boss.

While in the employ of J. H. Chambers, Woodard had

worked with four "hard-working Irishmen"--the Dugan brothers, whom he considered unequaled in their respective tasks. He was quick to offer them employment with the new company, which all four accepted. The name Dugan was to appear on every payroll of the company from that time until the company was sold. Art Dugan, the sawyer for the Woodard Company for thirty-six years is still employed in the same job under the new ownership of the company. Of the three other brothers, Lee was next highest in length of employment with over twenty years. John and Harold Dugan both served in supervisory positions for a number of years.

Another important man in the early operation of the Woodard Company was John Tomseth. Tomseth, whom Woodard first met at Weed, California, where he was a supervisor for the Weed Lumber Company, was not hired until 1923, when the company's remanufacturing plant at Latham was completed. Prior to his employment with the Weed Lumber Company he had been the superintendent of the Springfield plant of the Booth-Kelly Lumber Company.¹ After leaving Weed he had attempted to settle down on a ranch near Goshen, Oregon, but found that he was unable to rechannel his interests in that direction. It took little persuasion to get him to return to his earlier calling.

With experienced and capable employees, a good market,

¹H. J. Cox, Random Lengths (Eugene: by the author, 1949), p. 134.

a large financial reserve with which to expand and his own technical ability, Walter A. Woodard had reason to be optimistic as his small company embarked on its venture into the new decade of the 1920's.

Problems and Improvements in Production

Every lumber company in the county was operating at near capacity. Woodard's sawmill, which was located ten miles out of Cottage Grove on the Coast Fork, was equipped with two small circular head saws, an edger and a hand trimmer. The mill cut rough lumber which was mostly ties for the railroads.

The small sawmill, with a crew of ten men, produced 25,000 to 30,000 feet of ties per eight-hour day. Jack Cherry headed a logging crew of twelve men that logged timbers near the mill. After the timbers had been felled and the bucking crew had sawed the timbers into the desired lengths, the logs would then be secured with the wire rope from one of the two steam donkeys owned by the company and dragged several hundred yards to the company pond. Logs from the pond would be hauled up a slide by securing a cable on the log and winding the cable up on a steam powered drum. The circular head saw would cut the log into large planks of lumber. The rough lumber then would be moved along dead rollers by hand to the edger and hand trimmer for final sizing. After the ties were cut they would be dumped into the river and driven down stream to Latham where the loading docks were located

next to the Southern Pacific tracks. The ties would be elevated out of the river on a conveyor and stacked on the dock, ready for shipment.

Most of the ties were sold to the Southern Pacific for track being built in northern California. A smaller quantity was sold to the Oakland, Antioch and Eastern, a small railroad that operated in the area.

In late April of that year many of the larger operators in the area began to be plagued by a shortage of freight cars for their lumber shipments. One mill had over 2,000,000 feet of lumber stacked on its docks ready for shipment but was unable to transport it to its buyers. That amount represented only a small portion of the total amount of lumber ready for shipment in the area.¹

The car shortage seemed to signal the coming of far greater problems for the lumber industry. The depression that hit the entire country in the winter of 1920 was already affecting the lumber industry.² In July lumber prices dropped one-third with the exception of railroad materials. The prices on railroad materials declined, but not as rapidly as did the other lumber products. By early July the freight car shortage had caused the larger operators in the area to close

¹Cottage Grove Sentinel, April 30, 1920.

²Harold Underwood Faulkner, American Economic History (New York: Appleton-Century-Crofts, Inc., 1939), p. 611.

down. The J. H. Chambers mill and the Western Lumber and Export Company did not reopen for several weeks after they shut down for the Fourth of July holiday. The Woodard mill remained in operation despite declining prices. The decline was hastened by the ever increasing number of mills which turned to the production of railroad materials as other markets disappeared.

Markets and prices continued to decline through the summer. A severe blow was dealt in August when the railroads in the Northwest increased freight rates. This ended the freight car shortage due to the fact that orders fell off by over 50 per cent.¹ The larger mills in the Cottage Grove area continued to operate with reduced work crews and smaller operators such as Woodard worked on a day to day basis.

While earlier in the year Woodard had received as high as \$32 a thousand board feet for ties, the price by October had declined to \$16. In mid-October the condition of the market forced many mills to cease operations--including the Walter A. Woodard Company.

Herbert J. Cox, who spent over forty active years in the lumber industry in the Willamette Valley in Oregon, referred to the depression of 1921 as having been

motivated by the public in 1920 entering upon a "buyers strike" as the result of incomes being deflated before living costs were reduced. The Lumber Industry, like all basic material industries had built up huge

¹Cottage Grove Sentinel, September 17, 1920.

inventories at high cost of production, and having been intoxicated with War and post-War prosperity, they were reluctant to sober up in time to meet conditions historically inevitable, and which floored them for enormous losses in depreciated inventory values.¹

The combination of high freight rates, a decline in the foreign market due to unsettled financial conditions in Europe, and the public belief that prices were due to decline caused the greatest slump in the lumber market in the history of the industry up to that time. Although his lumber mill was shut down, Woodard was in a favorable position when compared to most of his competitors. Woodard had not spent large sums of money for expansion during the high cost period in early 1920, and during the depression he had capital available for expansion. Certain that the depression would be short lived, he began making plans for improving the productive capacity and competitive position of the company.

The efficiency and profitability of the company's operations had been handicapped by two factors. One was the problem of transporting the lumber from the mill to the shipping point at Latham. The use of the river had resulted in innumerable difficulties. The most common problem was that the river could be too high or too low to carry the lumber. Trucks could be used instead; however, this greatly increased operating costs. The second problem was the lack of proper machinery for producing finished lumber. The refinishing of

¹Cox, op. cit., pp. 161-62.

lumber would make it possible for the products to appeal to a larger market.

As a solution to the first problem Woodard thought of using a flume.

A flume is a narrow trough, with a constantly maintained downgrade, in which a stream of water carries the logs (sometimes lumber) down to the mill or to the log deck. A typical flume may have a trough that is either V-shaped or square-bottomed. It will be supported on a rough frame foundation, which is elaborated into a trestle when it passes over a valley or hollow. The V-shaped trough will be perhaps 18 inches high and 36 inches wide, depending on the size of timber handled; the square-bottomed type may be larger. Use of flumes presupposes an abundant supply of water, which is fed into the trough at its highest point and supplemented by feeder troughs along the route. Flume construction is carefully engineered, with a maximum grade of about three percent (diminishing toward the bottom) and curves no greater than eight percent. Crews of runners armed with pickaroons or peaveys are stationed on the walkway along the flume to keep the logs moving. The speed of the logs' downward journey may be regulated by the input of water, as well as the grade, but will generally not be in excess of three or four miles an hour.¹

Being one to investigate every aspect of a venture before entering it, Woodard spent several weeks traveling to various lumber companies that utilized flumes in their operations. He visited several mills in western Oregon, including the Fischer Lumber Company at Marcola which had had great success with its flume. Woodard traveled as far south as Madera, California, to see a flume that had been erected in conditions similar to those that confronted the prospective flume of the Woodard Company. The flume used by the Madera

¹Horn, op. cit., pp. 134-35.

Sugar Pine Company carried rough lumber a distance of fifty-six miles. After having inspected these various flumes Woodard returned to Cottage Grove to lay the plans for the construction of a flume to carry the rough lumber from his sawmill to Latham, eight miles away.

The summer of 1921 was spent in clearing away obstacles. It was necessary to find as direct a route as possible with the proper grade. Once the route had been selected there was the problem of securing rights-of-way. The flume was to cross the land of sixteen different property owners. Woodard began to purchase rights-of-way, taking the lower priced ones first and eventually buying the higher ones. The deeds were good for a ten-year period with the right of renewal every year for as long as the flume was in use. On August 3, Woodard filed a list of sixteen right-of-way deeds with the county clerk. That same day he appeared before the Lane County Court with a petition for the privilege of crossing county roads in six places.¹ The petition called for the privilege of the use of the flume for a twenty year period.²

The following week representatives of the court investigated the proposal. The flume was to cross the county roads at heights of from four to seven feet. These heights were necessary to maintain the proper downgrade. This required

¹Cottage Grove Sentinel, August 5, 1921.

²Ibid., August 12, 1921.

the building of bridges over the flume and a bond to guarantee the safety of the roads and their restoration after the flume was abandoned.

The approbation of the project by the court resulted in a contract being awarded to Sherman Goddard, a local contractor, for the construction of the flume. The contract stipulated that Goddard would supply his own crew, lumber would be provided without cost and he would receive \$9 per thousand board feet of lumber put in place. Woodard took the responsibility of erecting the bridges that were to cross the county roads. The total cost of the project, including surveying, right-of-way deeds, construction and lumber was \$40,000.

The flume had a thirty-six inch V-shaped trough. The grade was one-half of one per cent and when completed it took two hours for lumber to make the trip. Goddard and his crew began work on the flume in early September and the Walter Woodard Company's sawmill and logging operations resumed after having been shut down for eleven months. As the construction progressed the flume was kept filled with water so that the lumber needed for its continuence could be floated down to the crew.

The second problem was at the same time being solved. Woodard hired a crew of forty-five men when the company resumed operation. Of these, twelve worked in the woods and ten in the sawmill. The remaining men were engaged in the

erection of a planing mill at Latham as well as the construction of a bunkhouse and cookhouse near the sawmill. The planing mill was constructed adjacent to the loading docks. The building was designed to handle the planing operation in the least amount of space and in the shortest time. A planer with four cutting heads was installed, an edger to cut proper widths, and a trimmer to make even lengths. A band resaw was also installed.

The sawmill operated to provide lumber for the construction of the flume and the other projects that were being undertaken. The lumber that was produced in excess of what was needed for this expansion program was stacked for future use or sale.

The improvement of the lumber market in the winter of 1921, resulted in the reopening of many of the mills in the area. Western Lumber and Export Company reopened in November after having been closed down since May of that year. The Booth-Kelly plant at nearby Springfield also resumed operation in November, returning 175 men to work for the first time since January 15.¹ The newspapers in the region so dependent on this one industry were filled with news of the regeneration of the area's economy.

The planing mill and the flume were completed in February of 1922. The sawmill was then shut down in order to

¹Ibid., November 11, 1921.

install improved machinery and to boost the horsepower of the existing equipment. The capacity of the mill was increased to the extent that when operations began in July the mill was capable of producing 75,000 board feet in an eight hour day.

In preparation for the return to full time operation, the company added a store to its assets. The store consisted of an additional room in the company's small office. The merchandise handled included food, work clothes, household items and worker's supplies. Goods were sold on credit with the sales for each month being deducted from the monthly pay checks.

The newly completed cookhouse and bunkhouse facilities were designed as an integral part of Woodard's attempt to attract a better quality of workmen. Turnover at such camps could be favorably or adversely affected by the quality of food served. Large and well prepared meals were available to all employees for thirty cents a meal. The meals, prepared for many years by Mr. and Mrs. Harry Stump, were doubtless an asset to the company.

The bunkhouse provided sleeping quarters for all single men. It was novel in that it was equipped with hot shower facilities. Workers were not allowed to use their own bedding because of the likelihood that they contained an ample supply of bedbugs and other types of insects. Mattresses, springs and blankets were provided by the company. Woodard was the first operator in the area to provide springs and mattresses,

which resulted in a good number of jokes by other operators. The bunkhouse was cleaned daily by a cleaning man.

The enactment of these policies in respect to the eating and sleeping accommodations provided the employees with good food and comfortable and clean sleeping quarters--essentials for top performance on the job.

The growth of the company was reflected by the number of employees' names on the payroll for the month of July. Forty men worked under Cherry in the woods plus a man named Joe Geer and his team of horses. The mill employed twenty-eight men while the Latham operations, including flume walkers, also required the services of twenty-eight men. The wages of the nearly one hundred men ranged from \$2 to \$7 a day. Most of the wage earners were making around \$4 a day. The three salaried employees listed earned as follows: Cherry, \$250; Tomseth, \$250; and V. D. White (a machinist), \$175. Eight hours was considered a day's work and anything in excess of that was computed as a fraction of an additional day. This made it possible for wage earners to at times have earnings in excess of the salaried employees.

The mortality rate among smaller mills during the depression was reflected by the appearance on the payroll of names such as McKibben, Taylor and Shortridge. The list in Chapter I showing the mills in operation in the area in 1906 included these names as mill operators. A repetition of family names was always characteristic of the Woodard payroll. The month

of July in 1922 revealed three Newtons, two Bergrens, two Abeenes, two Ewings, four Powells, two Dugans (John and Lee had left during the depression and as yet had not returned), three Overtons, and two Woodards (Oscar and Albert, both brothers of Walter A.).

The production of higher quality lumber complicated the marketing of the company's products. Sales to railroads were made directly with no middleman involved. The advent of the production of the higher grade materials shifted the emphasis away from sales to railroads, although they still represented 25 per cent of the company's market. The remaining sales were made to lumber retailers through wholesalers. This multiplied the number of transactions and required the creation of a position responsible for handling the sales of the company. This duty, among other tasks, became the responsibility of John Woodard, an older brother of the company's head.

The company continued to improve its methods of production. In February, 1923, construction was started on a logging railroad above the sawmill. The railroad was extended two miles into the woods to facilitate the transportation of logs to a 7,000 foot gravity decline system. The small four wheel powered construction engine would bring its two cars loaded with logs to the head of the decline where the cars would be secured by the cable of a steam donkey and lowered down the 7,000 feet of track that led to the log pond. When

the logs had been dumped in the pond, the steam donkey would rewind its steel cable and bring the cars rumbling back up the incline.

Operations through the spring and summer months were steady, keeping between 85 and 100 men employed eight hours a day, six days a week. Stoppages were infrequent. The only days off were July 4 and 5 and Sundays. The employees only worked four hours on August 10 in order to attend a memorial service being held in Cottage Grove for President Warren G. Harding.

In coordinating the operations of the sawmill, the logging operations and the remanufacturing plant, Woodard emphasized the policy of allowing each foreman in charge a large degree of freedom. The only man that a foreman had to answer to was Woodard himself. He expected each man to see that his department operated properly and under no circumstances was a foreman to concern himself with the functions of another department.

The fact that Woodard handled his supervisors in a firm and demanding manner was demonstrated by Cox's remarks concerning the "prime mover" of the Woodard Company.

In breaking through the inevitable and innumerable obstacles, Walt developed a dynamic personality; oftentimes a display of warrior-like ferocity, resulting in an aftermath of good-natured nicknames such as "Kingfish" and "Industry's Huey Long." Whenever Walt reprimanded his superintendent, one Johnnie Dugan, the latter would spend the balance of the day sulking and muttering to

himself "Damn'd ol' Goblin!"¹

Continued Expansion

The Bradleys continued to purchase stands of timber in the area to assure a continued supply for the company. Early in 1924 three sections of the timber land located between the sawmill and Latham were purchased. Plans were made to construct a second sawmill in the center of this stand of timber, but a continued decline in lumber prices caused Woodard to delay the construction. While prices had declined by some 25 per cent from the previous year, labor costs had remained at the same level.²

A reduction was made in the work force in February and March with the remaining crew dispersed among various tasks. John Woodard and four other men began a survey of the route for a railroad leading from the flume to the proposed site of the second mill. Other employees were engaged in the construction of additional loading docks at Latham, the electrification of the planing mill, and the construction of 15 three and four room cottages for employees and their families.

Upon completion of the survey of the route for the proposed railroad, twelve men from the logging crew began clearing the rout in March. In April the entire logging crew

¹Cox, op. cit., p. 180.

²Cottage Grove Sentinel, March 20, 1924.

worked only two weeks, all of which was spent finishing the job of clearing the path and grading the route for the railway. In May, mill "A" was shut down. The sixty remaining men were engaged in the building of the new railroad, constructing a dam for the log pond, and other activities in preparation for the construction of the new sawmill.

The completion of the electrification of the planing mill in March resulted in the first mill so powered in the area and one of the few in the entire state.¹ Electricity was purchased from the Mountain States Power Company. Construction was also completed on the cottages in March. The rent was \$9 a month for three rooms and \$12 a month for four rooms.

The depressed lumber market continued to adversely affect the operations of the company. The sawmill resumed operation on July 16 with construction on mill "B" continuing but not being rushed. Mill "B" was constructed as a temporary sawing operation and not as a permanent structure. The mill had a capacity of 75,000 to 80,000 feet when completed, which Woodard contemplated would be sufficient to cut the timber on the nearly 2,000 acres surrounding the mill in two or three years time.

The new year of 1925 was greeted with a persistent deterioration in lumber orders. The West Coast Lumberman's Association reported new business 9 per cent below production

¹Ibid.

in February.¹

Through informal gatherings of area lumbermen and formal meetings of the Lane County Lumbermen's Association, Woodard and his contemporaries reached "unofficial" agreements concerning production. The program called for a 50 per cent reduction in output which meant that with the completion of mill "B," Woodard was able to shut down mill "A" which was in effect a 50 per cent reduction of productive capacity. Mill "A" operated at 50 per cent capacity in February and discontinued production March 7. Mill "B" commenced operation on March 10.

A marked improvement in the lumber market situation during the month of March resulted in the termination of the "unofficial" agreements. April 9 witnessed the inception of a night shift at the new sawmill. Combined production of both eight-hour shifts totaled 125,000 board feet. Production in May totaled 2,580,840 board feet as compared to 1,186,220 for the preceding month.

The mill was comparatively small in that it could not handle logs in excess of twenty feet in length. It was situated almost at the head of a canyon. The upper portion of the building was in fact anchored to a concrete block set in the wall of the canyon. This lessened the vibration of the building considerably. The nearby log pond was something of

¹Ibid., February 16, 1925.

a feat of engineering. A dam was constructed across a creek to form a pond. The trick was to erect a dam substantial enough to hold back the water and logs and yet keep the cost down since its usage would be limited to a two or three year period.

The lumber as it left the mill would drop down the canyon on an inclined rollway to a loading station. The incline was so steep that the rollers were operated mechanically to prevent the lumber from moving too rapidly. At the loading station the lumber would be placed on flatcars, with one leaving every forty-five minutes.

The small locomotive, named "Pat," would haul the cars one at a time over the two miles of track connecting the flume and the mill. The track next to the flume was tilted so as to facilitate the unloading of the flatcars. Loads would average 8,000 board feet. Once the lumber was on its way to the remanufacturing plant, "Pat" would be on her way back for another load. The steepest grade she had to face on her uphill return trip was 5 per cent.¹

On the morning of July 18 there occurred a fire in the logging camp at mill "B." A conflagration of the timber in that area was prevented through the efforts of Woodard's logging and sawmill crews together with the crew from the nearby Weise Brothers mill. Some 200 acres were burned over,

¹Ibid., August 31, 1925.

but no serious damage resulted since most of the area had already been logged.

The threat of destruction by fire was and is today paramount in the lumber industry. Much of Woodard's earlier building experience had been the result of sawmill fires. Numerous fires destroyed the sawmills of lumber companies throughout the state. J. H. Chambers saw his mill burn to the ground on three different occasions during the forty-year history of the company. The last fire which occurred in 1942 leveled a \$500,000 plant. The prohibitive cost of complete coverage with fire insurance would often mean the financial demise of a company when a serious fire did occur.

The fact that there was only one serious fire during the history of the Woodard Company might at least in part be explained by some simple and rigidly enforced policies Woodard established the day the company first began operation. A watchman was employed for all hours during which the mill was not in operation. A second policy required that the mill be wetted down from the roof to the foundation on hot days and nights with low humidity. A third policy required the maintenance of readily available equipment for the purpose of fighting fires. Smoking was not allowed in or near the mill or logging operations, and no provisions were made for special smoking areas--smoking was out. As the years passed, systems and methods became more elaborate, but these early practices proved to be successful in the early years. These policies

were derived in part from common sense, in part from the awareness of their economic importance and in part from a dread fear of fire possessed by Woodard. Since his youth Woodard feared fire and this fear was ingrained in his rigid fire prevention policies.

Incorporation of the Company

In August of 1925, Fred W. Bradley, the sixty-eight year old president of N. B. Bradley & Sons, made his annual trip to the West Coast to inspect N. B. Bradley & Son's holdings and to discuss with Woodard the accomplishments and prospects of the Walter A. Woodard Company. This trip in the summer of 1925 was of special consequence in that it resulted in the culmination of plans for the incorporation of the lumber company. Woodard's indebtedness to the Michigan firm had grown to almost \$400,000. It was determined by both parties that the extensive debt involved would be better handled by incorporating the company for its full value and having both parties withdraw their proportionate value in shares of stock.¹

An inventory taken January 1, 1925, valued the company's holdings as follows: mill "A," \$56,501.93; mill "B," \$82,964.26; remanufacturing plant, \$116,626.17; flume, \$63,709.13; supplies (wire cable, oil and gasoline, etc.),

¹Minute book, board of directors, W. A. Woodard Company.

\$4,069.41; logging equipment, \$31,056.00; railroad \$19,975.41; accounts receivable, \$31,046.25; lumber on dock, \$37,995.25; and other assets totaling \$10,884.80 for a final total of \$454,828.61.

The liabilities of the company included accounts payable, the August payroll, a bank loan and an indebtedness to N. B. Bradley & Sons of \$383,574.62 for a total of \$408,258.61. The \$46,570 difference between assets and liabilities was credited to Woodard. The timber holdings of N. B. Bradley & Sons were valued at \$294,137.71.¹

The company was incorporated for \$1,000,000 with 5,000 shares of common stock and 5,000 shares of 6 per cent cumulative, non-participating preferred. Both issues had a par value of \$100 per share. Fred W. Bradley took 4,535 shares of common and 2,064 shares of preferred. Woodard's assets entitled him to 465 shares of common. The remaining shares of preferred stock became potential stock and were never issued by the corporation.

On August 17, 1925, a meeting for the purpose of incorporation was held in Eugene at the office of Charles A. Hardy, Mr. Woodard's attorney. Oregon law required three incorporators so Mr. Hardy acted as the third party. Hardy "purchased" one of Woodard's shares.

The first board of directors was made up of Fred W. Bradley, president; Woodard, vice-president and treasurer;

¹Ibid.

Roy V. Leonard (the company's bookkeeper), secretary; and S. M. Calkins. Calkins, another of Woodard's attorneys, resigned in October and was replaced by Nathan Bradley, a nephew of the elder Bradley.

The new corporation was named the W. A. Woodard Lumber Company. Its official incorporation date was designated as January 1, 1925.

The company which had grown from a \$15,000 beginning four and one-half years earlier to a \$724,300 corporation during the most depressed years in the history of the industry, looked expectantly into the future.

CHAPTER III

YEARS OF EXPANSION, 1925-1929

The incorporation of the W. A. Woodard Lumber Company stemmed from the need for a better means of financing the expansion of the company. The reliance of the company upon the financial backing of the N. B. Bradley & Sons had created certain unfavorable conditions. The added risk of liability was placed on the Michigan firm and upon Woodard. Woodard's personal liability and obligation for the nearly \$400,000 which had been borrowed, proved to be a tremendous burden. With the incorporation of the company, new methods of financing expansion were used.

Expansion was directed at three objectives: additional timber holdings to guarantee continued production; improved method of transporting logs from the woods; and, additions to sawmilling and remanufacturing facilities.

Timber Acquisitions

The timber acquisitions took two forms. Timber could be purchased along with the land upon which it stood, or the buyer could merely purchase the timber or "stumpage," as it was called, on the land. The latter method applied to all

purchases of timber from the federal government. A purchase such as this was advantageous to the company in that it provided timber without adding the problem of land ownership. The government prevented stockpiling of such sources by requiring that the timber be cut within five years of the date of purchase. The U. S. Land Office at Roseburg handled the sale of the government timber in the area. After having "cruised" the timber to be purchased, Woodard would journey to Roseburg where, on the courthouse steps, he would make an oral bid for the timber. There was seldom any competition for the timber until as late as World War II.

When notice was received that a stand of timber was to be auctioned, an inspection of the timber would be made. Either Woodard, his brother John, or a professional cruiser would handle the task. Days would often be spent in the woods determining the quantity and quality of the stand as well as the characteristics of the terrain which would affect the cost of logging the timber.

The minimum prices set by the government were generally one-half to two-thirds of its actual value. The cruises made it possible to select the very best buys. Millions of board feet of timber were sold at prices as low as \$2 per thousand. Typical of such purchases made by the company was the timber on 320 acres of revested O. & C. land grant holdings.¹ The

¹The O. & C. lands were part of a land grant given to the Oregon and California Railroad Company in 1866. The

one-half section of timber was advertised by the U. S. Land Office at a minimum price of \$2 per thousand. The company did not have sufficient funds to make the purchase, so at a meeting of the board of directors, with Walter Woodard, Roy Leonard and Charles Hardy present, it was decided to borrow \$28,500 from the First National Bank of Cottage Grove. The company was then able to proceed with the purchase.

The acquisition of timber from private sources generally entailed the purchase of the land as well as the stumpage. In some cases the land would be obtained through trading or right-of-way agreements. This was quite often true of land needed for railroad extension. In May, 1927, the company traded 280 acres of cut over land for 80 acres of timber land owned by Joe Miller. Woodard stated that it was "for the best interests of the company to make the exchange"¹ which cleared the path for the company's logging railroad.

More commonly, the company added to its holdings through direct purchase. Fred W. Bradley directed the purchase of many hundreds of acres from his Bay City office. Upon the receipt of a letter or telegram from Bradley, a meeting would be held consisting generally of Woodard, Hardy and Leonard.

lands became the property of the Southern Pacific Company in 1887 through the acquisition of the O. & C. railroad. The company violated the terms of the land grant which resulted in the federal government reclaiming the land in 1916.

¹Minute book of the Board of Directors, W. A. Woodard Lumber Company.

The purpose of such meetings was to determine the feasibility of the purchase in light of local conditions. The decision, when reached, would be made official by a vote of the majority of stockholders present. The acquisition of large timber holdings multiplied the problems of management.

In October, 1929, the large timber owners in Lane County became enraged over the new valuations of the county tax assessor. The assessor, Ben F. Keeney, was accused of discriminating against large companies.¹ Valuations were increased two and one-half times over the 1924 assessments. Woodard had additional reasons for concern since, along with the increased timber value, the assessment of the remanufacturing plant at Latham was increased from \$20,000 to \$60,000.

Woodard and thirteen other timber owners and sawmill operators filed complaints with the County Board of Equalization. Woodard stated that there had been no more than \$200 to \$300 spent on improvements in the remanufacturing plant during the past year. He also, along with the other timber owners, complained of the drastic increase in timber valuation.

Keeney, who had based his assessment of the remanufacturing plant on an article in the Cottage Grove newspaper and who had never seen the plant, was urged by Woodard to make a personal inspection of the property as well as the

¹Cottage Grove Sentinel, October 8, 1925.

company's records regarding improvements. Keeney requested that the board not adjourn its annual tax review session until the inspection could be completed. Following the inspection, Keeney returned to state that his assessment was in error. The board reduced the valuation to \$20,000.

Woodard's appeal, however, concerning the timber valuation was futile. The board ruled that "a lack of full information upon which to base actual valuation of timber prevented the board from determining whether the figures were unjust in comparison with valuations placed on city and farm property."¹

The defeated group of timber owners, which included such giants as the Drew Timber Company, Weyerhaeuser and Booth-Kelly, decided to appeal the decision to the circuit court. The appeal was withdrawn as soon as it was felt that it had had its full psychological affect on Keeney. Woodard always joined in the conferences leading to such actions. However, on the advice of Charles Hardy he attempted to remain out of the limelight so as not to become identified with the "timber barons." Hardy's advice was based on the premises that smaller companies had a better chance with government officials than did the larger concerns.

Tax rulings and government officials were not the only problems facing the company. The depletion of the timber

¹Ibid., October 12, 1925.

supply surrounding the two mills was rapidly taking place. Many hundreds of acres were purchased to provide the mill with logs, but the distance between the source of supply and the sawmills continued to increase. In order to tap these timber sources as efficiently and as economically as possible the company launched a railroad construction program.

Railroad Construction

The use of logging railroads had grown extensively since their introduction in California woods in the 1890's. In the ten-year period from 1917 to 1927, logging railroad mileage had grown from 3,853 to 6,164 miles.¹

In February, 1926, a crew of nine men began surveying the route for the new railroad. The first objective was the top of a ridge two miles above mill "A." The selection of the route was of extreme importance since it was necessary to maintain as uniform and low a grade as possible. When completed, the selected route covered 7½ miles with the steepest grade 5 per cent and the sharpest turn 20 degrees.

As the survey party moved farther along its course, construction began on the earlier stages of the railroad. In March, 1926, a crew began the erection of two trestles. The longer trestle bridged a distance of 800 feet between two hills. The shorter one extended for 200 feet, bringing the

¹Ralph W. Andrews, This Was Logging! (Seattle: Superior Publishing Company, 1954), p. 127.

tracks across a log slit and a county road. The fir poles were firmly supported by a sixty-pound steel foundation. The project kept a crew of twenty-five men busy for several days, working at heights up to forty feet.

Large scale railroad construction required the expenditure of large sums for additional equipment. Grading was facilitated by the use of a newly acquired steam shovel. A small fleet of Ford dump trucks was also purchased to aid in the construction. The river gravel that provided the ballast for the track was hauled to the end of the line in center dump ballast cars.

The most important single piece of equipment was the sixty-five ton saddle tank locomotive purchased from the American Locomotive Works in Portland. The \$25,000 locomotive was shipped disassembled and was accompanied by a factory trained specialist to direct its reassemblage.

The construction of the railroad under the supervision of Woodard's brother-in-law, Leon M. Morton, progressed at varying degrees of speed. The rapidity with which the railroad was extended was influenced by factors such as the weather, the lumber market and the acquisition of rights-of-way. The process of applying for right-of-way privileges had to begin long before the railroad reached the land for which the application was made. In January, 1926, the company petitioned the Commissioner of the General Land Office in the Department of the Interior for the privilege of constructing

the railroad across the "West half of Section 21, Township 27, South Range 3, West Willamette Meridian."¹ The application included blueprints of the proposed route and the guarantee that the company would "pay the reasonable market price"² for the timber growing on the sixty foot wide right-of-way. The company did not receive the approval until the summer of that year. As such delays occurred, that part of the railroad which had been completed was utilized to log intermediate points along the track.

In November, 1929, after three years and nine months of back-breaking work and the frustrations that accompany a task of such complexity, the ridge two miles above mill "A" was reached.

The new method of transporting logs to the sawmill had many advantages over earlier methods. The use of the railway lessened the danger associated with the exclusive use of steam donkeys. The steam donkeys were, of course, still utilized extensively; however, it was possible to slow down their operation since their task was reduced to dragging logs to the railroad cars. Other advantages stemmed from the higher production due to the ability of the new locomotive to pull six cars loaded with an average of 10,000 board feet of

¹Minute book of the Board of Directors, W. A. Woodard Company.

²Ibid.

logs per car.

The cars, known as disconnected trucks, functioned in an interesting manner. As the name would imply, the trucks were not connected to each other. Each set of trucks rested on four wheels with the distance between the two trucks determined by the length of the logs to be carried. A large boom was used to drop the logs firmly on the sharp point of spikes located on the outside edge of the trucks. With the two outside logs secured, additional logs would be added in the middle and on top. It was imperative that the logs were evenly balanced since an imbalance of the logs could cause the cars to lose traction and roll, even on the relatively mild 20 degree curves of the Woodard track.

This tremendous improvement in the transportation of logs had its effect on several aspects of the business. Larger logging crews were hired as well as an additional crew of 10 to 12 men for railroad maintenance. The strongest demands were felt in the sawmill and remanufacturing plant where capacity had to be increased to make provisions for the new flood of logs and rough lumber.

Expansion of Manufacturing Facilities

Mill "A" which had resumed operation in September, 1925, was shut down in March of the following year when the construction of the railroad began. Mill "B" continued to operate throughout 1926, providing ties for the railroad as

well as lumber to be marketed.

By April, 1927, the 2,000 acres of timber land owned by the company surrounding mill "B" had been completely logged off. When the last log was sawed, the temporary mill was dismantled. Mill "A," which had stood idle since the spring of the previous year, received a complete revamping and was ready to operate by August. The building itself was the first object to receive attention. The foundation of the mill was reinforced with concrete. A new frame was erected and the roof rebuilt. The size of the plant was increased from 130 x 32 to 210 x 40 feet.

Much of the new machinery that had been purchased for mill "B" was transferred to the reconstructed mill. The movement of the boiler from mill "B" to the newly constructed concrete boiler room at mill "A" doubled the horsepower of the mill.

When the reconstruction was completed, logs were brought into the mill up a new steel-lined log slip by means of a jack chain. The logs would be pike-poled into position so as to be caught by the dogs on the chain and pulled up the slip. On the way up, the log would be hit by several streams of water with tremendous pressure to remove mud. The removal of the mud from the logs was necessitated because of the addition of a new solid tooth circular head saw. The teeth of the saw had been reduced in size sufficiently to reduce the amount of sawdust resulting from the sawing of each log,

saving an average of \$120 a day. The logs were turned for sawing on a new log turner which rolled the huge logs over as though they were toothpicks and allowed the sawing of logs up to 42 feet in length.

The increased size of the mill still did not, however, give it the appearance of a mill capable of producing 125,000 board feet per day. One reason it appeared smaller than mills of comparable productive capacity was that there were no docks surrounding the mill. A report in the Cottage Grove Sentinel following an inspection tour by the Chamber of Commerce and the Lions Club commented that another reason that the mill appeared small was that there was not one half inch of wasted space anywhere. The logs and rough lumber moved no more than the exact distance necessary and did not retrace any distance once covered. The mill was labeled "unquestionably the speediest mill of its size" in that section of the state.¹

The comments made by the newspaper reflected two policies that Woodard pursued throughout the history of the company. Machinery was operated at near maximum speeds and set up as close together as functionally possible. "It only made sense that if a man could do so much work by having to move around, he could do that much more standing in one place."² Woodard was continually studying the operation of the mill

¹Cottage Grove Sentinel, October, 1927.

²Interview with Walter A. Woodard, May 20, 1960.

to determine its bottlenecks and other weaknesses. He would employ ideas gathered from trips to every mill in the area. If he heard of something new being used at another mill he would be the first outsider there to study its operation.

Woodard's own inventive ability coupled with these borrowed ideas represented one of the company's greatest assets. In preparation for the increased capacity of the sawmill, the operations at Latham required expansion. As part of this program Woodard evolved one of his many mechanical innovations, an electrically operated lift in the planing department.

Lumber from the sorting table of the remanufacturing plant went to the planer by lumber carriers. Each load would be loaded onto the automatic lift and fed automatically into the planer. Woodard's device kept the level of the boards constant, facilitating the feeding of the boards into the planer.¹

Expansion of the capacity of the remanufacturing plant progressed during the fall and winter months of 1926. The expansion program included the addition of several hundred feet of loading docks and an additional sorting table equipped with live rolls and conveyor chains to carry the planed lumber to the trimming table and loading docks. A 600 horsepower electrical control room was also built, in addition to the

¹Cottage Grove Sentinel, September 16, 1926.

two 200 horsepower control rooms already in operation. The plant used more electricity than the entire population of Cottage Grove.

The large cutting capacity and sustained operations combined to give the Woodard Lumber Company and the other larger operators in the county a distinct advantage over smaller producers. A survey made in 1927 by Herbert J. Cox, then secretary of the Willamette Valley Lumberman's Association, revealed that the four largest mills in Lane County, all having a capacity of more than 100,000 board feet a day, produced 51 per cent of the county's lumber while their daily capacity was only 20 per cent of the total.

The four mills referred to were the Booth-Kelly plants at Wendling and Springfield, the Western Lumber Company at Westfir, and the Woodard Lumber Company. Of the other 90 mills located in the county in 1927, eight had a capacity of from 50,000 to 100,000 feet; twenty-one had a capacity of from 25,000 to 50,000 feet; forty-seven had under 25,000 foot capacity, and four were not in operation. Total production for the mills during the survey year was 365,629,000 board feet.¹

Financing of Expansion

This period of rapid expansion, that made the company

¹Ibid., August 23, 1928

one of the largest lumber producers in the state, placed a heavy financial burden upon the young corporation. The dollars that were spent on timber, the railroad, and the company's manufacturing facilities were, for the most part, obtained through loans. Earnings were not sufficient to finance such growth. Dividends were paid to common stockholders only once during this five-year period. Stockholders received a 6 per cent dividend in 1926. The last dividend paid to preferred stockholders was in November 1926. Profits during the other years were reinvested.

The loans obtained by the company in the latter half of the decade of "The Great Illusion,"¹ were for increasingly larger amounts. Earlier loans averaged from \$15,000 to \$30,000 and were generally received for the purchase of timber. Such was the case as mentioned above of the loan of \$28,500 from the First National Bank of Cottage Grove obtained April, 1926, for the purchase of the stumpage on 320 acres of O. & G. land. In September of that year 686 acres were purchased from A. J. Weaver and Associates for \$76,820. This loan was handled through the Nebraska State Bank, Falls City, Nebraska. The bank held a first mortgage on the property to secure the 6 per cent promissory notes of the company. The notes were due in three years. All of the

¹Harold Underwood Faulkner, American Economic History (New York: Harper & Brothers, 1949), pp. 609-642.

loans for the purchase of timber followed a similar pattern with the exception being that when stumpage was purchased the notes were secured by company property.

In June, 1927, the board of directors made one of the most critical decisions in the history of the company. A loan of \$300,000 was negotiated with the First National Bank of Bay City, Michigan. The bank acted as trustee for the issuance of 300, \$1,000 six per cent gold bonds dated June 1, 1927. The bonds matured serially in six installments of \$50,000 on the first day of June in each of the years 1928 to 1933, inclusive. Interest was payable semi-annually on the first days of June and December each year. The provisions of the bond issue established a sinking fund to which was added \$2.50 per thousand feet of lumber shipped each month.

The bonds, which were sold at 97 per cent of their face value, provided a sufficient amount of money to pay off many of the company's outstanding obligations and provided an adequate reserve for expansion.

In July 1929, the last major loan obtained during this period of expansion was negotiated for \$30,000. That amount represented part of \$42,500, the price of 1760 acres of timber purchased from the Oregon Timber and Investment Company, an Iowa corporation. Woodard paid \$12,500 cash as a down payment, plus a sales commission of \$5,500. Promissory notes bearing an interest rate of 6 per cent per annum were signed for \$30,500. The notes were to be paid in installments

of \$10,000 on or before the first day of August, 1930 through 1932, inclusive. The notes were secured by a first mortgage on the purchased property.

The loans made during these years of growth combined to represent a large annual obligation. The payments were met without great difficulty during the late 1920's, however, economic conditions in the nation during the 1930's placed the very life of the corporation in jeopardy.

Accident Prevention

The hazards that are inherent in the lumber industry have caused the death and disability of thousands of men. The Woodard Company maintained a very favorable accident rate during its years of operation. The accident in the summer of 1915 that had cost Woodard the fingers of his left hand caused him to emphasize safety in every aspect of the company's operations. By today's standards, the safety program was quite limited. There was no "safety engineer," or company literature dealing with accidents. The program centered around providing the employees with the best equipment available with which to work. Foremen were responsible for seeing that the equipment was made available and properly used. Woodard was very severe in disciplining workers for carelessness. There was some question in the minds of the workers as to which was worse--to have an accident or to have Woodard catch them being careless.

At times, months would pass without a serious injury while at other times there would be a rash of accidents. Such a day was June 5, 1928. Bill Johnson, a flume walker for the company, sustained a badly broken left leg in a freak accident. He was knocked from the flume by a board that jumped out of the water. Being in an isolated area he was forced to crawl for several hours before his calls for help were heard.

On the same day another employee, Rudolph Davis, received a badly mashed leg and narrowly escaped death when a log rolled on him. The accident occurred in the woods during the movement of a steam donkey to a new location. In still another part of the company's operation Claud Huff, a driver of one of the Ford dump trucks being used in the railway construction narrowly escaped death when the truck he was driving went over a grade and rolled over four or five times. He remained in the truck and was not seriously injured. Another truck had gone over the same grade the day before without seriously injuring the driver.¹

Not all men were as fortunate. On August 28, 1928, an accident occurred in the logging operations that took the life of Stanley Damewood, a thirty-four year old employee of the Woodard Company. A log being dragged through the woods by the cable from a steam donkey struck a dead hemlock which

¹Cottage Grove Sentinel, June 7, 1928.

was two and a half feet in diameter. The tree was evidently held in place by the log and cable because as they were moved the tree fell on Damewood, striking him on the head.

The death of Damewood was the first such tragedy in the history of the company. The logging operations were closed down for the remainder of the day and the company did not operate the day of the funeral. All of the business concerns in town closed during the hours of the funeral.¹

Marketing of Products

An unfortunate characteristic of the lumber industry is the instability of market conditions. Drastic changes occur from month to month and year to year. Sales of the company during the five-year period 1925 through 1929 ranged from a high of nearly \$600,000 in 1929 down to \$290,000 in 1927. Total sales for the period were somewhat over \$2,250,000.

The market for Woodard products increased because of the addition of many new products to the company's line during these years. The Pacific Coast edition of the 1926 Directory of the Lumber Industry (published in 1925) listed the company's products simply as "fir." The same publication in 1929 listed the products as "Red Cedar, Douglas yellow and red fir, hemlock, white fir, finish, common, dimension, flooring, siding, timbers, pattern stock, shop, car material,

¹Ibid., August 30, 1928.

R. G. clears, long timbers, ties and Crossarms."¹ The company produced 135,582,000 board feet of lumber during this five year period.

Through the efforts of John Woodard, the company sales manager, these products, except those used in the company's own expansion program, were sold through wholesalers to retailers throughout the nation. Shipping destinations were as widespread as Chicago, Denver, St. Louis and San Francisco. A large number of the shipments went to retail yards in California. McDonald and Harrington, a large California retailer, placed orders from Sacramento, Antlers, Gerber and Sunnyvale. The Diamond Match Company and Southern Pacific were the two largest users of Woodard's products.

The company had grown during the 1920's to a place of relative importance in the industry. It entered the new decade of the 1930's with a feeling of confidence. It had survived the depression of 1921 and the uncertainties of the 1920's; it was not realized however, that these were mild winds compared to the storm that was to come.

¹The Timberman, Directory of the Lumber Industry, Pacific Coast, 1930 (Portland: The Timberman, 1929), p. 92.

CHAPTER IV

YEARS OF STRUGGLE, 1930-1939

The new year of 1930 was ushered into the Cottage Grove area by a snow storm. The thermometer dropped to 25 degrees above zero and the higher elevations received a twenty-inch blanket of snow. The snowfall, followed by a silver thaw, forced the sawmills and logging camps in the area to close down operations for two weeks.¹ The adverse weather conditions seemed to foretell of the problems that would confront the lumber industry and the entire country during the decade of the 1930's.

The crash of the stock market on October 29, 1929, had signaled the beginning of an economic decline that did not halt until the spring of 1933. Unemployment during that period rose from less than 4,000,000 to over 13,000,000.² Those who were not thrown out of work were forced to live on greatly reduced incomes as wages and salaries declined.

Efforts, by President Herbert Hoover and his administration, to stay the economic collapse were unsuccessful. In

¹Cottage Grove Sentinel, January 9, 1930, and January 16, 1930.

²Faulkner, op. cit., p. 651.

the election of 1932 the American electorate brought into the office of president a man who offered them a "New Deal." The program for recovery instituted by Franklin D. Roosevelt resulted in the establishment of several hundred federal agencies, each of which attempted to stimulate the economy.

Recovery began in the spring of 1933 and continued with several interruptions until the winter of 1937 when the economy once again declined sharply. The Second World War, which began with the invasion of Poland by Germany on September 1, 1939, served as a strong stimulant to the American economy. Even prior to the entry of the United States into the war, demand for materials from the belligerent nations greatly increased production and employment. The decade ended with a boom that was almost as sudden as the decline that had characterized its beginning. The years in between were years of struggle.

The Depression and Government Action

The early years of the depression were characterized by a sharp reversal in the lumber market. Production of the Woodard Company declined from nearly 34,000,000 board feet in 1929 to 4,750,000 board feet in 1932. Sales fell from \$589,872 to \$82,627. Total production, 1932 through 1934, did not equal the production of 1929. Production and sales increased sharply in 1935 and 1936, however, reaching 1925 and 1926 levels. The company maintained a stable level of

sales and production for the remaining years of the decade, except for occasional short-lived declines.

It was the early years of the depression that brought the company near bankruptcy. Action in many forms was taken to save the corporation.

The lumber industry, which had failed to gain its proportionate share of the business prosperity of the previous decade, had attempted, prior to the onset of the depression, to solve some of its problems through joint action. Over-production was recognized to be the greatest enemy. Prices and orders continued to decline; yet, operators insisted on running at nearly full capacity. In addition to this abundance of domestic lumber there were imports from Russia and Canada.

The first objective of the West Coast Lumberman's Association was to obtain a tariff on the Canadian and Russian imports. Woodard, in the winter of 1929 and the early months of 1930, joined with his fellow members of the association, as well as local businessmen and service organizations, in sending telegrams and letters to congressmen representing lumber producing states. The messages urged the passage of a tariff on lumber imports. Through the efforts of senator Charles McNary of Oregon, a law was passed in April, 1930, establishing a tariff of \$1.50 per thousand board feet on all lumber imports. By October of 1932 the import duties had been raised to \$4 per thousand and imports had declined by

50,000,000 board feet a month.¹

The West Coast Lumberman's Association also resorted to additional types of action. A meeting of members was held in Seattle in May, 1930, to determine a workable production curtailment program. Non-members were also encouraged to attend. The program which was selected called for "mills operating two shifts to cut to one shift and mills operating six days to cut to five days."² Mills also had the alternative of closing down operations for a prolonged period, so long as a proportionate reduction was achieved.

Woodard was one of nine lumbermen selected to visit other operators to seek their cooperation. He visited every mill in the Willamette Valley below Portland that had not been represented at the meeting. Responses were generally favorable. Woodard and the other eight members of the committee succeeded in obtaining the agreement of 90 per cent of the mills in Oregon and Washington.

Upon his return from the tour of the mills he closed down his company. The operations were shut down on May 21 and did not resume until July 7. This closure filled Woodard's curtailment quota for the year, so production resumed on a six-day week basis.

Most of the operators fulfilled their agreements,

¹Cottage Grove Sentinel, October 28, 1932.

²Ibid., May 29, 1930.

which resulted in some improvement of prices. Woodard's sales increased from \$24,000 in August to \$39,700 in September, while production increased only 180,000 board feet. The market held steady through October; however, prices began to decline in November as operators who were not bound by the agreement increased production.

The tariff on imports, the curtailment program, and a 10 to 17 $\frac{1}{2}$ per cent reduction of railroad freight rates failed to rally the declining sales. The decrease in freight rates was obtained through the efforts of the West Coast Lumberman's Association and other lumber industry groups. During 1931 and 1932, employees of the Woodard Company were laid off gradually until there remained only a skeleton crew.

By April, 1933, the payroll listed eight men, while in April, 1929, it had numbered 293. Of the eight men, only four worked the full month. The others worked one week, planing and loading the 56,000 board feet of lumber that was sold that month. George Stephens and Alanzo Sugg, watchmen, worked twelve hours a day, seven days a week for \$50 a month--slightly over 13 cents an hour.

The same month, the usually conservative Timberman called for the federal government to establish "economic dictators for the industry."¹ The editorial concluded with these observations:

¹Timberman, April, 1933, p. 5.

A bill embracing these powers had a good chance of enactment. Regardless as to whether we like the present trend toward socialized industrialism, it is here, and unless some better plan can be devised to extricate us from the morass into which the financiers have plunged the country, we are likely to continue to traverse untrodden trails and hope for the best.

The newly inaugurated president, Franklin D. Roosevelt, was not long in presenting a program similar to the one requested by the Timberman. "Industrial self-government under federal supervision was brought about by the enactment of the National Industrial Recovery Act which became law on June 16, 1933."¹

The law provided for the drafting of "codes of fair competition" by industrial groups or trade associations. Upon submission of the codes, hearings were held to air the views of business, labor and consumer groups.

The code for the lumber and timber products industries was submitted to the National Recovery Administration on July 10, 1933.² With the suspension of the provision of the Sherman Anti-Trust Act, the designers of the code were able to provide for production control and minimum prices. Other provisions ruled out child labor, encouraged conservation, and recognized the right of workers to organize and bargain collectively.

Lumbermen and businessmen in the Northwest eagerly

¹Ralph Clement Bryant, Lumber (New York: John Wiley and Sons, Inc., 1938), p. 393.

²For a full copy of the text see the Timberman, July, 1933, pp. 6-10.

awaited the application of the code to the lumber industry. On June 22, 1933, the lumbermen of Lane County gathered in Eugene to hear a speech by Colonel William B. Greeley, Secretary-Manager of the West Coast Lumberman's Association. In reference to the N.I.R.A. codes, Greeley stated that, "never before had the industry had the opportunity to correct many abuses that had caused great losses both to those engaged in the business and the general public."¹ A crowd of 1,500 gathered in Cottage Grove to hear Dr. Victor P. Morris, of the economics department of the University of Oregon, explain the various factors that led up to the depression and give his endorsement to the National Recovery Administration program. The professor described the program as one that would "lead us out of the wilderness."² Enthusiasm ran high when the code went into effect on August 22. The minimum wage for the region in which Cottage Grove was located was \$3.40 per eight-hour day. The maximum week was set at 40 hours. Price regulation also went into effect.³

The new minimum wage resulted in an average increase of \$1 per day for Woodard's employees. The company operated seven hours Monday through Friday and five hours on Saturday. By late August the crew had been increased to 185. Prior to

¹Cottage Grove Sentinel, June 23, 1933.

²Ibid., September 7, 1933.

³Ibid., August 24, 1933.

this, except for very sporadic operations the company had been closed down since November, 1931. Now the company was once again in full operation.

The enactment of the N.I.R.A. was too late to be of any benefit to many operators in the area. The depression had taken its toll among lumbermen and other businessmen. The Anderson and Middleton Company, which had purchased J. H. Chambers' large mill at Latham in 1923, closed down in the winter of 1929. The Western Lumber and Export Company went into receivership, the Bank of Cottage Grove closed its doors and the area's largest lumber seasoning plant went into receivers' hands in January, 1932. The limited payroll coming from the Woodard Company during these years was of little help to the depressed economy of the community. These depressed conditions encouraged the acceptance of the government program. The sales of the Woodard Company which had reached a low of \$45 in January, 1933, totaled \$21,331 in September.¹ Sales in October totaled \$24,214, although production declined by 176,500 board feet. The drastic program seemed to be working. It was not long, however, before prices began to decline once again.

It became apparent that the N.I.R.A. lacked the "teeth" to enforce the code. Many mills exceeded production quotas and sold at prices below the established minimum. The

¹Sales records, W. A. Woodard Lumber Company.

companies that upheld the provisions of the code were penalized by their compliance. Although second quarter production quotas for 1934 reduced working hours to 20½ per week, some mills, such as the Willamette Valley Lumber Company at Dallas, boldly defied the code by running two forty-eight hour shifts and selling below the established prices. Woodard complied with the code provisions until November when George Gerlinger and his Willamette Valley Lumber Company won a court decision on the grounds that the code was unconstitutional. The federal court in Portland was filled with cases of code violations.¹ In a great majority of the cases the rulings were against the government. Woodard maintained the wage structure specified in the code; however, he ignored the code provisions in setting prices.

The price fixing feature of the code came under such heavy attack and received so many legal setbacks that the prices set by the code were suspended in December, 1934.² Any pretense of compliance with the code ended when on May 27, 1935, the Supreme Court ruled that the N.I.R.A. was unconstitutional. There is little doubt that the "deterioration of public support even more than the Supreme Court's decision foretold NRA's eventual collapse."³

¹Oregonian (Portland), November 1, 1934, p. 1.

²Bryant, op. cit., p. 397.

³Barck and Blake, op. cit., pp. 520-21.

Government action during these years took other forms in addition to the ill-fated N.I.R.A. Large lumber purchases were made for public works projects. The erection of 1,466 Civilian Conservation Corps camps required the purchase of 250,000,000 board feet of lumber. Such orders stimulated the market for brief periods, but were unable to maintain a stable market or price level. Sales continued to follow the roller coaster pattern that had been so typical of the industry's history. Recovery came slowly as the economy began in 1935 to react favorably to the New Deal program. While conditions improved during the late 1930's, there were still occasional slumps in the market.

Other Bradley-Woodard Ventures

The agreement made in February, 1920, between the Bradleys and Woodard involved only one of three separate ventures eventually undertaken by the two parties. The second one took the form of the Bradley-Woodard Lumber Company. Early in 1930, Fred W. Bradley announced his intention to organize another sawmill operation. He felt that the depression would be short lived and the low cost period would be an advantageous time to build. Woodard asked Bradley to delay the project for at least a year in order to give him time to familiarize himself with operations on the Columbia river. They would be logging a different type of timber, shipping their products by a different method and employing a less stable

and more militant type of employee. Bradley, however, insisted that his holdings on the Columbia river had to be developed. A site was, therefore, selected on the Oregon side of the Columbia river, seventy-eight miles below Portland. The mill site was in a large stand of hemlock owned by the Bradleys. The lumber community became known as Bradwood.

Charles A. Hardy, Woodard's attorney, drew up the incorporation papers. The company was capitalized for \$1,000,000, all of which was subscribed to by N. B. Bradley & Sons. The Bradleys exchanged 14,000 acres of timber land for the stock. The board of directors was made up of Fred W. Bradley, president; Walter A. Woodard, vice-president; Roy V. Leonard, secretary; Nathan Bradley and Charles Hardy, directors.

The agreement that existed between Woodard and the new corporation stipulated that he would supervise the construction of the sawmill, plan the company's operations, and manage the company for an indefinite period. In return for his services and the use of his name, Woodard would receive 10 per cent of the company's net profits and 5 per cent of its selling cost if the company were sold.

The new venture was launched at an unfortunate time. The tumbling lumber prices delayed the construction of the plant. What money was available was used to construct a railroad into the timber holdings.

Woodard spent long days and sleepless nights working to

keep the new company from collapsing. This served to multiply the already existent problems with the company at Cottage Grove. After working all day at Bradwood, he would often travel 200 miles to Cottage Grove to handle the other company's affairs. Several trips each week, either by car or train, gave the resourceful lumberman hours in which to plan and to study the problems of both companies.

In November, 1931, when operations ceased at the Woodard mill at Cottage Grove, the sixty-five ton American Locomotive was dismantled and shipped to Bradwood for use in the logging operations there. Logs were brought out of the woods by the railroad to a log chute where they were dumped into the river. Woodard made a contract with the Crown-Willamette Paper Company to supply pulp logs. Woodard agreed to put the logs, rafted and scaled, into the river for \$6.50 per thousand. It cost \$2.56 per thousand for labor and an additional 94 cents for other overhead costs. The \$3 per thousand profit from this transaction kept the company in operation during some of the darkest days of the depression. The Bradley firm, which had large commitments in other business ventures, was unable to supply any financial aid. At times, Woodard met the payroll out of his own pocket until payment was received from the sale of additional logs.

In the spring of 1933, as the Bradley's financial position improved along with the lumber market, construction began on the sawmill. Construction of the 125,000 foot capacity

mill was completed in September, 1933.¹ The plant included a planing mill and dry kilns. Lumber was shipped by ocean going vessels, since the dock fronted on thirty feet of water.²

With the growth of the new company and the return to normal production of the other company, Woodard found it increasingly difficult to manage the distant operations. In 1936, with a cash settlement of \$10,000, his agreement with the Bradley-Woodard Lumber Company was cancelled.

During that same year, Woodard and his wife began to purchase timberland, the market price of which was still depressed. They were able to purchase valuable stands of timber at unbelievably low prices. Several hundred acres were purchased at prices as low as \$2 per acre. One section of land, the value of which was eventually multiplied over 300 times, was bought for back taxes of \$2,880.

The timberland was purchased for the purpose of selling stumpage to the Woodard Lumber Company. Since the company was financially unable to purchase additional land, the board of directors agreed to buy stumpage from the Woodards at a fair market price.³

¹For a detailed description of the sawmill and machinery see the Timberman, August, 1933, p. 75.

²Cottage Grove Sentinel, September 6, 1934.

³Minute book of the board of directors, W. A. Woodard Lumber Company.

This arrangement led to some dissatisfaction among the Bradleys until they were sold a 50 per cent interest in the timber holdings. The syndicate, known as W. A. Woodard et al., was divided into tenths. Each tenth represented an undivided interest in the holdings of the syndicate. This venture proved to be far more successful than the sawmill on the Columbia river. The syndicate remained a highly profitable venture from its inception until the holdings were sold in 1956.

Expansion during the 1930's

The expansion of the physical plant of the Woodard Company was somewhat limited during these years for two reasons. First of all, as a result of the depressed conditions of the lumber market, the expansion of the company's facilities that had taken place between 1925 and 1930 proved to be in excess of what was actually needed. The other limiting factor was the weak financial condition of the company.

One change that was of great importance in later years in the company's operations was the erection of dry kilns. The first dry kiln was built in the fall of 1933. The structure, in which lumber was dried by artificial heat, measured 52 x 106 feet and had a capacity of 50,000 feet per day. Construction costs were kept at a minimum by having the sawmill cut the lumber for the construction of the kiln. Woodard used part of his own crew to build the kiln. The crew received from \$3.40 to \$4.00 per day. Since the Latham

operations were powered by electricity, it was necessary to install a boiler to furnish steam for the kiln.¹

Woodard felt that the expenditure for the addition of a kiln was essential to the expansion of the company's sales. Retail lumber yards, particularly in the Midwest and East, purchased an extensive amount of dried lumber, and Woodard hoped to secure a share of that market. By the fall of 1937, the Woodard Company was the only plant in the Willamette Valley with a dry kiln capacity of 100 per cent of its productive capacity.² It will be seen in a later chapter that this investment proved to be the basis for large profits in subsequent operations.

On September 5, 1937, "one of the latest and most modern electrical power plants for its size in the state of Oregon took over the load at the W. A. Woodard Lumber Company plant"³ at Latham. A 750 kilowatt Allis-Chalmers condensing turbine, three boilers and pumps and other machinery were housed in a steel and concrete structure, built as fireproof as possible.

The plant provided steam for the dry kilns as well as electrical power for the plant. The fuel for the boilers was sawdust and shavings that had formerly been burned as waste. The fuel was transported to the boilers on an automatic

¹Cottage Grove Sentinel, October 26, 1933.

²Ibid., September 6, 1937.

³Ibid.

conveyor. A one-hundred foot long storage bin held a fuel supply sufficient for ten days to two weeks operations. Water for the new plant was taken from the Coast Fork at a rate of 1,500 gallons per minute. The low rate of water consumption was made possible by returning the hot water from the dry kilns for use in the boilers.

The erection of the new power plant resulted in a large savings for the company. Electricity had previously been purchased from the Mountain States Power Company, amounting to an average expenditure of \$1,300 per month. The new plant was operated at less than \$300 per month.

The concentration of improved facilities at Latham seemed to give a hint of the eventual transfer of the sawmill to that site. The reporter from the Cottage Grove Sentinel who covered the story reported that "while Mr. Woodard was non-committal on this point, every indication [pointed] to the fact that the power plant [was] to be enlarged, either doubled or tripled in size at a very early date."¹

Unionization of the Woodard Company

Labor history in Cottage Grove was characterized by conservatism. Most of the mills in the Cottage Grove area relied upon the local population as their source of labor supply. Labor turnover was therefore somewhat stabilized, except for transfers between the competing mills. The men were permanent residents of the area and generally had known the operators

¹Ibid.

for many years. The only large operator in the area that drew its labor supply from another source was the Anderson and Middleton Lumber Company, which obtained workers through a hiring hall in Portland. A lower quality of timber beasts and sawdust savages filtered through the company. Turnover was extremely high because of a rebate agreement that existed between the company and the hiring hall.¹ Any radical element introduced to the area from this source ended when the company went bankrupt early in the depression.

The radical International Workers of the World, which centered its activities along the Columbia river and in Washington, found no support in the area. Even the conservative Loyal Legion of Loggers and Lumbermen, which has been labeled, "The World's Biggest Company Union"² did not thrive in Cottage Grove.

The L'L, which was an outgrowth of labor strife in the lumber industry during World War I was comprised of both employers and employees. Regional arbitration boards were established consisting of four employees and four employers. The last step in the arbitration process was a board of directors made up of twenty-four members, equally divided between employers and employees. Tie votes were decided by the president of the organization.³

¹Interview with Claude Abeene, July 8, 1960.

²Claude W. Nichols, Jr., "Brotherhood in the Woods" (unpublished Ph.D. dissertation, Dept. of History, University of Oregon, 1959), pp. 1-4.

³Ibid., p. 174.

This arbitration process made the organization unacceptable for Woodard. One thing he refused to do throughout his career was to give away his right of self-determination. He made the decisions, and if someone or a group chose to disagree, that was fine--so long as they remembered who was boss.

The fact that Woodard never allowed a seed of doubt to be sown concerning who was to make the decisions in the company is illustrated by an incident that took place on Thanksgiving Day in 1926. The crew at mill "B" showed up for work; however, about half of the men, including Woodard's brother Oscar, decided to declare the day a holiday. When they approached Woodard he simply stated, "As long as I sign the checks, I'll run the company." He then gave Oscar and his associates an extended holiday--he fired them.¹

Rebellion against Woodard's leadership was infrequent and when it did arise it was quickly settled--most often in the manner described above. While there was little doubt that he ran the company with as much authority as Huey Long ran Louisiana, Woodard provided his workers with benefits that were superior to those offered by his contemporaries. The best equipment money could buy was supplied to the employees.² This equipment made work easier, safer and more.

¹Interview with Walter A. Woodard, May 11, 1960.

²Cottage Grove Sentinel, October 6, 1927; Timberman, August, 1933, p. 75; interview with Claude Abeene, July 8, 1960.

productive. The food served at the cookhouse was highly regarded as were the bunkhouse facilities and cottages. Woodard combined with these policies one of paying the best wages in the area.¹ While this was only a few cents more an hour, it amounted to a substantial differential in the 1920's and '30's. This policy continued throughout the company's history. When Woodard sold the company in 1956, the employees took a wage cut under the new employer.²

Because of these policies and attitudes, Woodard looked with some distaste upon a drive to unionize his company in the summer of 1935.

In the spring of that year a movement was started in the Portland area to organize locals in the sawmills. The organizing union was the A. F. of L. Carpenters Union. As locals increased, the union issued an ultimatum to the industry requiring, among other things, recognition of the Sawmill and Timber Workers Union and a seventy-five cent an hour base wage.³ Strike votes were taken in early May. "The strike spread swiftly and steadily up and down the West Coast until by mid-May nearly 90 per cent of the Western fir production stopped."⁴

¹Cottage Grove Sentinel, July 28, 1933; Ibid, March 18, 1937; pay roll records, W. A. Woodard Lumber Company; interview with Claude Abeene, July 8, 1960; interview with Walter A. Woodard, July 8, 1960.

²Interview with Joseph Olds, June 5, 1960.

³Oregonian (Portland), April 16, 1935, p. 1.

⁴Nichols, op. cit., p. 166.

The strike, which was marked by several incidents of violence, did not affect many of the mills in Lane County. By midsummer the strike had subsided either because the locals were recognized and a compromise was reached or because the union gave up. The unions were successful in a majority of the cases. On June 20, 1935, the U'L reported only 25 per cent, or 109, of the mills were still closed down,¹ by the strike.

Just as it appeared that Cottage Grove was once again going to avoid any labor turmoil, the timber workers organized. Four A. P. of L. organizers from Portland spent two days in the area and held a mass meeting where 150 signatures were secured.² The attitude of the workers seemed to be that they feared lower wages would result from the Supreme Court's ruling on the N.I.R.A.³

The union local, which was headed by Claude C. Ritter, a Woodard logging employee, presented a contract to three sawmill operators in July. The companies were the Bohemia Lumber Company, J. H. Chambers, and W. A. Woodard. The contract called for a five-day week of forty hours, time and a half for overtime, five holidays a year, recognition of seniority, recognition of collective bargaining under the

¹Cottage Grove Sentinel, June 20, 1935.

²Ibid., June 6, 1935.

³Ibid., June 13, 1935.

provisions of the newly enacted Wagner Act and wage increases providing for a minimum of 50 cents and a maximum of \$1.12½ per hour. Wages in the area at that time ranged from 47½ cents to 77½ cents an hour.¹

Upon receipt of the terms of the contract Woodard, J. H. Chambers, and W. A. Garoutte and La Sells Stewart, the owners of the Bohemia Lumber Company, held a meeting to decide what action to take. It was agreed that if the workers walked out on strike none of the parties would operate or ship lumber. They further agreed not to give in to the workers' demands at any cost.²

In the interim, J. H. Chambers circulated sign-up lists among his employees offering a five cent an hour raise to anyone who did not join the union or go out on strike.³ Such efforts failed to halt the strike. On August 2, the timbermen placed pickets around the three plants.

The strike was relatively mild for its time. There was some attempt to prevent foremen at the Woodard plant from passing through the gate, but nothing serious developed. The situation might have been otherwise had they attempted to stop the determined owner of the mill. As he passed through the gate a revolver was clearly visible by his side on the seat of the car.

¹Ibid., July 25, 1935.

²Interview with Walter A. Woodard, May 11, 1960.

³Interview with Claude Abeene, July 8, 1960.

During the first week of the strike Woodard went east by plane to handle some of the company's affairs. Both Chambers and Bohemia, in violation of their agreement with Woodard, began making shipments, under police protection.¹

The strikers called on the government to supply mediators. Two mediators arrived August 28 and set about to end the month old strike. Woodard, who was somewhat discontented with Chambers and Bohemia for making shipments, worked out a proposal with the mediators. The proposal called for all men who walked out to return to work, that there be no discrimination because of union membership, that operators meet with representatives of the employees to discuss grievances concerning wages and working conditions, and that overtime be paid when such was not part of the forty hour production week.²

The timber workers employed by Woodard first voted to reject the proposal, but reversed their vote four days later. Employees of the other two companies voted down the offer. While the Woodard employees returned to work on September 18, it was not until a week later that Bohemia resumed and three weeks before J. H. Chambers' timber crew returned to work. Bohemia and Chambers both agreed to the same provisions as Woodard. In addition, they agreed to recognize the Fourth of July, Christmas, Labor Day and all Sundays as holidays.

¹Cottage Grove Sentinel, August 8, 1960.

²Ibid., September 25, 1935.

The strike could not be labeled a tremendous success for the workers. Their efforts did not result in any wage increase, merely an informal recognition of the union. It did succeed in introducing a new problem to Woodard. For the first time in the company's history there was an organized resistance to his unilateral decisions. There was a demand for joint determination of some policies. This resistance challenged Woodard's long held contention that "there was never any doubt about who ran the W. A. Woodard Lumber Company." In order to return the operation to normal, Woodard set about systematically to eliminate the "agitators." After the strike situation had settled down, key men in the union were laid off, including Claude Ritter.

These lay-offs were handled in a variety of ways. Some men were promoted to better jobs with increased pay only to find that after a few weeks the job would be discontinued, which, of course, required the termination of their employment. Some were laid off in slack periods along with other employees and found it impossible to be rehired. One "agitator" was provoked into an argument by Woodard. As the heated debate continued the employee announced his intention to quit. That ended the argument and his job. Union representatives came down from Portland to demand that he be rehired. However, Woodard made it quite clear that the man had quit and he wasn't going to rehire him--and he didn't.

Even with the loss of the "agitators" the union continued

to increase its membership. By the summer of 1937 the local claimed a membership of over 500. Twenty-six lumber operations in the area had a majority union membership in their employ. Included in that number was the W. A. Woodard Lumber Company; which, in June of that year, recognized the union as the sole bargaining agency for the employees.¹

As it will be seen in a later chapter, Woodard resisted any increase in union strength in a variety of ways. At the same time, however, he gained the respect of many active union members with his frankness and willingness to abide by an agreement once it was made.

Control of the Company and Problems of Finance

Fred W. Bradley, president of the board of directors and the company's largest stockholder, died June 5, 1932, in his home at Bay City, Michigan, from a paralytic stroke.² His death multiplied the complexity of the situation that faced the company in the early 1930's. The will of the 75-year old lumberman divided his shares in the company between various relatives. The 2063 shares of preferred stock were divided in equal lots of 515 3/4 shares. The recipients of the shares were his wife, Bessie S. Bradley; his son, Harold Bradley; a niece, Hulda Bradley Lumbrick; and his nephew, Nathan Bradley.

¹Ibid., June 10, 1937.

²Timberman, June, 1932, p. 75.

The 4533 shares of common stock were distributed as follows: Hulda Lumbrick, 755; Nathan Bradley, 495; Harold Bradley (held in trust by the Bay City Trust Company), 1249; Bessie S. Bradley, 2034, which were held by the Bay City Trust Company as security for loans outstanding in the name of N. B. Bradley & Sons.

The elder Bradley and Woodard had always cooperated with one another and trusted each other fully. Decisions were made as equals and not as one man holding more shares of stock than another. With some apprehension of the possible trouble that might result from having the stock spread among so many, Woodard set about to acquire a larger number of shares. The Bay City Trust Company offered Woodard the 2034 shares held by their company. The debt for which they had been held as security was long past due. The purchase was made for \$34,628 --\$17 a share. The shares held in trust by the Bay City Trust Company were represented on the board of directors by Paul Thompson, a vice-president of that firm. With the exception of Hulda Lumbrick, Thompson, Nathan Bradley and Woodard represented the major shareholders throughout the remainder of the 1930's. The 755 shares owned by Mrs. Lumbrick were purchased by Woodard in 1936.

As the new president of the board, Woodard met one crisis after another until it seemed that he had reached the point where every possible means was expended. The climax came in the spring of 1933, when the company, which did not even have

operating funds, was faced with the \$75,000 June 1 payment on the \$300,000 bond issue. It seemed almost unbelievable that after having met every payment the company should fail on the last installment. There were other obligations that were already overdue. Past due notes totaling \$46,000 were held by two banks. These notes for \$34,000 held by the First National Bank of Bay City, Michigan, and \$12,000 held by the First National Bank of Cottage Grove had an accumulated interest of \$2,500. Total outstanding indebtedness for the company was \$123,500.

In an attempt to solve the problem of the bond payment, Woodard went to Bay City to discuss the matter with the bank's directors. He presented the company's financial standing, discussed the company's prospects and asked the bank to allow additional time for the payment of the \$75,000. The bank granted a moratorium of three years. The new agreement required the payment of \$18,750 on the first day of June, 1936, through 1939, inclusive. It was further agreed to reduce the sinking fund payment from \$2.50 to \$1.00 per thousand board feet.

The problem of the remaining \$48,500 was solved by the issuance of additional bonds. The bonds, designated as "B" bonds, were secured by an indenture of mortgage subject to the lien of the first mortgage bonds. The \$48,500 bond issue bore an interest rate of 6 per cent. Interest was payable semi-annually, commencing June 1, 1934, with the principal

due as follows:

\$18,000	Nos. 1 - 18	June 1, 1940
18,000	Nos. 19 - 36	June 1, 1941
12,500	Nos. 37 - 49	June 1, 1942

Trustee for the bond issue was the Bay City Trust Company. Approval of these actions was made on April 29, 1933, by the board of directors meeting in Eugene, at the office of Charles A. Hardy.

At the same meeting, Woodard stated that "in order to resume the operations of the company it would be necessary for the company to have additional working cash capital."¹ The directors agreed to raise \$20,000 from their own number. The \$20,000 loan was secured by a chattel mortgage upon the quick assets of the company, consisting of lumber and logs in the process of manufacture, accounts receivable, notes receivable and cash on hand. The six month notes were in the name of Walter A. Woodard, \$10,000; Nathan Bradley, \$2,500; Hulda Lumbrick, \$2,500; and Bessie S. Bradley, \$5,000.

The notes were further secured by changing the beneficiary on a \$50,000 term life insurance policy held by the company on the life of Woodard. The policy was changed so that \$30,000 was payable to the W. A. Woodard Lumber Company and the remaining \$20,000 to the persons in possession of the notes.

The company's obligations were met on schedule from that

¹ Minute book of the board of directors, W. A. Woodard Lumber Company.

time forward through the minimizing of costs to the extent of personal sacrifice. In 1934 it was necessary, due to the dull market condition, to cancel the salary of Woodard for the last half of the year.¹ Woodard made the motion himself that his salary be discontinued until the company was better able to pay.

By 1936, the financial position of the company had improved sufficiently to declare a dividend. This presented another problem. The 2063 outstanding shares of 6 per cent, cumulative, non-participating preferred stock had not received a dividend payment since November 17, 1926. Unpaid dividends amounted to approximately \$60 per share.

The preferred stockholders agreed to waive their rights to the dividends in exchange for the right to share future profits equally and without limitation with the common stockholders. The stock became non-cumulative and remained non-voting. A \$2.50 dividend was declared on all outstanding shares of the corporation.

The 1930's saw the company survive the test of the most severe depression in the history of this nation. It also saw the organization of a union and witnessed the loss of two key figures in the development of the company. The death of Fred W. Bradley in 1932 and Charles A. Hardy, the company's legal advisor, in 1937 were great losses to the organization.

¹Ibid.

Their places were taken by Fred W. Elickle and Woodard's eldest son, Alton. Both of these men played a significant role in the continuing development of the company.

CHAPTER V

RED TAPE AND READJUSTMENT, 1940-1947

The two year period that passed between the outbreak of all-out war in Europe and the entry of the United States into the war in December, 1941, witnessed a sudden regeneration of the American economy. The lend-lease program of the government to aid the warring democracies and this nation's defense preparations made demands on industry that exceeded those of pre-depression days.

When the United States became a participant in the world-wide conflict, the demands made on American industry dwarfed by comparison those of any previous period. Along with the increased demands, came increased governmental regulation and control of business. American business rapidly became a closely regulated segment of the nation's overall defense program. The readjustment resulted in many trying experiences for the more individualistic members of the business community. The two year period following the end of the war in 1945 presented the problem of readjustment to peace-time conditions. The tremendous demands placed on the lumber industry during the war effort continued during the postwar boom as civilian housing and commercial construction expanded. The major problem that confronted the industry was labor

trouble, as labor and management were released from their patriotic duty to cooperate.

Transfer of Sawmilling Operations to Latham
and the End of Railroad Logging

The last major change in the prewar operations of the Woodard Company was the transfer of the sawmill operations to Latham. Woodard had been planning the centralization of the company's facilities since 1937. With the improved methods of transporting logs from the woods it seemed illogical to have the sawmill and remanufacturing plant separated by eight miles. The construction of the power plant and dry kilns during the 1930's was arranged with the long run view of the eventual erection of a sawmill at Latham.

The economic conditions of the 1930's prevented such a move. The only expansion that took place during those years were projects that either improved the company's market position, such as the dry kilns, or cost-saving features, such as the power plant.

Plans by the federal government for the construction of a dam on the Coast Fork, as part of an area flood control project, hastened the decision to build a new sawmill. It was announced at a meeting of the board of directors on February 1, 1940, that the proposed dam had been surveyed and that it would be located directly between the sawmill and Latham. This would necessitate either the construction of a new flume or the transfer of the sawmill operations. The

latter alternative was selected.

On April 30, 1940, an agreement was signed with the government, providing for the payment of \$108,000 to the company for damages. The government also agreed to assign easements to the company for a flume, railroad, or truck road along the edge of the dam. The agreement provided that the route adjacent to the dam be surveyed by the Corps of Engineers at no cost to the company.¹

The company continued to operate the sawmill until late August when the Corps of Engineers began tearing down the flume. The old mill, which had been constructed by Woodard's father in 1917, had produced over 400,000,000 board feet of lumber. During those twenty-three years it had grown from a capacity of 25,000 to 125,000 board feet per day.²

Construction began on the new mill in July. The plant was built adjacent to the planing mill. In preparation for the increased load, a new power unit was added to the power plant. Other new facilities included a fourteen-acre log pond to be fed by the Coast Fork.

The mill was completed in December with the installation of the machinery, most of which was transferred from the former mill. The first log started through the saw at 9:25 A.M.

¹Minute book of the board of directors, W. A. Woodard Lumber Company.

²Cottage Grove Sentinel, August 29, 1940.

on December 23, 1940.¹ After sawing for a short time the mill closed down for the remainder of the day for adjustments. New features incorporated in the mill included a band saw and a shotgun feed carriage with all dogs and adjustments on the carriage operated electrically. It was the first such head rig in the area and one of the fastest in the state. With the carriage dogs holding the logs firmly in place, a large steam cylinder would propel the carriage back and forth past the endless belt-like blade of steel, sawing the logs into rough slabs of lumber. A series of endless chains carried the lumber from the head rig to the other machinery and out into the yard. The increased speed of the machinery gave the mill a capacity of 150,000 board feet per day.

As a temporary arrangement, Woodard contracted with several local truckers to haul logs over the country road until the railroad could be extended to Latham. This temporary arrangement turned out to be more permanent than originally planned, due primarily to the "bungling" of the Corps of Engineers. Their proposed route was found to be lacking in accuracy. When the errors were corrected by Woodard's own engineer, the project was further delayed by the refusal of the Corps of Engineers to lower the water level of the dam during the summer to allow the company to construct fills between points separated by water. The company was forced

¹Ibid., December 26, 1940.

to wait until winter, when the weather conditions were such that the project was delayed for several months. One fill took over 250,000 yards of dirt. By the time the road had been surveyed and partly graded, steel became scarce and it was impossible to obtain track.

This resulted in a major change in one of the policies of the Woodard Company. All railroad logging was discontinued. Tracks were torn up and sold, along with the railroad equipment. The railroad route was widened and paved to provide a private logging road. The road was one of the finest logging roads in Oregon. No curve was greater than 10 degrees. Loaded trucks had a down grade all the way except for one strip where they climbed a grade of one-half of 1 per cent. The empty trucks returning to the woods faced nothing greater than a $1\frac{1}{2}$ per cent grade. The paved and well maintained road ran parallel to a country road. The contrast in engineering and maintenance was much like that between a freeway and a mountain road.¹

The road resulted in reduced operating costs. Trucks could travel the eighteen miles nonstop, carrying whatever loads were desired. Trucks using county roads were subject to load limitations, speed limits, traffic obstructions, many stops and steep hills with sharp curves.

¹This statement is based on the personal observations of the writer.

The temporary roads constructed in the woods by the company required engineering skill. Over 100 miles of these roads wound through the acres of timber. The roads were built with a heavy rock base so they could be used the year around. Grades on these roads ranged from 5 to 20 per cent, depending on the length of time they were to be used. Leon Morton, the construction foreman, headed the road construction crew which blasted stumps and cut the roads through the rugged timberland with bulldozers and heavy tractors.¹

The company continued to rely on contracted trucks until 1951, when they purchased their own fleet of 200 horsepower diesel trucks.

The Company in Wartime

The war years were characterized by high production and large sales. Ninety-seven per cent of the company's production was purchased by the government. During the years 1942 through 1944, the company produced almost 83,000,000 board feet of lumber. The first million dollar sales year was experienced in 1943. In view of these achievements, one might think that all was well during these years with the management of the company, but such was not the case.

One of the first problems that confronted the Woodard

¹For pictures of the Woodard Company's construction equipment and roads, see the Timberman, August, 1942, p. 49.

Company was the loss of manpower. As men volunteered and the draft was increased it was necessary to recruit older men from the community. Woodard's two sons were among those who went into the service from Cottage Grove. Alton, who had been the company logging boss, served in the Army Engineers and Carlton, who was still in college, became an officer in the Marines.

If Woodard sighed with relief when his dealings with the Corps of Engineers were completed, his relief was short lived. His contacts with government agencies were multiplied enormously during the war years. This was because, "the problem of converting factories from peace to war manufacture, of building new plants, and of establishing priorities for the use of raw materials and man power required central planning and direction in a degree unprecedented in democratic America."¹

One of the major war agencies was the War Production Board established in January, 1942. The agency was organized with six major divisions: purchases, production, materials, industry, operations, labor, and civilian supply, each under a separate director. More than two hundred advisory committees from various industries were established. Anti-trust laws were suspended, allowing these agencies to establish prices, and control production, wages and sources of raw

¹Barck and Blake, op. cit., p. 668.

material. The National War Labor Board handled labor-management disputes that were not settled through ordinary channels of collective bargaining. Management then was in partnership with the government.

Most orders for lumber for military use were channeled through a central agency headed by N. J. Anderson of the Anderson & Middleton Lumber Company in Aberdeen, Washington. Because of his knowledge of the lumber industry and lumber products, Anderson was able to allocate orders to mills best equipped to handle various types of orders. This speeded production as well as giving all mills their proportionate share. The most disturbing factor for Woodard was that 95 per cent of the government orders were for green lumber. Because of this, Woodard's expensive dry kilns were used infrequently during the war.

Production was placed on a forty-eight hour a week basis. Strangely enough, companies such as Woodard's that were able to run two shifts were not permitted to do so. This encouraged an influx of "fly-by-night" operators.

Agencies sent out thousands of bulletins dealing with every subject from production to toilet facilities. Oftentimes, the directives were beyond the comprehension of anyone in the company since they were written as though the author had never seen a tree, much less a lumber company. Frequent inspections were made by military and civilian officials. Reports by the hundreds were required in addition to the

normal load of correspondence and other paper work.

Needless to say, Woodard found the convergence of government officials and regulation extremely trying. In some cases he cut through the red tape to do things his own way. An example of this occurred in the summer of 1942 when there were three serious fires in Cottage Grove. On July 22, a fire destroyed Woodard's own newly constructed home. The \$150,000 structure, which contained 13,000 square feet, was completely leveled. Five days later there occurred the only serious fire in the history of the W. A. Woodard Lumber Company. A fire destroyed four dry kilns and 40,000 board feet of lumber for a loss of \$60,000.¹ On August 6, a fire destroyed the Chambers mill. The loss was valued at \$500,000.² The report regarding the fires stated that there was definite evidence that the destruction of the Woodard home was the work of an arsonist and that it was probable that the same was true of the two mill fires.³

Woodard and his wife rented a small home near the mill while they waited for authorization to use lumber to construct another home. When the reply came, it stated that no lumber was available at that time. Since Woodard could look out of his window and see lumber stacked all around his mill he

¹Cottage Grove Sentinel, July 30, 1942.

²Ibid., August 13, 1942.

³Interview with Walter A. Woodard, June 17, 1960.

"tended" to disregard the reply. Two weeks after he and Mrs. Woodard had moved into their new home he finally received permission to build.

This is not to imply that the Woodard Company met the personal needs of its owners before war demands. A letter dated April 21, 1944, from the War Production Board praised the company for consistently equaling production requirements and in many instances exceeding them. It went on to state that,

we must depend on the PLUS efforts of those who, at considerable sacrifice, are exceeding their quotas; and you are entitled to the satisfaction of knowing that you are included in the list of mills which are making this extra effort.¹

Not all the correspondence between Woodard and the government agencies was so satisfactory. On December 27, 1944, the company applied to the National War Labor Board for an increase in the wage for an off-bearer. An off-bearer stands directly behind the head saw and seizes slabs as they come from the saw, placing them flat on live rollers. The application stated that the company was unable to get a man to do this work at the wage of 95 cents per hour.

The job required a strong active man and conditions were harder than in the average mill because of the high speed head rig. In comparison to the Chambers Lumber Company or the Row River Lumber Company it ran one-third more lumber.

¹Correspondence records, W. A. Woodard Lumber Company.

The regular man who had held the job for several years had been drafted. The man who took his place left to work for Chambers, and the company had been unable to find a satisfactory man at that wage. The company was losing from 5,000 to 10,000 feet a day due to inefficient workers. It requested a wage increase to \$1.10 per hour.

Three months later Woodard received a mimeographed form letter denying the increase. On April 3 he sent this reply:

Gentlemen:

We wish to thank you for the very prompt decision on our case filed December 27, 1944. However, the writer wishes to state that if you people should accidentally /sic/ have a practical man stray into your organization, it would be a terrific shock to all concerned.¹

A classic example of administrative red tape and delay was the case of the chipper. The federal government made plans in 1943 for the construction of an alcohol plant in Springfield. Woodard and fifteen other area lumbermen organized the Willamette Valley Wood Chemical Company and put up a total of \$155,000 working capital to operate the plant. The new industry offered a promising future to the lumber operators in the area because of the highly profitable market it created for their waste products. Woodard was awarded a contract to supply wood chips to the company. Although construction did not begin on the \$2,500,000 plant until July, 1944,² Woodard applied to the War Production Board for

¹Ibid

²Eugene Register-Guard, July 6, 1944.

approval to purchase a chipper in the summer of 1943.

Woodard received approval from the WPB to purchase the chipper in October, 1943. The order was then placed with the Allis-Chalmers Manufacturing Company in Milwaukee, Wisconsin. A backlog of orders for machinery delayed its manufacture and notice of shipment was not received until January, 1945. On January 31, Woodard sent an application to the U. S. Department of Labor, Wage and Hour Public Contracts Division in Portland requesting approval of wage rates for eleven men needed to work on the construction of a building to house the chipper and to make the installation. There were no established rates for the jobs requested, so Woodard based his request on prevailing local rates: carpenters, \$1.50 per hour; millwrights, \$1.60 per hour; and a "boss carpenter," \$1.60 per hour.

The agency in Portland turned the request over to the Wage Adjustment Board in Washington, D. C. On February 17, Woodard wrote to Representative Harris Ellsworth asking his assistance in the matter since the chipper had arrived and the only factor holding up the project was the delay in the granting of wage rates. Later that same day a letter arrived from the Wage Adjustment Board stating that the application had been received, however, that it would be necessary to fill out some additional forms enclosed in the letter.

In addition to the completed forms, Woodard sent a list of all of the mills in the area that were paying the rates he

had requested. He also informed the Board that the machinery had been sitting idle for a week.

March 9, a wire was sent to the Board requesting their decision on the request. Four days later another letter was sent to Ellsworth requesting his help. A telegram was received March 16, from Ellsworth stating that he was doing all that he could to speed the decision.

A letter from Woodard to Ellsworth dated March 24 reveals Woodard's dissatisfaction with the entire situation. He began by thanking the Congressman for his help and continued:

You realize that it is impossible to hire men to come on a job when you do not know what you can pay them. I am at a loss to understand why we would be granted priorities to buy new equipment and then have to go through so damn much red tape to get a wage established to install the equipment. The wages I have asked for have been universally paid all around us.

We have been offered a contract for sawmill waste from the alcohol plant on a very profitable basis but what is the use of trying to put in the equipment to handle the waste when we can't get satisfactory arrangements to install equipment we already have for our sawmill. This is a terrible state of affairs when you take into consideration that after the first four months of the year, we are working under excise profit and the government gets 95 per cent of what we make.

I know I shouldn't trouble you with this but it makes me so damn mad I can hardly see.

On March 29, almost in desperation, Woodard sent the following telegram to the executive secretary of the Wage Adjustment Board:

On February 24 we sent by air mail application for wage scale. . . . On March 9, we wired you for information and as yet have not received reply. Would you be kind enough to give us a reply on this matter?

By April 9, Woodard had reached the boiling point, as revealed in this wire to Representative Ellsworth:

I have received nothing from the Wage Adjustment Board. They ignore my wires. Would it do any good for me to ask our senators to help us out in this matter?

Ellsworth replied April 13:

Wage application acted upon by Board this morning.
Approval granted.

Four days later the roof must have blown off of the office of the W. A. Woodard Lumber Company, when a telegram arrived from the Board notifying the company of the wage approval. The message was sent collect.

The story might have had a happy ending if it were not for the fact that the alcohol plant was a failure because of technical reasons. The contract for chips, therefore, was cancelled. In addition, Woodard lost \$15,000 he had invested in the alcohol company.

Although Woodard was rather impatient in regard to the wage rate decision he did not proceed to construct the building and worry about the government later as he had in the case of his home. This demonstration of patience was no doubt attributable to the fact that between the two occasions he had had some trouble with the government. The West Coast Lumber Commission of the National War Labor Board had prosecuted Woodard for violation of the Board's wage provisions. On December 17, 1943, Woodard received notice of a hearing charging him with the following:

Without War Labor Board approval among other things on or about June 25, 1943, you . . . put into effect an increase which has resulted from the recording of additional time for the employees in your woods operation.

The date of the hearing was set for January 5, 1944, at the city hall in Eugene.

The main thing that worried Woodard was that he was guilty. He had been paying his woods crew for nine hours work when they had actually worked eight. He had been doing so because the area in which they were working was extremely rough, and he had difficulty keeping loggers when they could work elsewhere under more favorable conditions and earn the same amount of money.

While this seemed only too logical to a practical business man, Woodard knew better than to base his defense on practicality. Instead, he hired one of the top lawyers in Portland, Herbert L. Swett of Dey, Hampson and Nelson. Mr. Swett, after gathering the necessary information, appealed to the War Labor Board to drop the charge. This appeal was denied.

Prior to the hearing Woodard went to the logging operations and told the crew he was in a little trouble because he was paying them better wages than the government wanted them to have. He also informed them that in all probability they would be called as witnesses, but for them not to worry about missing a day's work. He offered to pay them their regular wages, travel expenses, meals and all the whiskey

they could drink after the hearing--regardless of the verdict.

The hearing was conducted before a three member panel consisting of a representative of the public, labor and industry. The government was represented by two attorneys and the Woodard Company by Mr. Swett.

The government attorneys kept Woodard on the stand for nearly two hours without getting a great deal of information. He testified that all he did was check the payroll, he did not have time to watch all of the 160 men in his operations. He trusted that his logging superintendent was getting nine hours work out of the men.

Ralph Boul, investigator for the Wage and Hour Division of the U. S. Department of Labor, testified that he had the statement of three of Woodard's employees that they were working eight hours and being paid for nine. Mr. Swett called nine of the company's loggers to the stand, three of whom were alleged to have made the statement to Mr. Boul. Each logger testified that he went to work by the whistle and quit by the whistle and was paid accordingly (there was no whistle in the Woodard logging operations).

The panel ruled unanimously that the government's case was based on hearsay evidence which had been proven to be erroneous. The decision was therefore awarded to the W. A. Woodard Lumber Company.¹

¹Company records.

The panel members joined the loggers in the festivities that followed the hearing.

Labor Relations

Cooperation was characteristic of the relations between management and labor of the Woodard Company during the war years. The common goal of ultimate victory over the Axis powers was a strongly unifying force. But when this goal was achieved, an industry wide pattern of strikes occurred.

There was, however, one exception to peaceful wartime relations. On Sunday morning, February 7, 1942, Woodard was aroused from his sleep by someone knocking on the door. Upon opening the door he found five members of his woods crew who had come to inform him that the logging crew was going out on strike the following day unless their demands were met. They stated their demands as a closed shop, transportation to and from the woods, and a ten-cent an hour increase in pay. They received their reply as the door slammed shut.

Pickets were placed around the mill Monday morning and the mill crew joined the strikers in a sympathy strike. They also added their own demand for a five-cent an hour increase. Woodard had voluntarily given a two to five cent an hour increase three months earlier and still paid the best wages in the area. He was somewhat upset, especially by the discontent among the woods crew.

The day after the strike began he demonstrated his distaste

for the situation by quietly leaving town and flying to San Diego, California, for a vacation. It was costing the company \$2,000 a day to have the plant closed, but he decided it would be worth the expense if it would prevent a recurrence of the situation.

After three weeks of relaxation in San Diego, Woodard received a phone call from a representative of the National War Labor Board in Seattle. He had been trying to locate Woodard for over a week and insisted upon Woodard returning to Cottage Grove to bargain with the union. Woodard informed the caller that he had not asked the workers to leave and he was not going to ask them to return. He, nevertheless, returned to Cottage Grove where negotiations with the representatives of the Sawmill and Timber Workers, Local 2915, commenced.

The negotiations were prolonged by an unwillingness by either side to alter its position. At the end of the third week of negotiations a compromise was finally reached. The woods crew received a five-cent an hour increase and the mill crew a two and one-half cent an hour raise. Of the five cents given to the woods crew, two and one-half cents was to be placed in a fund for the purchase and maintenance of a bus in cooperation with the company. The bus was essential because of the gasoline and rubber shortages. The bus proved to be so successful that it was continued even after the war, with the company paying all of the expense. The other

provision of the contract established a union shop.

The employees returned to work on March 19.

Industry wide strikes occurred in 1945 and 1954. The longest of these strikes was the 1945 strike. The Woodard operations were shut down for eleven weeks beginning September 24. The primary issue was wages.

The Woodard Company was closed a week longer than the other mills in the area because Woodard decided he would pay the same wages as his competitors. The union claimed Woodard could not stop paying the differential. He informed the union that if he could not run the company he would close it down permanently. The workers went back to their jobs with a raise in pay, but without the differential. It was restored a few weeks later, as soon as Woodard felt he had demonstrated his authority in the matter.

His attempts to contain the power of the union were successful to some extent. He formed "dummy" companies to do construction work for the company so the workers would not come under the union contract. The Morton Construction Company was formed in 1938 for this purpose, and continued for several years. In 1951, when it looked as though there might be a question of union membership for construction employees, a company was again organized, this time called the Woodard Construction Company. Construction workers did not become union members until 1954.

Woodard resisted the growth of the union because he felt

that he had been a working man for enough years to know what a man wanted. His policies were practical rather than paternalistic. Men wanted good pay and a steady job and Woodard provided the best in the area. The new mill at Latham was all enclosed, not only because it was more comfortable for the men, but also because the men could do more work when they were not burdened down with coats and heavy clothes.

In the old days of the bunkhouse, gambling was not allowed not because Woodard was a moral reformer, but because he knew gambling could cause hard feelings between the men. It also meant an occasional all-night poker game depriving the men of the sleep they needed for a full day's work.

When a man walked through the gate of the plant he was there to work, not to engage in social activities or recreation. In the same sense, the money he earned was his own and the company did not spend it for him or help him spend it. Charities were not allowed to solicit in the plant and there were no deductions made from the payroll for that purpose. The company did not even allow deductions for war bonds during the war.

Woodard always maintained an "open door" policy. He personally handled all of the grievances presented by the union. If an employee had a complaint, a problem or just a question, Woodard was never too busy to see him. This policy does not seem to have applied to family problems or neighborhood squabbles. On one occasion a minor war was being waged

in the company housing project near the old sawmill. Finally, five of the wives came to Woodard's office to seek his counsel. Each presented her side of the argument. Woodard listened quietly until they asked what his decision was as to who was in the right. He told them to go home and work out their problems and that if he heard one single word about any trouble in the future he would fire every one of their husbands. All was quiet in the housing project from that time on.

Postwar Readjustment

The management of the Woodard Company had many reasons to be elated over the cessation of the war. The younger men would be coming back to replace the older and less efficient workers. It would mean an end of the extensive governmental regulations and controls. There was nearly four years of construction to catch up with across the entire country, meaning a continuance of lumber demand. There were, however, problems that clouded this bright picture.

The postwar housing shortage that plagued many areas of the nation was also found in Cottage Grove. The influx of returning servicemen and other people seeking employment filled every available house in the area. The housing shortage prevented people from settling in the area, and demand for labor began to exceed the supply.¹

¹Cottage Grove Sentinel, August 15, 1946.

Late in 1946 the shortage reached the point that the company began construction on twenty-two houses adjacent to the mill. The two and three bedroom homes rented for \$38 and \$45, respectively. This was several dollars below what comparable houses were renting for; Woodard, however, felt that the policy was justifiable since it kept a number of men at hand in case of an emergency. In case of a fire at the plant at night the men could be there immediately. After the company began a night shift at the mill, the houses were near enough so that the housing project was a good source of extra manpower should a worker be needed to replace someone. Woodard's own home was located adjacent to the mill site. The company added six additional units during the following year.

Another shortage plagued the company's operations early in the postwar period. Just as after the First World War, freight cars became very scarce. The summer months of 1946 saw shipments of lumber fall far behind schedule. Large demands for cars in the grain states lessened the number of cars available. There were still 125 cars leaving Cottage Grove per week, which was about twenty-five cars above the average prewar shipments.¹ The Woodard Company continued to operate by stacking lumber until cars were available.

The shortage of cars and labor was in part due to the tremendous influx of new sawmills during the war. At the start of the war there were 350 sawmills in Oregon. By

¹Ibid.

December, 1946, that number had increased to over 1,000. The number of mills in Douglas County multiplied ten times and Lane County alone had 230 mills.¹ Production in Lane County passed the billion feet mark for the first time in 1946.²

The increasing number of mills in the area meant greater competition for timber sources. Long established companies, such as Woodard's and Chambers', became concerned over the rapidly disappearing resources. These companies were the first local firms to establish tree farms.

At a public ceremony on October 12, 1944, Senator Guy Cordon formally dedicated the tree farms of the two firms. In becoming members of the West Coast Tree Farms system, the companies agreed to maintain roads in the cut-over areas and provide fire fighting equipment. Very little planting was done since the trees grew back naturally.

The postwar years also brought significant changes in the capital structure and ownership of the company. Woodard found that he was continually faced with opposition from Nathan Bradley concerning the operation of the company. Bradley frequently opposed the expansion programs instituted by Woodard. Rather than have dissension on the board of directors, Woodard felt it would be best if Bradley were relieved of his duties. At the annual meeting of the stockholders

¹Ibid., December 12, 1946.

²Ibid., January 2, 1947.

held August 15, 1946, when directors were elected for the following year, Bradley was replaced by Carlton Woodard.¹

At a meeting on the following day the authorized common stock of the corporation was increased from 5,000 to 7,500 shares. Alton and Carlton Woodard each subscribed to 500 shares. The Woodard family then held over 75 per cent of the common stock. On August 17, the directors voted to reduce the number of preferred shares outstanding to 1000. They, therefore, voted to redeem the outstanding shares of preferred stock held by Hulda Lumbrick, sister of Nathan Bradley, 515 3/4 shares; Nathan Bradley, 515 3/4 shares and the 15 3/4 shares each held by Bessie Bradley and the Bay City Trust Company as trustee for Harold Bradley. The stockholders were paid a redemption price of \$100 per share. The remaining 1000 shares of preferred held by Bessie Bradley and the Bay City Trust Company were redeemed June 3, 1947.

The redemption of the preferred stock was of significance. Because of the highly profitable operations of the company during the war and the years following, dividends were liberal and regular as contrasted with the sporadic payments in earlier years. Payments ranged from \$5 to \$20 per share. Because of the ability of preferred shares to participate equally in these dividends, their redemption amounted to a large savings for the company. The holders of the

¹Minute book of the board of directors, W. A. Woodard Lumber Company.

preferred stock objected to the move; however, they were powerless to resist since the stock was non-voting.

By the end of 1947, the company could look back on a successful war effort and readjustment to the postwar conditions. With the removal of any opposition to expansion and with an increased capacity to retain earnings with which to finance expansion, the management of the company looked forward to further expansion and many years of continued operation.

CHAPTER VI

THE END OF AN ENTERPRISE, 1948-1956

The development of the well integrated Woodard operations over the span of years between 1920 and 1948 had been a long and, at times, difficult struggle. The physical plant at Latham had begun as early as 1920 with the company's shipping docks. There had been the eventual development of remanufacturing facilities, dry kilns, storage sheds, a power plant, a warehouse and the sawmill. The plant had been well built and well maintained, but the combination of age and the heavy demands of the war and postwar boom had taken their toll.

In 1948, the management of the company initiated a re-development and expansion program in order to improve its competitive position. The end result was one of the most efficient lumber companies in the industry.¹

The company, which provided employment and economic stability for Cottage Grove, also demonstrated its feeling of social responsibility by making possible several community projects.

The expansion of operating facilities and its ever increasing role in community affairs gave little indication

¹Weyerhaeuser News, June, 1957, p. 7.

that the company was in its final stages.

Expansion

The program to improve the company's competitive position was initiated in 1948. The overall plan called for the revamping of the older facilities, the expansion of productive capacity and the diversification of products. Two additional steps were, a fire protection reservoir and the incorporation of the Kimwood Machine Company.

The machine company was incorporated in 1951, by Alton and Carlton Woodard and Herbert Lombard. Through Walter Woodard's inventive and mechanical skills, machinery that was ordered from manufacturers was often altered to Woodard's specifications. By incorporating a full-sized machine company with a shop directly across the highway from the plant, machines could be built exactly to his specifications. It also prevented delays in receiving machine orders. The Kimwood Machine Company manufactured over one-half of the company's machinery from that time on, as well as manufacturing sawmill machinery for other lumber companies throughout Oregon.

The fire protection reservoir was built in 1948. The 3,000,000 gallon reservoir was excavated on a hill above the plant. The water supply was tapped by a fourteen-inch pipe leading to an automatic sprinkler system in the plant.

The revamping program for the plant itself did not result in any lost time for the operations. Although most of

the work was done during the day, any job that would have necessitated halting production was taken care of at night. The old wooden shipping docks were replaced by concrete docks, and the foundations of all of the buildings were reinforced with concrete and steel.

By early 1950, the rehabilitation program had progressed so that a second shift at the plant was possible. Another 100 men were added to the payroll, and night shift operations began in mid-January. Production totaled 35,760,656 feet in 1950, as compared to 26,295,886 feet in 1949.

In order to use more efficiently the timber that was being logged, the company aimed at diversification. A plywood mill was planned so that logs suited to plywood manufacture could be utilized more profitably. The construction of a plywood mill necessitated an increase in the capacity of the existing power plant.

A \$1,000,000 power plant was erected. The plant was powered by two 2,500 horsepower boilers and two steam turbines of 3,500 and 4,000 kilowatt capacity. The old power plant continued to supply power for the plant while the new powerhouse was installed. Entirely new equipment was purchased. The changeover was completed without a loss of a minute's production.

Upon the completion of the power plant, the company contracted to supply the Mountain States Power Company with 3,000 kilowatts for approximately \$60,000 additional annual revenue.

The log pond was also increased in size in preparation for the plywood plant. The pond was enlarged to sixty acres in order to handle the larger supply of logs that would be needed.¹

On December 14, 1950, the Cottage Grove Sentinel announced, in one of its rare headline editions, that a plywood plant was to be built. The news came as little of a surprise to the residents of the area since the grounds for the new plant had been recently leveled and speculation was high that it was for that very purpose. Construction of the plant was scheduled for completion at approximately the same time as the power plant, late summer or early fall of 1951.

Plans for the construction of the plywood plant were delayed in July, 1951, when a large block of cut-over timberland was offered to Woodard by Warren H. Daugherty, owner of the Lorane Valley Lumber Company (formerly the J. H. Chambers Company). The agreement included the purchase of 15,000 acres of cut-over land at \$10 an acre and the old Chambers plant, which included a planing mill, dry kilns, storage sheds, loading sheds, and a small lumber inventory for \$412,000. The agreement also included a log cutting contract for 120,000,000 feet of timber owned by Daugherty.

Woodard was particularly anxious to acquire the timberland and cutting agreement. Timber was becoming increasingly

¹Cottage Grove Sentinel, December 14, 1950.

difficult to obtain. Competition for the timber sold by the government was much more intensive than in the days of the 1920's and 1930's, when Woodard seldom had to bid against anyone. The competition by 1956 had reached the point that Woodard was forced, on one occasion, to make the four hundred ninety ninth bid before he won the spirited contest.¹ He paid \$58.85 per thousand for timber in the same area where he had once paid \$2 per thousand. The syndicate, W. A. Woodard et al., made infrequent purchases in later years, because of the difficulty of obtaining large blocks of timberland. The Daugherty offer afforded an opportunity to add substantially to the company's timber reserves.

The cutting agreement established a base price, adjusted to the West Coast Lumberman's Association report on log prices. Woodard contracted with the High-Point Logging Company and Farmer & Sons Logging Company to cut the timber. After the logs were cut and scaled, Daugherty was paid the current price quoted in the West Coast Lumberman's Association report.

Woodard did not plan to operate the manufacturing facilities of the Lorane Valley Lumber Company once the existing inventory was processed. In July, 1952, after transferring a bridge crane and several storage sheds worth over \$100,000 to his own operations, Woodard sold the Lorane Valley Lumber

¹Ibid., August 2, 1956.

Company to the Madonna & Arnold Lumber Company for \$311,000.

The cutting agreement with Daugherty continued until July 1, 1953. At that time the agreement between the two parties, with regard to the purchase of the 15,000 acres of cut-over timberland and the cutting arrangement, was cancelled. The primary reason for the cancellation of the contract was mutual dissatisfaction with the cutting agreement. Daugherty felt that he could obtain 10 per cent more for the logs on the open market and he did not feel that the Woodard Company was cutting fast enough. Woodard was dissatisfied because the logs were of a lower quality than were needed for the company's products.

A new agreement was made calling for the sale of 10,000 acres of the cut-over land to the Woodard Company at a price very favorable to Woodard.

With the conclusion of the Daugherty purchase, Woodard and his son, Carlton, began an extensive tour of plywood plants. During the three-month tour, they visited every major plywood operation on the West Coast. As they toured, the elder Woodard would scrutinize every detail of the operations. He would time every movement in the manufacturing process, frequently whispering in Carlton's ear, "We can beat that."

Construction finally began on the plywood plant in the spring of 1954, and because of a delay in the arrival of some machinery, the \$2,000,000 plant was not in operation until

January, 1956. Of the machines that were installed, two of them were patented by Woodard. One was an advanced system of pulling green and dry veneer while the other was a photoelectric cell device to center logs on the plywood veneer peeler automatically. These inventions, by the imaginative lumberman who had never worked in a plywood plant or managed one, are still being manufactured and successfully marketed by the Kimwood Machine Company.

The plywood plant employed some 200 workers and produced 200,000 square feet of 3/8-inch plywood per day, with two shifts.

With the addition of a pony rig in July, 1955, the productive capacity of the sawmill reached 300,000 feet a day. The small scale band saw and carriage cut smaller logs that were difficult to handle on the large carriage. The small rig increased capacity by 40 per cent.

By early 1956, the company boasted a plant that was second to none in efficiency and speed in the Northwest.

Finance

The large expansion program embarked upon by the company in 1948 was financed by retained earnings and money borrowed from the local bank. Woodard's unfavorable experience with bond issues in the 1930's convinced him that the company should never again rely on that method of financing.

When there was a need for capital in excess of the

company's reserve funds, Woodard would negotiate a note for the amount with the First National Bank of Oregon, in Cottage Grove. The notes were secured by company assets and Woodard's personal signature. Loans were generally kept under \$750,000.

Woodard never again took the chance of losing the company because of a severe decline in the market. His strong financial position also placed him in a good bargaining position with the union. There was never a time when the company had to operate and therefore would be forced to back down to a strike threat.

Labor Relations

Employees of the Woodard Company enjoyed the increase in wages and fringe benefits gained by industrial workers throughout the nation following the war. Except for a two-day strike in February, 1951, over seniority provisions, which resulted in the payment of back wages to several union men, the company operated without a strike until June, 1954.

The A. F. of L. and C. I. O. locals went on strike for a $12\frac{1}{2}$ -cent an hour wage increase on June 21. By June 23, every A. F. of L. mill in the area, except Woodard, had returned to work, giving the workers a 5-cent increase.¹ Woodard was not eager to bargain; however, he offered a 3-cent increase on July 8. Vern Black, president of the Sawmill and Timber

¹Ibid, June 24, 1954.

Workers Union stated that Woodard thought "his 3 cents [was] as good as somebody else's nickle."¹ Woodard was in no hurry to settle the strike since there were repairs to make on the plant and some construction work. The union accused him of "hanging tough" and of following the example of Booth-Kelly and Weyerhaeuser,² both of whom had refused to give the increase to their C. I. O. locals. The strike ended July 19, with the employees returning to work with a 3-cent an hour increase.

Woodard had made a move in December, 1950, that he hoped would decrease the number of strikes. He discontinued his logging crew.³ He had felt for many years that the militancy of the union was centered in the woods crew. The men in the woods spent more time together than did the workers in the plant. Every morning and evening they rode together to and from the logging camp on the company bus. These rides afforded an opportunity to discuss their mutual complaints. They worked in groups in the woods and could generally eat lunch as a group. In contrast, the employees at the plant often worked several yards from their nearest fellow worker. The noise in the plant made communication difficult and there was seldom any need to communicate. After work, the plant employees would go home and they were less apt to attend

¹Ibid., July 8, 1954.

²Ibid., July 1, 1956.

³Ibid., December 28, 1950.

union meetings in the evening. On the other hand, by the time the woods crew got back to town they could go as a group to the meeting.

Woodard decided to end this breeding place of militant unionism, where the first movement to organize his company had begun. He turned to contract logging, which cost approximately the same as operating his own crew, and avoided the labor problems. He retained those employees with long service records, who could be fitted into other of the company's operations.

Other policies toward labor remained the same. The company never became a member of the Willamette Valley Operator's Association, which bargained with unions. The Woodard Company remained independent. They would have preferred that their employees remain out of industry-wide disputes and concern themselves with their own problems. But, this was not achieved.

Marketing

Fred W. Blickle joined the Woodard organization in 1935. Prior to this, Blickle had gained valuable experience in production and sales. He had worked nine years as superintendent of the 200,000 foot capacity Waite Mill & Timber Company in Granite Falls, Washington. His background in production and sales also included employment with the Clark-Nickerson Lumber Company in Everett, Washington, and the Westwood Lumber Company at Wheeler, Oregon. He worked two years at Bradwood before

coming to Cottage Grove.

The sales of the Woodard Company since 1921 had been handled by Woodard's older brother, John. Products were shipped primarily to California. The Diamond Match Company purchased 70 per cent of the company's output and John Woodard worked hard to keep that important account. The company, which had over fifty retail lumber yards in California, paid \$1.00 per thousand extra for orders shipped within one week of the time they were placed. The remaining output of the company was sold to other retailers through wholesalers.

When Blickle became sales manager, replacing John Woodard who was transferred to the job of handling timber acquisitions and surveying, he made several major changes. He did not feel that the company's dry kilns were being utilized sufficiently. Most of the lumber was being marketed in California where the freight differential between green and dry lumber was not sufficient to offset the lower price of the green lumber. Because dry lumber weighs 300 pounds less per thousand than green, Blickle felt that the logical move would be to develop marketing areas where the increased production costs of dry lumber would be offset by its lower freight rates. The higher quality of the product would serve as an inducement to buyers to pay even more once the demand was created.

Blickle compiled a mailing list of several hundred retail lumber dealers in Iowa, Minnesota and North and South

Dakota. The material mailed to the dealers included a complete description of the company's products and a price list. The company offered to supply mixed quantities of any items desired. This offer was an inducement to buy from Woodard since many companies would not ship mixed orders since such a policy required the maintenance of large inventories.

As orders began to come in from these points the dry kiln capacity was increased. Blickle then cancelled the Diamond Match account and no longer dealt with lumber wholesalers.

Quality and service served as the company's salesmen. When an order was received it was acknowledged by a telegram and quickly made ready for shipment. The lumber products were carefully inspected for defects. The lumber was kept clean and not allowed to darken in the sunlight. Each board was clearly marked with the Woodard name. The superior qualities of Douglas fir and the added care taken by the Woodard Company enabled the products to compete successfully with the Southern pine producers, which generally dominated those markets.

Competition from fellow West Coast producers was limited because of the high cost of dry kilns and storage sheds for inventories. While many companies had dry kilns, they were seldom capable of drying 100 per cent of the company's products or of maintaining the inventories to compete with Woodard's mixed carload trade.

As one market area was developed, Blickle would send price lists into a new area. He concentrated on developing one area at a time since he felt that news concerning the quality of the products and service would spread throughout the area. The company used no other form of advertising. When an area developed into a regular market for the company, prices were gradually raised.

By the late 1940's the company's market area crisscrossed the map from Nebraska to Pennsylvania, Michigan to Alabama, North Dakota to Florida and New York to Texas. Retail yards in these areas comprised 98 per cent of the company's sales.¹

Blickle occupied a unique position in that he was in charge of both sales and production. His sales department consisted of one assistant until the plywood plant went into operation, when another man was added. The elimination of salesmen and middlemen meant a savings of an average of \$1,250 a day in the 1950's. Savings in the 1930's and 1940's had averaged between \$400 and \$750 a day.

With Blickle in charge of both production and sales, the two functions were coordinated. Most companies use a separate man in each position, which often results in an imbalance since one is production oriented and the other promotes sales without sufficient consideration of the problems of production. The sawmill foreman was directly responsible to

¹Interview with Fred W. Blickle, July 17, 1960.

Blickle as was Stewart Carlson, Woodard's brother-in-law, who was in charge of shipping and the dry kilns. The position occupied by Blickle was extremely demanding and he was compensated accordingly. Under his direction, sales rose from less than \$500,000 to over \$6,000,000 and production increased from less than 26,000,000 feet to over 66,000,000.

Organizational Structure

On June 8, 1954, Walter Woodard stepped down from the office of president to become the chairman of the board of directors. His place was taken by his youngest son, Carlton.

Carlton Woodard was not a newcomer to the lumber business. Since he was fourteen he had worked in the plant and in the woods. After his discharge from the Marine Corps in the fall of 1946, he completed his education at the University of Southern California, where he was graduated in January, 1947. He returned to work on the green chain, the log pond, and ran the woods operation for a year. He then went into the office and worked as purchasing agent. In March, 1948, he became treasurer of the corporation.

After becoming president, he handled the detail work in the areas of expansion, finance, maintenance and purchasing. His functional title was assistant manager. Walter Woodard functioned as general manager and dealt primarily with long range planning and questions of broad policy. He remained the company's greatest expert in technical matters dealing

with production.

Alton Woodard, Woodard's oldest son, was the corporation's vice-president and functioned as logging manager. He handled contracts with logging companies and planned the cutting procedure on company owned land. He coordinated all of the functions from the purchase of the timber until the logs were in the pond.

Fred W. Blickle was a vice-president and production and sales manager. The remaining members of the board were Mrs. M. Louise Smith, secretary, and Paul Thompson, director.

Philanthropy

The enterprise that was created by Walter Woodard was of vital importance to the community in which it operated. The company provided stable employment and security to an increasingly large number of employees. The company did not limit its contribution to the community to an employer-employee relationship. As a locally owned and operated business, the management of the company was interested in making Cottage Grove a better place in which to live.

Like many small towns, Cottage Grove had a small and poorly equipped library. Mr. and Mrs. Woodard decided that the library would be an excellent place to begin improving the cultural assets of the community. Mrs. Woodard was particularly eager to see the development of an interest in literature by more of the local citizens. As early as December,

1942, the Woodard Company made a \$5,000 contribution to the library (to use) for the purchase of books.¹

The following December the company purchased a lot and announced the intention of erecting a new library building as soon as materials were available.² A donation of \$5,000 was made to the building fund in December, 1946, and again in September, 1948, a like amount was added.

After eight years of planning, the library project was completed. On July 1, 1950, the people of the Cottage Grove area were presented a complete library by the W. A. Woodard Lumber Company. The structure was colonial style, with indirect lighting, radiant heat and a completely equipped kitchen for reading and study clubs. A crowd of 1,500 saw Governor Douglas McKay dedicate the W. A. Woodard library.³

The editorial of the Eugene Register-Guard on July 5, was devoted to the occasion.

In some ways, the dedication of Cottage Grove's new library Saturday afternoon was one of the most impressive dedications we have seen. . . . This one was different because this new library at Cottage Grove represents the effort of a citizen to "do something" for the community in which he has lived and worked for fifty years. That is one of the oldest and finest of American traditions. Walter Woodard may not know it, but he disappointed at least one of his old friends in his very brief donor's speech the substance of which was: "I hope the people of Cottage Grove get as much pleasure out of this library as Mrs. Woodard and my associates

¹Cottage Grove Sentinel, December 17, 1942.

²Ibid., December 9, 1943.

³Ibid., July 6, 1950.

and I have had in giving it."

The old associate at the curb grumbled: "Hell, old Baldy could make a better speech than that. He talked to us boys at the mill for two hours after he got back from Europe."

While it might be true that Woodard was capable of speaking at much greater length, his speech was typical of the man. Whether building a library or a lumber enterprise, Walter A. Woodard was a man more characterized by action than talk.

The interest of the Woodard Company in the library did not cease with the completion of the building. In August, 1951, another \$4,000 was donated to the library for additional furniture and landscaping.¹ Contributions to the library by the Woodard Company were in excess of \$55,000.

Because of his contributions to the community, Woodard received the annual "first citizen award" from the Cottage Grove Chamber of Commerce in 1951.² In 1953, the contribution of the library received recognition from the editors of Who's Who in America. Mr. and Mrs. Woodard were awarded a special citation titled, "The Sixth Biennial Citation" for the gift bearing the highest ratio to the annual average income of the donee library for the period from July 1, 1947, through June 30, 1951. In presenting the award the editors stated that the gift enabled Cottage Grove to boast facilities second to none in any community of its size.³

¹Ibid., August 23, 1951.

²Ibid., December 12, 1951.

³Ibid., September 10, 1953.

Woodard's civic improvements were not limited to the library. The local Business and Professional Women's club had been laboring for many months to begin a fund raising campaign for a local hospital. The nearest hospital was in Eugene, twenty miles away. The fund raising drive failed to gain much momentum until Woodard made a \$25,000 contribution in October, 1947.¹

Woodard's sudden interest in the hospital was inspired by poor service he received at one of the hospitals in Eugene. He decided that it was time that Cottage Grove had its own hospital.

Once Woodard decided Cottage Grove needed a hospital he energetically went about seeing that it became a reality. He had his attorney, Herbert Swett, draw up the incorporation papers for the non-profit organization. Swett then drew up papers requesting the aid of the federal government under the provisions of the Hill-Burton Act. The act provided for the payment of one-third of the total cost by the government and two-thirds by the community. Woodard paid the attorney's fees from his own funds and signed the papers with the government guaranteeing the community's share.

After his own generous contribution, Woodard solicited aid from his fellow lumbermen. They responded very favorably with donations of large sums. The larger contributors were the Row River Lumber Company, Booth-Kelly and Warren Daugherty.

¹Ibid., October 2, 1947; Eugene Register-Guard, October 2, 1947.

When the campaign reached a stalemate at the halfway mark, it was Woodard who took the initiative and put new life into it by increasing the donation of the Woodard Company and encouraging others to do likewise. The company donated over \$70,000 to the project.

The \$300,000 civic project was completed in April, 1951. An editorial in the Cottage Grove Sentinel labeled the new hospital a "monument to the lumber industry."¹

Over the years the Woodard Company made many ^{other} contributions--a clubhouse for the Cottage Grove Mothers Club, a rare French manuscript to the University of Oregon, land for a city baseball park, and so forth. The contributions were generally large and something that would benefit the entire Cottage Grove area. Woodard felt that it was a mistake to donate \$25 or \$100 to every project in the country. He also refused to donate to churches. Mrs. M. Louise Smith, Mr. Woodard's private secretary, would chuckle heartily when Woodard informed soliciting clergymen that he was taking care of the bodies (the hospital) and that he would let them take care of the souls.

The donations made by the Woodard Company were not in the area where its products were marketed, nor were they exploited for their publicity value. They were given to a community where Walter Woodard had lived for over fifty years.

¹Cottage Grove Sentinel, April 19, 1951.

He did his part to see that the community in which he and his family and employees lived was a better place.

The W. A. Woodard Foundation, a non-profit corporation, was formed for the purpose of distributing funds for the improvement of Cottage Grove and the surrounding area.

A Giant Takes Over

On December 21, 1956, Walter A. Woodard stood in the place of Art Dugan and operated the controls to cut the last log sawed by the W. A. Woodard Lumber Company. For nearly thirty-seven years Woodard had guided the entire enterprise with the same firm grip that he used to guide the carriage as the last log was sawed. The crew that in 1920 had numbered 25 now exceeded 450. The company which operated only sporadically for two years during the depression had not missed a working day for over two and one-half years. Now, however, the end had come. The lumber mill, plywood mill, 55,000 acres of timberland, thirty-seven company-owned houses, the sixty-acre log pond, inventories and all equipment were turned over to the Weyerhaeuser Timber Company.

Executives of the giant Weyerhaeuser Company approached Woodard in September of that year concerning the possibility of buying the properties. Weyerhaeuser was given the exclusive right for ninety days to inspect the property. At the end of that period George Weyerhaeuser and Woodard agreed upon terms of the sale. Weyerhaeuser received all of the

physical assets of the Woodard Company and the timber holdings of W. A. Woodard et al. Woodard retained accounts receivable and unfilled orders.

Weyerhaeuser wanted the Woodard operation primarily for two reasons. The Woodard timber holdings were adjacent to their 255,000 acre Calapooya tree farm.¹ By extending the Woodard logging road two miles, the entire Calapooya holdings could be tapped. Weyerhaeuser also wanted the newly completed plywood mill. The company had planned to increase the capacity of their plant in Springfield; however, the acquisition of the Woodard Company made it unnecessary.²

Why did Woodard sell such a compact and highly efficient and profitable operation?

The company found its timber sources being cut off by giants; Booth-Kelly on the west, Weyerhaeuser to the south and the International Paper Company to the east. While this did not mean that the company would soon be squeezed out, it did limit any future growth. The sale to Weyerhaeuser guaranteed the continued operation of the facilities.

The captain of the enterprise was nearing his seventieth birthday and his sons were ready to try new fields. The decisive factor was \$17,000,000. This amount represented the sale price plus accounts receivable and unfilled orders.

¹Weyerhaeuser News, June, 1957, p. 7.

²Interview with Walter A. Woodard, July 17, 1960.

The sale of the company had its impact upon the community. During the inspection period, rumors began to circulate that the company would be sold and the operations transferred to another locality. It is not uncommon in the industry for a company to be sold to a larger concern which is interested primarily in the timber holdings, and then have the community left without a major payroll. After Marcola suffered the loss of the Fischer Lumber Company the town rapidly declined. Whether a town lost the payroll because the company was sold or because it went bankrupt, the results were the same. In Brookings, Oregon:

At ten o'clock in the morning of a day that held much promise, the mill whistle suddenly sounded and extended into a long, drawn-out, apprehensive howl. Perhaps half a dozen people in Brookings knew what the whistle meant. Most of the townspeople and workers in the big California and Oregon Lumber Company mill simply wondered. Within minutes they knew.

The C and O whistle on that 1925 day sounded the end of hopes, plans and operation. The mill machinery stopped with a jolt. Not another wheel or roll ever turned. A redwood log lay sprawled halfway up the slip. The carriage jerked to a standstill just before it came up to the slack band saw. Fires died under the boilers. Ships at the long dock rocked idly, short of cargo. Crane arms pointed at varying angles. Cedar, spruce and redwood in the pond remained undisturbed as green lumber warped in the yards. This was it.

The California and Oregon Lumber Company had been launched in a big way with all the backing wealth could give it, with all of the confidence and cooperation of grateful citizens. But after eleven years of operation a great enterprise was a dead thing. Within a week 1100 people moved out of Brookings, hotels and stores closed and the mill lay victim to the ravaging reach of rust and decay.¹

¹Ralph W. Andrews, This Was Sawmilling (Seattle: Superior Publishing Company, 1957), pp. 105-06.

But in the case of the sale of the W. A. Woodard Lumber Company, when negotiations had been completed, George Weyerhaeuser and Woodard issued a joint statement. Weyerhaeuser assured the community that all of the operative employees would be retained, while Woodard stated that the sale was in pursuance of his desire that the area would be assured of a stable future in the forest products industry.¹

The company no longer bears the name of the man who, through it, gave so much to the community, but Cottage Grove still has its thriving lumber industry.

¹Cottage Grove Sentinel, December 13, 1956.

CHAPTER VII

THE W. A. WOODARD LUMBER COMPANY IN RETROSPECT

This case study has been the story of the development of a \$15,000 mill operation into a \$17,000,000 enterprise. It began in 1900 when the Ambrose L. Woodard family migrated to Oregon from Wheaton, Illinois. It ended in 1956 when the Woodard Company was sold to the Weyerhaeuser Timber Company. Between February 18, 1920, and December 21, 1956, the company produced over 1,000,000,000 board feet of lumber. Yet, the theme of the story has not been production, but rather the spirit of "rugged individualism" in and through which the enterprise developed.

The Woodard Company was in business during years of extreme economic, social, political and technological change. The thirty-six-year history of the company witnessed two severe depressions, the rise of unionism, increasing government controls and revolutionary changes in logging and sawmill operations. An investigation of the policies and actions of the company's management reflects the influence of these pressures.

The changes in the methods employed to finance the operation and expansion of the company was especially influenced by the economic hardships of the 1930's. The early financial

backing of N. B. Bradley & Sons gave the company a distinct advantage over its competitors. The company was able to expand during the first five years of its operations even though during much of this time the lumber market was severely depressed. The incorporation of the company in 1925 did not cause an inflow of capital from the sale of stock, since shares were distributed on the basis of previously invested capital. The incorporation did, however, open new avenues of finance and relieve Walter Woodard of his indebtedness to the Bradley firm. During the period of rapid expansion between 1925 and 1930, the company obtained funds through a \$300,000 bond issue. The payments on the bond issue proved to be a ponderous burden during the depression of the 1930's. Because of the near disastrous results of the bond issue, the company relied on retained earnings and loans from banks for all future capital. These methods of financing proved sufficient for the large expansion program of the company, and also safeguarded the owners against the danger of the company's falling into the hands of receivers in the eventuality of a severe economic decline.

The rapid technological changes that occurred during the company's history demanded readjustment by the company's management. Changes in logging and transportation followed an industry wide pattern. Steam was replaced in the woods by diesel power and power tools replaced many hand tools. Transportation of logs saw the logging railroad oust the steam

donkey which had formerly been used to drag logs to the pond. The logging railroad itself gave way to the diesel truck. These improved methods of transporting materials eliminated the need for the sawmill to be located near the logging operations. Because of this, the company was able to centralize its entire manufacturing process.

The company began with a productive capacity of 25,000 board feet per day. This capacity was gradually increased until it finally reached 300,000 board feet. This advancement was made possible primarily by technological improvements. The small circular head saw and dead rolls were replaced by high speed automatic machinery. Integrated with the sawmill operations were the planing mill, dry kilns, storage sheds and shipping docks. A \$2,000,000 plywood plant was the last step in the integration of the company.

The company handled every aspect of the lumber business, from the purchase of timber until the products were sold and loaded on the freight cars. Speed, efficiency, and quality characterized every step of the process.

The quality of the lumber produced was an integral part of the sales program of the company. The early sales, under the direction of John Woodard, were concentrated primarily in California. Shipments were made to points throughout most of the United States, but for the most part the market was in the far western states. The hiring of Fred Blickle as sales manager in 1935, and the continued development of dry kiln

capacity of 100 per cent of production greatly changed the marketing program of the company. Blicke developed a market for the dried lumber which was centered east of the Rocky Mountains. His sales organization included neither salesmen nor wholesalers. In its last year of operation the sales of the company totaled over \$6,000,000.

The labor policies of the management of the Woodard Company were based on Woodard's contention that he had been a working man for enough years to know what a man wanted. In order to attract a better quality of employee, he offered the best wages in the area, good working conditions and the best equipment, with which to work. During the early years he offered the employees the convenience of a store, which was essential because of poor transportation facilities, and a cookhouse, which gave the men warm meals at low cost. The company hired its employees from the local population as, indeed, did most of the operators in the area. The conservative nature of these employees delayed any attempt to unionize the company until 1935. The union gained official recognition in 1937, and increased in number despite Woodard's attempts to stop its growth. He was successful in limiting the effectiveness of the strike by keeping his construction crews out of the union. The financial strength of the company was itself a weapon that was effectively used against the union during the strikes of 1942, 1945 and 1954.

Employees found Woodard a demanding man for whom to work.

He paid well and expected a man to produce accordingly.

There was no room for anyone on the payroll who did not work, and once a man was fired there was no second chance.

The same was true on the managerial level of the organization. There were certain areas of the company's operation for which Woodard was not trained or did not possess the proper aptitude. In these positions he placed men of outstanding ability in whom he could trust. His lawyer, accountant and sales manager were men of this type. They all expended tremendous effort and were compensated with high salaries. To strengthen the organization, Woodard brought his sons, Alton and Carlton, up in the business. They learned the lumber business the way he did, from the ground up.

Shortly after the death of Fred W. Bradley in June, 1932, Woodard gained the controlling interest in the outstanding common stock of the corporation. He was never faced with a power struggle or an attempt to lessen his power. When he encountered opposition, he quickly eliminated it by removing that person from the board of directors. His complete control of the company enabled him to run the organization as he saw fit. He found the government, during World War II, to be the only serious rival to his unquestioned authority. The relationship that existed between the Woodard Company and the various governmental agencies was at times stormy.

The social responsibility felt by the company was

demonstrated in its many projects of civic improvement. The W. A. Woodard Library stands as a tribute to a man who was sufficiently interested in the community in which he lived and prospered to present it with a valuable cultural asset. The hospital which Woodard so energetically endorsed and promoted stands as a monument not only to Woodard, but to the entire lumber industry in the area. The interest of the Woodard family in the city of Cottage Grove did not cease with the sale of the company in 1956. The W. A. Woodard Foundation continues to donate liberally to the city and surrounding area. Donations in 1958 and 1959 totaled over \$46,000.

Any attempt to single out the reason for the success of the Woodard Company would necessarily result in the selection of the man who built the enterprise. A combination of his technical knowledge, determination, courage and luck was responsible for the transition of an eleven year old boy chopping cords of wood into the owner and manager of a multi-million dollar corporation. Where the first link in his chain of success begins would be difficult to determine. It might well be his seemingly innate desire to succeed. As a boy his friends and brothers called him "giant," not because of his physical stature, but because of his "big ideas." His determination to succeed resulted in his gathering a store of technical knowledge of every aspect of lumber production. This knowledge coupled with his inventive genius were significant factors in the development of the company.

His courage was displayed in his willingness to take financial risks. It took courage for a man who had never made more than a few thousand dollars in a year to become indebted to the Bradley firm for almost \$400,000 during the first five years of the company's operation. He displayed the same quality during the depression of the 1930's by purchasing timberland in days when no one had any reason to hope that its value would increase several hundredfold. The same was true of his investment in dry kilns. The luck involved in his success is reflected by the fact that timber prices did skyrocket, that dried lumber did have a highly profitable market and that during the last half of the company's life, the lumber industry experienced the most stable and profitable years in its history.

When Walter A. Woodard released his grip on the Lever that operated the log carriage on that day in December, 1956, it symbolized not only the end of an enterprise, but also the passing of part of an era--the era of the rugged individualist.

BIBLIOGRAPHY

Source Material

Company Records

The records of the W. A. Woodard Lumber Company are very complete. They are located in Cottage Grove at Mr. Woodard's present office. The only records that are missing are the production and sales records for the first two years of operation and the payroll for the first year and a half. The payroll for 1936 has been either lost or accidentally destroyed.

Personal Interviews

Abeene, Claude. Mr. Abeene first began work for the Woodard Company in November, 1925, at the age of sixteen. He worked in the logging crew as a faller, buckler and choke setter. His work experience includes employment with J. H. Chambers and Anderson & Middleton. Abeene left the Woodard Company in 1935, although his father and brothers remained with the company for several more years. He had dealings with the company again in the 1950's as a partner in the Abeene Brother's Logging Company. July 8, 1960.

Blickle, Fred W. Sales and production manager for the Woodard Company from 1935 until the company was sold. He also served as vice-president on the board of directors from 1954 to 1957. July 17, 1960.

Olds, Joseph. First began work for the Woodard Company in 1947. He was employed on the construction crew and as a millwright. Mr. Olds was a member of the union grievance committee. He is still employed by the present owners of the company. June 5, 1960.

Roberts, Hugh. Owner and manager of the Cottage Grove Lumber Company.

Smith, Mrs. M. Louise. Mr. Woodard's private secretary since 1925. She provided information on many occasions and aided greatly in the use of the company records.

Woodard, Carlton. The youngest son of Walter A., and treasurer of the company from 1948 until its sale. He became president in 1954. June 20, 1960.

Woodard, John. Oldest brother of Walter A., and sales manager of the company from 1921 until 1935. He was employed as the company land agent and surveyor from 1935 until the sale of the company. July 17, 1960.

Woodard, Walter A. The builder of the Woodard enterprise. Mr. Woodard devoted many hours to interviews between January and August, 1960.

Books

Andrews, Ralph W. This Was Logging! Seattle: Superior Publishing Company, 1954.

_____. This Was Sawmilling. Seattle: Superior Publishing Company, 1957.

Barck, Oscar Theodore Jr., and Blake, Nelson Manford. Since 1900. New York: The Macmillan Company, 1952.

Brown, Nelson Courtlandt. Logging. New York: John Wiley & Sons, Inc., 1949.

_____. The American Lumber Industry. New York: John Wiley & Sons, Inc., 1923.

Bryant, Ralph Clement. Lumber. New York: John Wiley & Sons, Inc., 1938.

Capital Publishing Company (compiler). Who's Who for Oregon, 1948-49. Portland: Capital Publishing Company, 1948.

Clark, Donald H. 18 Men and a Horse. Seattle: Metropolitan Press, 1949.

Clark, Robert Carlton. History of the Willamette Valley Oregon. Chicago: S.J. Clarke Publishing Company, 1927.

Cochran, Thomas C. Basic History of American Business. New York: D. Van Nostrand Company, Inc., 1959.

- Coman, Edwin T. Jr., and Gibbs, Helen M. Time, Tide and Timber. Stanford, California: Stanford University Press, 1949.
- Cour, Robert M. The Plywood Age. Portland: Binford and Mort, 1955.
- Faulkner, Harold Underwood. American Economic History. New York: Harper & Brothers Publishers, 1949.
- Gras, N.S.B., and Larson, Henrieta M. Casebook in American Business History. New York: Appleton-Century-Crofts, Inc., 1939.
- Holbrook, Stewart. Half Century in the Timber. Seattle: Frank McGaffrey, 1945.
- Horn, Stanley F. This Fascinating Lumber Business. New York: The Bobbs-Merrill Company, 1951.
- Lumberman. Handbook and Directory of the Western Forest Industries. Seattle: Lumberman, 1950, 1951, 1954, 1957.
- McCulloch, Walter F. Woods Words. Portland: The Oregon Historical Society, 1958.
- Reynolds, A. R. The Daniel Shaw Lumber Company. New York: New York University Press, 1957.
- Timberman. Directory of the Lumber Industry, Pacific Coast. Portland: Timberman, 1922, 1924, 1925, 1930, 1931.
- U.S. Department of Labor. Job Descriptions for the Lumber and Lumber Products Industries. Washington: United States Printing Office, 1939.
- West Coast Lumberman's Association. West Coast Lumberman's Handbook and Directory of the Western Timber Industry. Portland: West Coast Lumberman's Association, 1943, 1945-46, 1948.

Articles, Periodicals and Pamphlets

- Almack, John C. "History of the Oregon Normal Schools," The Quarterly of the Oregon Historical Society, XXI (March-December, 1920), 167-84.
- American Forest Products Industries, Inc. Oregon Forest Facts, 1958-59. Portland: American Forest Products Industries, Inc., 1959.

_____. The Story of Lumber and Allied Products. Portland:
American Forest Products Industries, Inc., 1957.

"Another addition to the growing WF Co. family. . . a neat compact mill at Cottage Grove," Weyerhaeuser News, No. 35 (June, 1957), 6-7.

Bohemia Nugget (Cottage Grove), 1901-1908.

Cottage Grove Leader, 1906-1908.

Cottage Grove Sentinel, 1917-1957.

Eugene Register-Guard, 1944, 1947-1957.

Ganoe, John Tilm. "The History of the Oregon and California Railroad," The Quarterly of the Oregon Historical Society, XXV (September, 1924), 236-83.

Industrial Forestry Association. A Quarter Century of Industrial Forestry in the Douglas Fir Region. Portland: Industrial Forestry Association, 1959.

Oregonian (Portland), 1933-1935.

Timberman (Portland), 1930-1956.

West Coast Lumberman's Association. The Story of West Coast Lumber. Portland: West Coast Lumberman's Association, n.d.

Unpublished Material

Nichols, Claude W. Jr. "Brotherhood in the Woods," unpublished Ph.D. dissertation, University of Oregon, 1957.

Tyler, Robert L. "Rebels of the Woods and Fields: A Study of the I.W.W. in the Pacific Northwest," unpublished Ph.D. dissertation, University of Oregon, 1953.

APPENDICES



Fred W. Bradley
President, 1925-1932



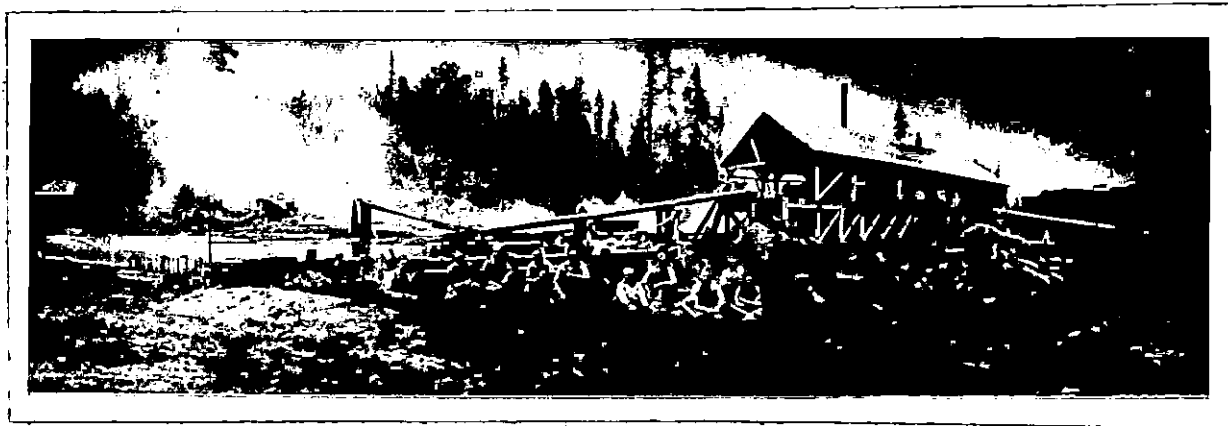
Walter A. Woodard
President, 1932-1954



Carlton Woodard
President, 1954-1957



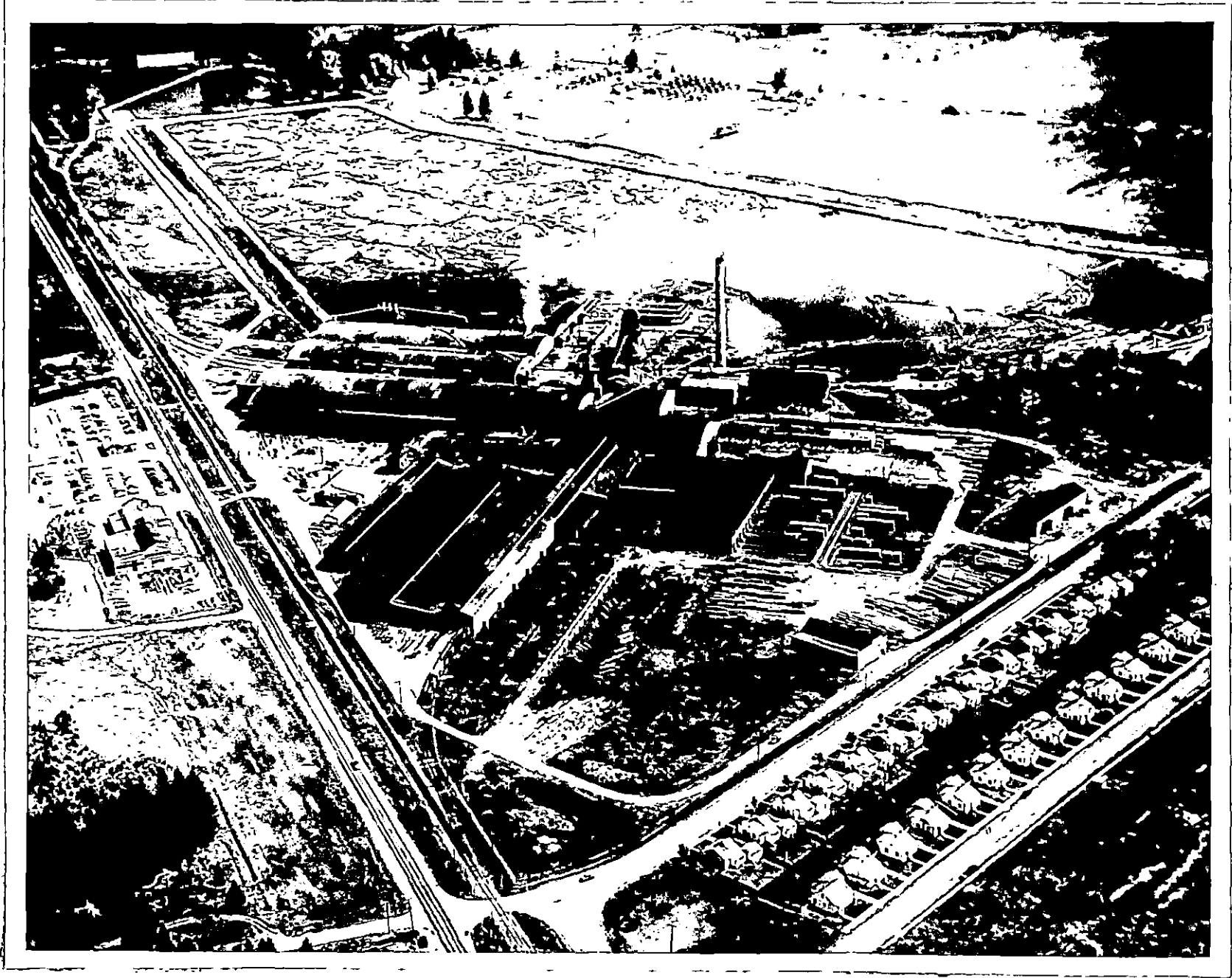
Ambrose L. Woodard logging crew and steam donkey, 1919.

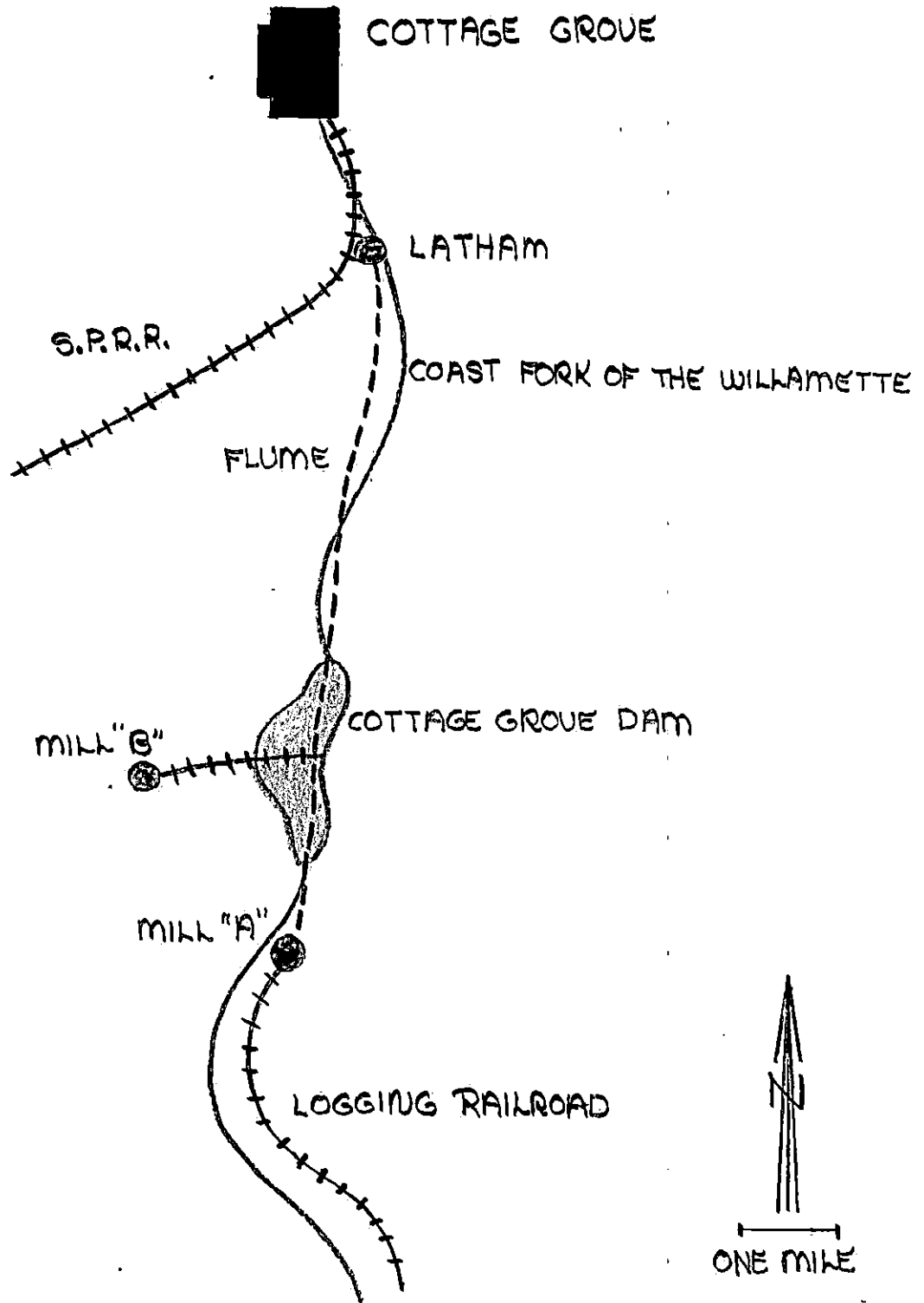


Sawmill and crew of the Walter A. Woodard Company, 1920.

W. A. Woodard Lumber Company operations at Latham, 1956,
Cottage Grove, Oregon. (Picture on following page.)

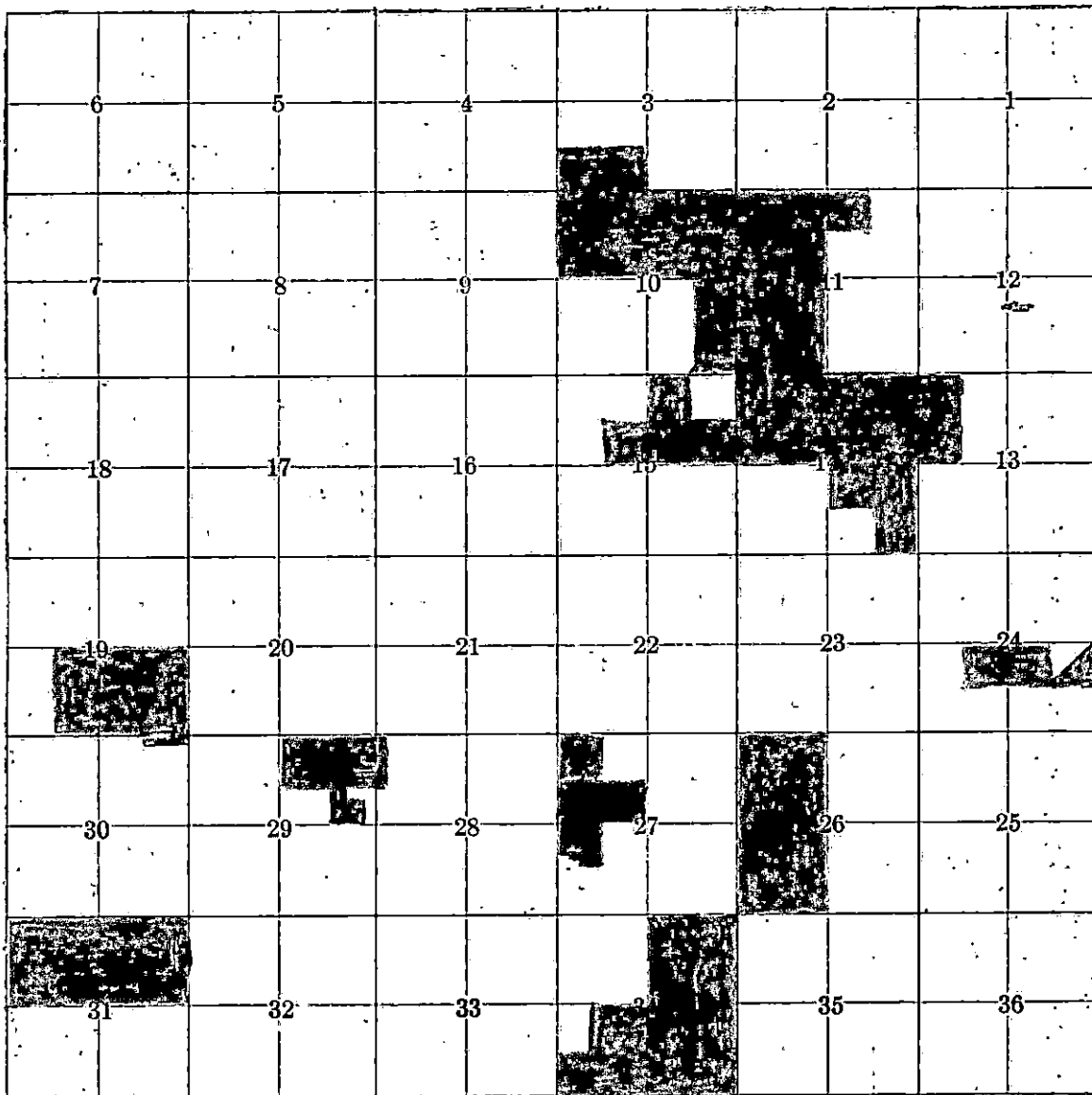
Kimwood Machine Company, middle left; company housing,
lower right; Coast Fork river in background; and home of
W. A. Woodard, upper left.





Selected Examples of Woodard Timber Holdings,
March, 1956

Township 21 South Range 3 West



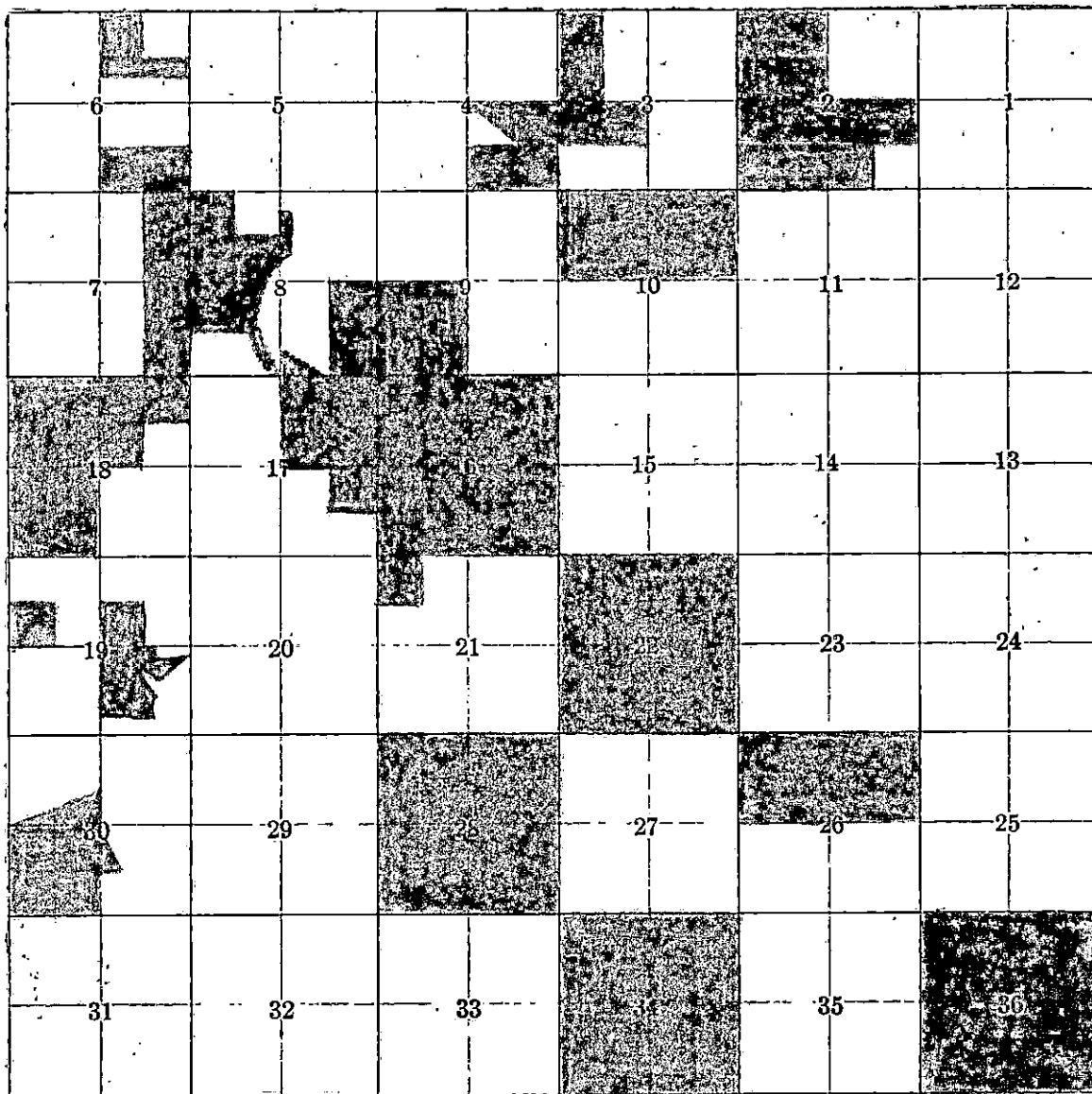
▨ W. A. Woodard Lumber Company

▨ W. A. Woodard et al.

Source: Company land maps.

Selected Examples of Woodard Timber Holdings
 March, 1956

Township 22 South Range 3 West



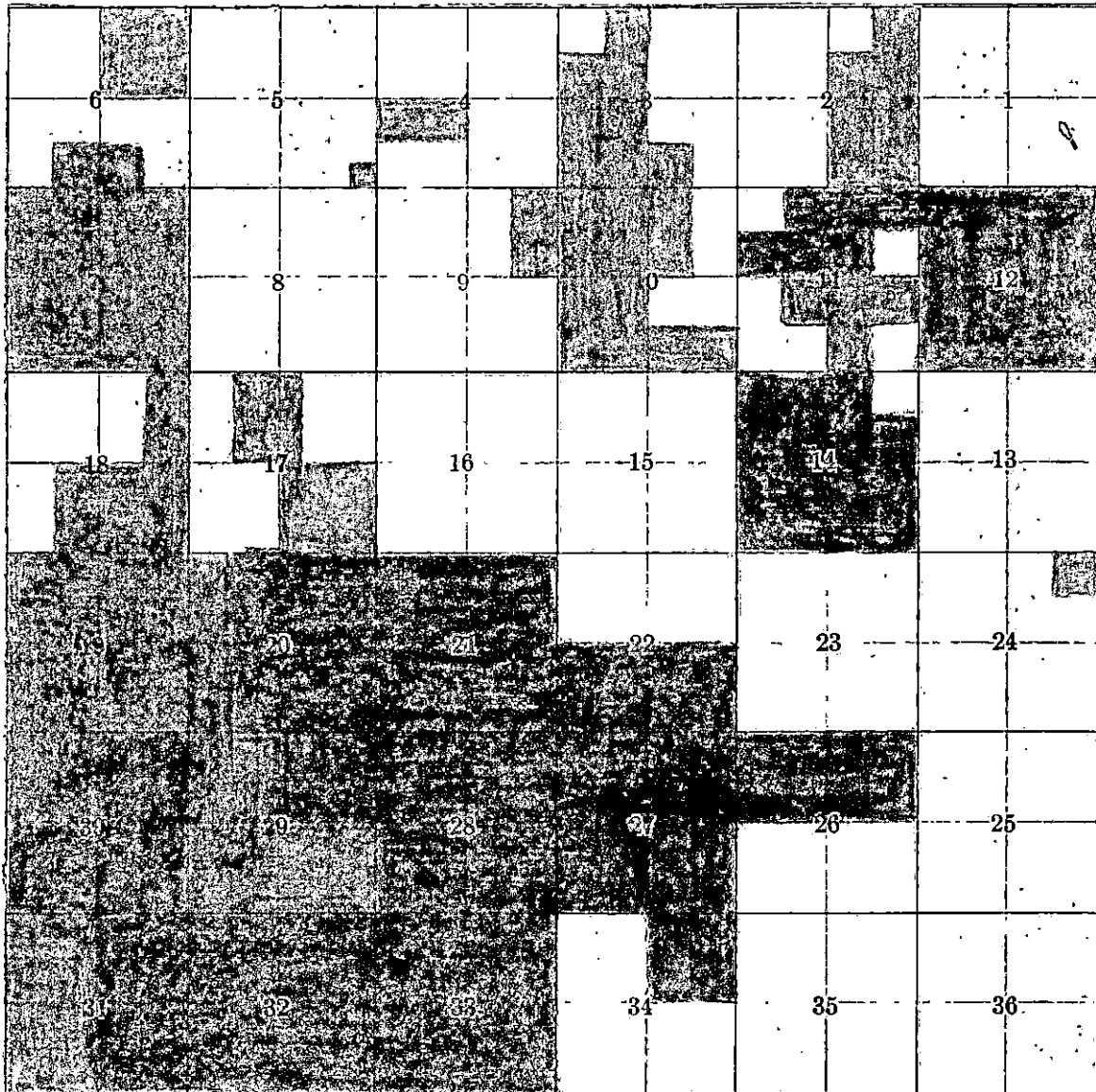
▨ W. A. Woodard Lumber Company

▨ W. A. Woodard et al.

Source: Company land maps

Selected Examples of Woodard Timber Holdings
March, 1956

Township 23 South Range 3 West



▨ W. A. Woodard Lumber Company

▨ W. A. Woodard et al.

Source: Company land maps

TABLE 1
SALES AND PRODUCTION OF THE W.A. WOODARD LUMBER COMPANY
1923-1956

Year	Production (Feet, B.M.)	Sales
1923	12,335,078	\$ 467,517.00
1924	12,770,465	204,090.00
1925	25,790,287	462,410.00
1926	27,626,401	425,103.00
1927	17,732,618	290,107.00
1928	30,439,591	489,306.00
1929	33,992,894	589,872.00
1930	25,092,277	348,864.00
1931	21,832,127	222,360.00
1932	4,751,891	82,627.00
1933	13,451,089	154,802.00
1934	14,231,700	249,185.00
1935	25,434,157	412,419.00
1936	30,759,727	551,348.00
1937	29,862,789	622,079.00
1938	29,172,905	532,360.00
1939	32,722,822	577,601.00
1940	21,187,715	476,374.00
1941	22,713,130	728,452.00
1942	28,341,769	987,862.00
1943	29,595,557	1,061,075.00
1944	25,032,302	953,002.00
1945	18,937,915	719,644.00
1946	27,072,361	1,345,339.00
1947	29,457,411	2,662,883.00
1948	20,852,998	2,214,365.00
1949	26,295,886	2,238,429.00
1950	35,760,656	2,811,062.00
1951	42,803,457	3,880,770.00
1952	44,826,366	4,173,881.00
1953	46,610,245	3,959,097.00
1954	49,846,828	4,425,045.00
1955	56,881,780	5,253,344.00
1956	66,213,299	6,415,800.00
	18,668,123*	

Source: Company sales records.

*This figure represents square feet of plywood produced in 1956.

TABLE 2

W. A. WOODARD LUMBER COMPANY SALARIES AND WAGES
FOR SELECTED JOBS, FOR APRIL, 1920-1956

Year	Logging Foreman	Lathem Yard Foreman	Sawmill Foreman	Planer Foreman	Sawyer	Filler	Edgerman	Resawyer	Grader	Yarder Engineer (Donkey Eng. Operator)
1920	\$250	***	N.A.	***	N.A.	N.A.	N.A.	***	N.A.	N.A.
1921	250	***	N.A.	***	N.A.	N.A.	N.A.	***	N.A.	N.A.
1922	250	\$250	\$150	***	\$7.00*	\$6.00*	\$5.00*	***	\$4.40*	\$5.00*
1923	300	275	200	***	8.00	7.00	5.00	\$6.00*	4.50	6.00
1924	300	300	225	\$175	8.50	7.00	5.00	6.00	4.50	6.20
1925	300	300	225	175	8.50	8.00	5.00	5.60	4.40	6.00
1926	300	300	225	175	8.00	8.00	5.00	5.60	4.80	6.00
1927	270	270	202	160	7.20	7.00	4.60	5.60	4.40	5.40
1928	300	290	220	200	8.20	8.00	6.00	5.60	4.40	6.00
1929	350	290	220	200	8.20	8.00	6.00	5.60	4.80	6.00
1930	350	290	220	200	8.20	8.00	6.00	5.60	4.80	6.00
1931	300	220	165	162	7.00	7.00	4.84	4.52	3.12	4.84
1932	225	175	110	150	4.10	4.00	3.00	2.80	2.00	3.63
1933	150	140	100	140	4.00	4.00	2.80	2.00	1.60	2.80
1934	140	120	150	140	.78**	.75**	.60**	.58**	.50**	.58**
1935	200	200	150	140	.80	.75	.60	.58	.45	.55
1936	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1937	225	275	225	205	1.27 $\frac{1}{2}$	1.75	.82 $\frac{1}{2}$.75	.67 $\frac{1}{2}$.77 $\frac{1}{2}$
1938	180	275	225	205	1.22 $\frac{1}{2}$	1.75	.77 $\frac{1}{2}$.70	.67 $\frac{1}{2}$.70

TABLE 2 (Continued)

Year	Logging Foreman	Latham Yard Foreman	Sawmill Foreman	Planer Foreman	Sawyer	Filer	Edgerman	Resawyer	Grader	Yarder Engineer (Donkey Eng. Operator)
1939	\$210	\$200	\$225	\$205	\$1.22 ¹ / _{day}	\$1.75	\$.77 ¹ / _{day}	\$.75	\$.62 ¹ / _{day}	\$.75
1940	260	200	240	205	1.25	1.75	.80	.77 ¹ / _{day}	.65	.82 ¹ / _{day}
1941	350	200	240	220	1.45	1.40	1.05	.90	.77 ¹ / _{day}	.95
1942	350	240	240	1.07 ¹ / _{day} ***	1.52 ¹ / _{day}	1.52 ¹ / _{day}	1.15	1.00	.82 ¹ / _{day}	1.05
1943	375	375	375	1.27 ¹ / _{day}	1.70	1.70	1.32 ¹ / _{day}	1.17 ¹ / _{day}	1.07 ¹ / _{day}	1.25
1944	400	375	375	1.27 ¹ / _{day}	1.70	1.70	1.32 ¹ / _{day}	1.17 ¹ / _{day}	1.07 ¹ / _{day}	1.25
1945	400	375	375	1.35	1.85	1.85	1.47 ¹ / _{day}	1.32 ¹ / _{day}	1.22 ¹ / _{day}	1.25
1946	500	400	400	1.50	2.00	2.00	1.47 ¹ / _{day}	1.32 ¹ / _{day}	1.22 ¹ / _{day}	1.50
1947	550	475	450	1.75	2.30	2.30	1.85	1.70	1.52 ¹ / _{day}	1.75
1948	700	550	550	1.92 ¹ / _{day}	2.42 ¹ / _{day}	2.30	1.85	1.70	1.52 ¹ / _{day}	1.92 ¹ / _{day}
1949	700	550	550	1.92 ¹ / _{day}	2.42 ¹ / _{day}	2.60	1.97 ¹ / _{day}	1.82 ¹ / _{day}	1.65	1.92 ¹ / _{day}
1950	700	550	550	1.92 ¹ / _{day}	2.42 ¹ / _{day}	2.75	1.97 ¹ / _{day}	1.82 ¹ / _{day}	1.65	1.92 ¹ / _{day}
1951	750	600	600	2.15	2.57 ¹ / _{day}	2.80	2.12 ¹ / _{day}	1.97 ¹ / _{day}	1.92 ¹ / _{day}	2.07 ¹ / _{day}
1952	772	650	650	2.27 ¹ / _{day}	2.70	3.07 ¹ / _{day}	2.25	2.10	1.92 ¹ / _{day}	2.20
1953	794	672	672	2.40	2.82 ¹ / _{day}	3.25	2.37 ¹ / _{day}	2.25 ¹ / _{day}	2.05	2.32 ¹ / _{day}
1954	800	690	690	2.40	2.82 ¹ / _{day}	3.25	2.37 ¹ / _{day}	2.25 ¹ / _{day}	2.05	2.35 ¹ / _{day}
1955	800	690	690	2.60 ¹ / _{day}	3.25	3.70	2.58	2.43	2.20 ¹ / _{day}	2.53
1956	800	720	720	2.75	3.25	3.70	2.58	2.43	2.20 ¹ / _{day}	2.53

Source: Company payroll records.

*daily rate per eight-hour day.

**changed to hourly rate.

***job not in existence.

TABLE 3
 PRODUCTION, COST HISTORY AND NUMBER OF MILLS
 OPERATING IN DOUGLAS FIR REGION, 1926-1954

Year	Prod. Million Feet	Ave. Cost of Prod. Per M Feet	Cost Index (Per Cent)	Number of Active Mills
1926	10,285	\$21.51	100.0	631
1927	9,902	21.16	98.4	580
1928	10,109	20.19	93.4	651
1929	10,290	21.15	98.3	883
1930	7,681	20.49	95.3	662
1931	5,400	16.02	74.5	535
1932	3,153	15.50	76.7	441
1933	4,348	16.20	75.3	606
1934	4,396	20.00	93.0	719
1935	5,113	19.28	89.6	670
1936	6,848	19.61	91.2	772
1937	7,067	21.72	101.0	818
1938	5,510	20.60	96.0	663
1939	6,945	19.52	90.7	699
1940	7,589	20.67	96.1	714
1941	9,176	24.37	111.3	906
1942	9,058	28.72	133.5	1,044
1943	8,669	31.88	148.2	1,012
1944	8,494	33.34	155.0	1,010
1945	6,586	35.35	164.3	986
1946	7,835	37.22	173.0	1,603
1947	8,962	47.50	220.8	1,888
1948	9,405	55.73	259.1	1,675
1949	9,135	52.70	245.0	1,242
1950	10,108	55.66	258.8	1,186
1951	10,416	63.28	294.2	1,367
1952	10,154	66.96	311.3	993
1953	9,744,627	65.12	. . .	900
1954	8,851,757	63.60	. . .	774
1955	9,609,333

Source: West Coast Lumbermen's Association; compiled from statistics compiled by W.C.L.A., Bureau of Census and State of Washington. The Lumberman, Handbook and Directory of the Western Timber Industries, 1957 Edition.

Typed by Mrs. Lloyd L. Armes