J. W I L S O N A Y E R S

Interviewed by
Dr. Louis Silveri

July 10, 1975

S O U T H E R N H I G H L A N D S R E S E A R C H C E N T E R

UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE

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Interview with J. Wilson Ayers, conducted by Dr. Louis D. Silveri, July 10, 1975.

Louis D. Silveri: Mr. Ayers, where were you born?

J. Wilson Ayers: Washington, North Carolina, a small coastal town. My father was district sales manager for the John B. Stetson Hat Company. So we moved all over the entire Eastern North Carolina area. We came to Hendersonville at the outset of the Depression, about 1930.

Silveri: Why did you come to Hendersonville?

Ayers: Because he didn't have a job, which was very typical of the Depression, of course.

Silveri: Did he have prospects of a job up here?

Ayers: My family on my mother's side had several drug stores in Hendersonville, and he came here to operate one of the stores for them. He later bought the store.

Silveri: I think you told me before that you were born down there on the coast and you came here when you were about four years old.

Ayers: Eight years old, I believe; third grader; 1930, '31, I believe.

Silveri: . . . the Depression began in '29, and in '31 it was just about as bad as it would get . . . in '31 . . . that was the low point.

Ayers: Thirty-one or '32, I would guess, because I remember my father would take me down and show me the bread lines, or the soup lines. This is a very faint memory of mine.

Silveri: What school did you first attend in Hendersonville?

Ayers: I attended elementary school there, and then Hendersonville High School.

Silveri: Those were the years during the Depression. What do you recall about those years? Besides what you just mentioned: your father showing you the bread lines. How about the family itself? Did they have a tough time getting along?

Ayers: Well, my mother and father were faced with raising three small children on a salary of fifteen dollars a week, and it was tough, particularly . . . there never seemed to be quite enough milk, but we managed. We had enough, but it was difficult. Of course, in those days you could take two dollars and bring home all the groceries that would fill up the entire back end of a car. So we survived, but there never seemed to be . . . there were never any luxuries. There were the basics. There were never enough clothes. I can remember cutting cardboard and putting them in the bottoms of my shoes, because there just wasn't enough money to re-sole shoes at times. But we were very little different than most people, so you didn't think anything about it, and in a great way it gave the family a lot of unity that you don't see now, because we all suffered together.

At Christmas time, if we had oranges and nuts and maybe a little gift, we were just as happy as could be.

Silveri: I've heard that very often from people. The town wasn't very large in those years, was it? Had it become the resort area that it is now? A retirement area?

Ayers: Well, yes, in a different way. Not retirement, but resort.

Ayers: (Cont'd.) But in those days, and previous to that, it was an area that catered to tourists all summer long. People would come on the train from low country South Carolina, Georgia, Florida, and spend the entire summer. Now, they may be in Hendersonville one night, and the next night they are in Louisville, Kentucky. It is a far more mobile type of tourist now, but in those days they would come, many of them, the affluent, would come and spend the summer.

Of course, Hendersonville, as a summer attraction, goes back to the establishment of Flat Rock in the mid . . . oh, I think, about 1830 or 1840, when the rich low country people from Charleston, mainly, came there and established what was called "Little Charleston in the Mountains." That, in itself, is a very interesting story. In fact, the home that now is the Carl Sandburg Memorial is the original home of C.G. Memminger, who was Secretary of the Confederate Treasury.

Silveri: That is a very interesting story. What did you do when you finished high school?

Ayers: When I finished high school I worked for the Hendersonville Times News. Previous to that I had worked with the local paper on a non-payment basis. In fact, at an early age I decided I wanted to write, and as I recall, I got my first "by-line" as a sports writer when I was thirteen years old. Then, after I finished high school, they decided to pay me for my work. It may have been ten cents an hour, but it was a job, and it was great to think that you were being paid to write, and at the same time had a "by-line."

Silveri: Do you remember that year, the year you graduated?

Ayers: I graduated in the class of 1940.

Silveri: And you went right to work for that newspaper?

Ayers: That newspaper, as well as the local theatre chain. I did advertising work for them, so I really had a combination of two jobs; made all of ten dollars a week at the theatre, and that was big money. As I stayed with the paper several years, my income grew some.

Silveri: What was the name of the paper?

Ayers: The Times-News, and incidentally, it is now owned by the New York Times Company. It was recently bought by the New York Times.

Silveri: Was it a weekly when you were working on it?

Ayers: No; it was a daily, but a meager daily, sometimes a big paper was eight pages; more frequently they were four and six pages.

Silveri: How long did that last?

Ayers: I worked on those two jobs up until I came to Enka in 1944, but in the meantime the armed service "played" with me. I kept hoping to be in service. Of course, being my age, and with most of the fellows my age in the service, I had hoped to be in the service, and they would call me periodically for physicals. Unfortunately, I am an asthmatic, so I was rejected each time. When they finally turned me loose, I tried to find defense work.

I was about to go to the Norfolk shipyards, because at least I could contribute to the war effort, but in the meantime, as a part of my newspaper beat, I "covered" the State Employment office. Enka at

Ayers: (Cont'd.) that time was about eight hundred short of people, and they had representatives, mostly school teachers, stationed in the area employment offices. I was in there during the summer of 1944, and Mr. W.P. Griffin, who is now, incidentally, Superintendent of the Asheville City Schools, said, "Wilson, I'm going back to teaching in August, wouldn't you like to have this job with Enka? They're a defense company. You've been thinking about going into defense. This way, you can work at Enka and still live at home."

It sounded great, so I came over and was interviewed, and even though they thought I was a bit young (I was twenty at the time), I had done a lot of work in the war effort in Hendersonville, the Enka Attorney at the time knew of me. He lived in Hendersonville. So he gave me a good word, and I got the job. I came here as a labor recruiter, and, as I say, at that time we had about eight hundred job openings. We were needing that many people.

Silveri: Enka was one of the major contributors to defense, the war effort. What did they make?

Ayers: We made rayon that was used in bomber tires, military vehicles and Jeeps, uniforms, parachutes, bandages, and things of that sort. That was the major thrust. During the war, at the request of the government, Enka completed an addition to increase the production of tire yarn, principally for bomber tires and military vehicles.

Silveri: Was the plant successful in recruiting those eight hundred during the war, that they needed?

Ayers: As I recall, we never did fill that completely until after the war was over.

Silveri: Maybe at this time we can go back and talk about the origins of the plant here and what you know about it. I know its express purpose is known, but why? Why would a foreign country come over to establish a plant in Western North Carolina?

Ayers: Well, as I've been told, it was merely an expansion of Dutch business, and of course they have had businesses all over the world, This was a new venture to make rayon in the United States for the United States market.

Silveri: This was their first venture in the rayon business. Is that right?

Ayers: In this country. They were making rayon in Holland, and had been since about 1911, I believe, if I remember correctly; the parent company was.

Silveri: Why did they select this location?

Ayers: I think there were a number of factors: one was certainly the availability of pure water. It takes a tremendous amount of water to manufacture rayon. I have heard that it takes as much as one hundred gallons to make a pound of rayon. So here they had Hominy Creek flowing right off of Mount Pisgah to our West, so the water was clear; the land was available at a price they liked, I guess, because the whole area was depressed following the land burst of the '20's.

Silveri: How many acres did the original . . .?

Ayers: Twenty-two hundred acres.

Silveri: And, of course, the fact that there was an ample labor force available. . .

Ayers: That had to be an attraction, although I think that at that particular time it would have been true for just about any area of the South. Probably another prime consideration was the nearness to the customers, because they realized that the production of rayon would go primarily to the weavers and the knitters. Of course, most of those were located in the Carolinas and Georgia and Alabama, in the South. So you had proximity to market as well.

Silveri: We better get established when the company originally purchased the land.

Ayers: The original announcement was made that Enka would locate here in September of '28, and it was hailed by the local newspapers as one of the greatest things that ever happened to Western North Carolina. I think that Enka was chartered under the state laws of Delaware in May, 1928, as I recall, and the production of rayon was actually begun on July 1, 1929. So this immense plant was built in practically record time. You just couldn't build an operation of this size in that short a period of time these days. But I remember that the man who was in charge of our construction said that at that time bricklayers would lay three times as many bricks per day as they would now. So in less than a year from the time it was started. . . they didn't start moving anything in here until the fall of 1928, and they were spinning the yarn (not in full production) on July 1, 1929.

Silveri: That plant that you are speaking about, is that still the

Silveri: (Cont'd.) basic plant that you have, or has it been added to over the years?

Ayers: Well, this rayon plant has been expanded. In fact, the original capacity of the rayon plant was six million pounds. At the time of its closing, I think it was approximately sixty million pounds. So it has been expanded. Then later on, of course, we went into the production of nylon in the mid-'50's. It was started as a pilot venture, and it has been enlarged something like eight or nine times.

Silveri: Is wood the basic raw material for rayon?

Ayers: Yes, cellulose.

Silveri: Cellulose, and it comes from wood?

Ayers: It comes from wood.

Silveri: So the availability of wood was the consideration for locating the plant?

Ayers: Vast amounts of wood pulp, of what is called cellulose. At that time, I don't know where it came from. In later years, companies like Buckeye have used Florida pine to make the cellulose that we used. At that time, I do not know where the wood was coming from. It may have been the far West.

Silveri: But the plant itself didn't extract the cellulose, it bought it from other people.

Ayers: Bought it from suppliers.

Silveri: That went into production in 1929. I wonder if you would explain to me what the administration of Enka was. In other words,

Silveri: (Cont'd.) was the head of American Enka a Dutchman, or an American? Where did most of the administration come from, in the higher echelons?

Ayers: As I recall, from the start the president of Enka was more or less an honorary figure. If I'm not mistaken, he was the president of a coal company. The Enka organization was headed up by a commercial vice president who had offices in New York, and by a technical vice president, who was Dr. Moritz, and who was among the original Dutch people to come here from Holland. Practically all of the key jobs were held by the Dutch. There must have been thirty or forty of the original group of Hollanders who came over here.

Silveri: And when they came, they settled here? It wasn't that two or three would come and work here and then go back home?

Ayers: I think perhaps a few of them who originally came to start the plant went back, but largely, most of them came on the basis that they were coming here to spend a career, and most of them did. In fact, to my knowledge, I do not know of any who returned to Holland at the time of their retirement. They all stayed here and raised their families here.

Silveri: I wonder if you could recall the number of people employed by the plant that first year in '29, the approximate number?

Ayers: I think it was gradual. I believe, perhaps it was started with three hundred, and then nine hundred, and eventually, when full production was reached it was seventeen hundred. This must have gone

Ayers: (Cont'd.) on over a period of several years, because we have to remember that we were in the Depression. The first year that the company earned money was 1933. So that means production had been under way four years before the company actually turned a profit. When I came here in '44, I think there were thirty-three hundred people here. The original announcement said that the firm, the company, would employ seventeen hundred at full production. How long it took to achieve that, I do not know.

Silveri: I imagine it involved a good deal of training of personnel for the jobs?

Ayers: It certainly did. In fact, a number of women were brought here from Holland to teach the mountain women the skills, particularly of handling the yarn. As for the training of the jobs that men filled, I just don't know. Certainly, a number of the Dutch people had been with the parent company and had those skills, and I assume that they trained the people.

Silveri: Would you say that the production of rayon today is much like the production as it was in 1929, those early years, approximately the same?

Ayers: I think basically, but with refinements and with a lot of improvement.

Silveri: I wonder if you could just outline how the process is handled, to someone who knows nothing about it?

Ayers: Actually, the production of rayon starts with a chemical process with soaking blotter-like sheets of pulp in soaking presses

Ayers: (Cont'd.) where they are immersed in caustic soda solution. In this condition the pulp is called alkali cellulose, and it is eventually dropped into a shredder on a floor below. The sheets are then loosened and the cellulose fibers become a mass of small, fluffy particles called white crumbs. Then they are aged and placed into a churn where carbon disulphide is added. The white crumbs then change to yellow crumbs and the cellulose becomes soluble in a dilute lye solution. After sulphurdizing, the yellow crumbs are dropped through a chute into dissolving tanks. These tanks, which contain dilute caustic soda, dissolve the crumbs with the aid of stirring and pumping, and the resulting solution is viscose, a golden brown viscous liquid with the consistency of honey. The viscose is then pumped into dissolvers to remove some of the particles, and placed under vacuum to remove air, and then allowed to age for a specified period of time.

Next comes the conversion of the liquid viscose into rayon filament thread. Viscose is pumped through a glass tube and then through a thimble-like metal cup called a spinneret. This is perforated with from ten to a thousand small holes of from one to three one-thousandths of an inch diameter. The spinneret is immersed in a spinning bath of dilute sulphuric acid and various salts. When the viscose is pumped through the spinneret into the spinning bath it coagulates, because the acid in the spinning bath decomposes the viscose and solidifies the cellulose in the form of very fine filaments. Each hole in the spinneret forms one filament, and these together form the yarn. So once you've wound the form it is a matter of washing it; then it has to be dried

Ayers: (Cont'd.) in vacuum dryers, high-frequency dryers, then it goes into the textile operation for twisting. Later it is put on shipping packages called beams, or cones, depending on what type of package the customer wants.

That's a very quick description of what happens.

Silveri: Was Enka one of the earliest companies to produce rayon?

Ayers: I think the original company in America was the American Viscose Corporation, Marcus Hook, Pennsylvania. It goes back some time, I think, prior to 1920. I'm not certain exactly when.

Silveri: How about DuPont? When did they get into it?

Ayers: I really don't know, but knowing DuPont, they were probably first.

Silveri: This production of rayon continued through the 'thirties. You mentioned, of course, that Enka, like other companies, had difficulty during the Depression, but they continued to produce. They never closed down in the 'thirties?

Ayers: No; not at all, never did close during the 'thirties, but in the 'thirties their production of rayon was entirely for textile uses. Then the biggest development came in the late 'thirties, and resulted from the discovery that controlled stretching made possible with improved steam equipment could increase the tensile strength of yarn. This stronger yarn was called high tensity rayon, and was very well qualified for use in automobile tires. We made the first shipment of tire yarn in 1938. Then rayon became not only a textile product, but a big market was tire yarn. We were very dependent upon the tire

Ayers: (Cont'd.) industry for our business. In fact, I think about eighty percent of our sales dollar at one time came from tire yarn.

Silveri: And when the Second World War began, there ceased to be a demand for rayon?

Ayers: Not really, that was about the time of the switch from cotton, which was the first reinforcement used in tires, to rayon. They moved into rayon because it was stronger and it provided a smooth ride as well. Rayon was the dominant reinforcement for tires until the development of nylon for tires. . . perhaps some time in the 'fifties.

Silveri: Did Enka have to expand production during the war years due to demand?

Ayers: Yes; at the request of the federal government, an enlargement of five million pounds a year was completed to turn out, primarily, the production of tire yarns.

Silveri: Were there any government subsidies to do that?

Ayers: Not to my knowledge; no.

Silveri: When the war ended, quite naturally de-conversion from a wartime to peace time had to take place. How did that affect Enka?

Ayers: Well, we immediately saw a need to expand, so we began looking, during the late stages of the war the company was actively seeking another site. I don't know how many places were looked at, but eventually we settled in East Tennessee at a place called Lowland, five miles east of Morristown on the Nolichucky River. There again, the water supply being important.

Silveri: Why didn't they expand the Enka plant, instead?

Ayers: I suppose it was largely because they thought this operation here was large enough at the time. Actually, I've never been asked that question, and I don't know exactly why. That would be my guess; they probably thought this operation was large enough. But you can tell by the physical limitations of more level land here. That probably would have made it impossible. You see, when we expanded nylon, which is multi-story, it doesn't take a great deal of land. But essentially, rayon production is all at the single level and, as you can see, they were certainly limited. Maybe there were other limitations. Maybe the water supply wasn't adequate. I'm just not certain. I was still a young man in those years.

Silveri: Did the top executives change any during those years? During the war? During the period just after the war?

Ayers: Not until about 1950, when Dr. Moritz retired, then we had several new men who came in and joined the organization; principally Dr. Martin Wadewitz, who had been with North American Rayon, and Dr. John Bitter, who had been with North American at Elizabethton, Tennessee, another producer of rayon.

Silveri: This was not the period when Akzona comes into the picture?

Ayers: No; not until many years later.

Silveri: So the continuation of the production of rayon here . . . Was rayon being used in many other materials during that, say, the latter forties? Was there any particular change in who you sold these products to? The tires. . . there would be uses in the production of automobiles, I know, tires and the textile industry were the two main customers.

Ayers: That's just about a hundred percent it . . . the apparel field, home furnishings, and tires, although there were some other markets, for instance, ribbon is made from rayon, and that has been quite a large market.

Silveri: Didn't they put rayon in carpets, too, in the early days?

Ayers: Yes; but frankly, I don't think it made a very good carpet; it tended to flatten. It did not bounce back and give the spring that some of the other newer fibers did, but it is used in some of the more reasonably priced lines. It may not be now, but at one time it was, particularly in throw rugs.

Silveri: Now when the textile industry used the rayon, during the 'thirties and 'forties, into the 'fifties, did you combine it with cotton, or was it usually hundred percent rayon?

Ayers: Most of the time one hundred percent rayon filament yarn. Rayon filament is a continuous strand of rayon, whereas rayon staple is chopped up in short or longer lengths, and it resembles cotton. Rayon staple's biggest use has been in blending with other fibers: nylon, polyester, acrylics.

Silveri: We were talking about the period when you became associated with Enka. Did you remain in that position that you were hired for originally?

Ayers: I remained as a labor recruiter until the end of World War II, and then the company asked me to stay and work in the employment office. I served as a personnel investigator; as an interviewer.

Ayers: (Cont'd.) Prior to World War II, Enka had a very extensive recreation program. Had a nice gym, bowling teams, baseball teams and basketball teams; children's programs, and dances and flower shows. Quite an extensive recreation program.

After the World War II ground to an end the recreation program was started up again. I was working for the employment manager, and he was asked to set up the recreation program following the war. These were the years when the boys were back home and everybody wanted to get back to normal, so we had tremendous years of employe recreation: softball teams, baseball, bowling teams, basketball, plant bowling leagues. We had a Little League baseball program for some two hundred and fifty kids; basketball program in the winter. I worked in that generally and did publicity for it.

Then, about 1947, the editor of the company paper at that time was the company treasurer, and he had learned that I had writing experience. He called me down one day and asked me if I would assist him, and, with the permission of the personnel manager, I said, "Sure." So that's how I got started with the employe publication. But I continued in the recreation program until 1954. Then I was offered the job of editor of our company paper, in the corporate industrial relations set-up. Prior to that I had been with what they called the Enka plant industrial relations department.

Silveri: You were a recruiter during the war. How did you recruit people? Did you put ads in the paper and they would come in, or did you

Silveri: (Cont'd.) go out and find them, look for people?

Ayers: Well, I ran ads in the Hendersonville paper. I was also working for the newspaper, and since Enka was a defense industry I was able to place quite a few stories that we needed people. But the number one consideration was employment offices. Then, under federal regulations, if you were to go into an employment office and say that you were available to work, that office had to direct you to a defense industry first, and then the office had to have a good reason to know why you didn't accept that job before they would refer you to another opening. So we got first crack at every one that was available. Some of them were job-hoppers, and yet there were some good people who were available.

For instance, in the case with Enka, many people were employed during the war who previously just didn't meet the standards, and they'd been trying to get a job with Enka for a number of years. But during the war years the boys went off and many people who had been turned down previously were then employed.

Silveri: I imagine the percentage of women increased during the war for work in the plant.

Ayers: I would say there were probably fewer openings in the departments where we had women than there were in the departments where we had men. I don't think there was ever a shifting of people performing the jobs. For instance, in the spinning and the chemical operation, the finishing operation, there never were any women in those departments, but largely we had the women in the textile operations,

Ayers: (Cont'd.) where they were handling the yarn and preparing it to go to the customers.

Silveri: I'm particularly interested, as I have told you before, in the impact that Enka had on people. We all know that there has been limited industry in the region, and Enka was one of the first ones into this area. How did the mountain people accept Enka? Were they very anxious to come to work here? What do you remember about that?

Ayers: Well, of course, I came at an abnormal time, during the war. I am told that prior to the war, every day there were people in the employment office, and many times there were so many people that they would be outside waiting, and that the employment manager might go out at eight o'clock and there would be fifty people collected.

He'd say, "I can hire two people today."

How he selected them, I do not know. But certainly, up until the war, there was an overabundance of people available. They came primarily to Enka from this county and the two adjoining counties. Jobs were hard to find here, and the standards were high.

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[BEGINNING OF SIDE II, TAPE I]

Ayers: The pay was probably well above any other industrial job that you could find in this area. Of course, there wasn't a great deal of industry.

Silveri: So probably most of the people who came looking for a job had no experience in industry. They were probably coming off the farms

Silveri: (Cont'd.) looking for good employment.

Ayers: I would guess that most of them had been on the farms, or had been performing manual work or farm work, the majority of them, other than possibly some of the people who were in the skilled trades - craftsmen.

Silveri: There has been a long history of mountain people who are migrating to the fringe of Appalachia to work in the textile industry, you probably know: down in the Piedmont of South Carolina and North Carolina. At least Enka was local, so the people could stay at their homes in the mountain families around here. So then, after the war, I imagine there was much less of a problem of recruiting workers, because there were soldiers who came back and were looking for jobs, and so on. Enka didn't have very much difficulty in finding employees.

Ayers: No; not for many years. In fact, I think when the war was over no one was leaving, but a lot were coming back. So we had an over-abundance of people, and this led eventually to a lay-off, based upon seniority. Of course, the men coming back from the services carried over their seniority, so they were the ones to stay, but the ones who had been hired since . . . I've forgotten when the first lay-off came, whether it was '48 or '49, but eventually we had so many people, when all the boys came back, we had to have a lay-off. But also, fortunately that time, demand for yarn was tremendous, so we were running at a very high level.

Silveri: I wanted to ask you about labor unions. Did Enka have a

Silveri: (Cont'd.) labor union? If so, when was it started?

Ayers: It was formed in either 1939 or 1940; United Textile Workers of America.

Silveri: That certainly must have been the result of the Wagner Act, the National Labor Relations Act, and those other . . . legislation of the middle and latter 'thirties that gave a good deal of encouragement to the formation of labor unions. Was there any difficulty at the origin of that at the Enka plant? Do you recall?

Ayers: I wasn't here, and I really don't know.

Silveri: Since '39 and '40 there has been . . .

Ayers: . . . there has been a union here at this location.

Silveri: Right. Part of the Textile Workers of America?

Ayers: United Textile Workers of America; that's the old A.F.L. faction, as opposed to TWUA of the C.I.O., the original C.I.O.

Silveri: That union comprises the production workers only?

Ayers: They represent the hourly-paid employees. There are some employees who are not members of the union, but still the union is the recognized bargaining agent for hourly-rated people.

Silveri: Would you say over the years there has been a pretty good relationship between the company and the union?

Ayers: I think so; we have had some strikes, but generally I think our relations have been very good. I think this has been part of a tremendous effort on the part of the union and on the part of the company people.

Silveri: Now we come up to the 'fifties. What was the situation in the 'fifties? It was in the 'fifties that you began to write for the company newspaper. Right?

Ayers: Right.

Silveri: How many years did you do that? Do you still do that?

Ayers: Still do it; been the editor for twenty years. Of course, the last fifteen years I've had an assistant who carried the title, but unfortunately, due to that recent recession, I lost him, so I'm back where I was fifteen years ago as editor as well as PR Manager.

Silveri: Is that newspaper just for this plant?

Ayers: No; for all locations. It has a circulation something like fourteen thousand.

Silveri: During the 1950's was there any significant change in the market situation, in the production of the plant?

Ayers: Certainly; just increased demand for rayon, of course. We were going well here, despite certain cycles. You know, the textile industry has always been subject to cycles, so we had our cycles, but generally the over all direction was up. We placed the Lowland plant into operation in 1948, so generally the 'fifties were great years for rayon. Back in 1955 we started our third plant, a rayon staple plant, at Lowland, Tennessee. So this represented our third rayon plant, and then at about the same time the most significant development here at Enka was our entry into the nylon field. I think our company, knowing that nylon had tremendous potential and that we had the know-how for

Ayers: (Cont'd.) manufacture through our parent company in Holland, so we went into it on a very limited basis. I think the first year the production was at about an annual rate of two million pounds, while at that time we were probably producing, just to compare, over a hundred million pounds of rayon. So we got off to a very small start; as we learned the manufacturing finesse, and such as that. As I mentioned to you, this particular nylon plant here at Enka was expanded on six or seven occasions. So certainly, going into the business of nylon was one of the biggest things that happened to us in the fifties.

Silveri: Now, up to today: Does the rayon production still exceed the nylon production here?

Ayers: No; we're not producing rayon here now. This plant was closed in May, and we produce at this location now, only nylon.

Silveri: And the Tennessee plant produces both, or just nylon?

Ayers: Actually the Tennessee plant produces a little bit of everything. Our Tennessee operation now is, to our knowledge, the largest single complex for the manufacture of man-made fibers in the world. We were producing at the rate of over three hundred million pounds a year over there. We had four separate plants. There was the original rayon filament plant, which was completed in '48; the rayon staple plant, which went into production in '57. We completed a nylon plant there in 1962. Then we added the production of polyester there, beginning, I think, in 1965. That complex is a tremendous operation. In 1967 we entered the production of polyester staple. So we now produce rayon, nylon and

Ayers: (Cont'd.) polyester at Lowland. Until our recent recession we had about five thousand employees at Lowland. Then in the early seventies we saw a need for a third major manufacturing site, so we went to Pickens County, South Carolina, in Northwest South Carolina near Clemson University; purchased fifteen hundred acres. At the time of the land transaction it was the largest industrial land purchase in South Carolina. So we completed and started production there in 1970, nylon; and in 1972, polyester.

Silveri: Polyester is the fiber that goes into double knits?

Ayers: That's right; that's been the biggie. It's been the biggie in recent years. Of course, we're now into what's called producer-textured polyester. Formerly, we made the polyester and it had to be sent to what was called a "throwster" for the yarn to be processed. Now we do that on our own equipment. There is tremendous demand for what is called producer-textured polyester.

Silveri: So you're saying, then, the production of nylon is a small percentage of what you produce now, in all of your operations.

Ayers: No; nylon is still large and polyester is large. Of course, now our smallest production item is rayon staple. We produce about a hundred million pounds of rayon staple in Lowland, Tennessee; whereas, our total capacity before our recent problems was about five hundred million pounds. Approximately two hundred million of that was rayon, and the rest of it is nylon and polyester. But we've gotten very large as a fiber producer.

Silveri: Polyesters are made out of largely nylon?

Ayers: No; it is different raw materials. Nylon is made from caprolactam. The type of nylon we make is called nylon six and is made from caprolactam. It is a petroleum derivative, and polyester is made from a petroleum derivative too, so this is another thing that causes real problems with the shortages of petroleum.

Silveri: When did the new . . . I am assuming that the new corporate structure . . . When did that take place?

Ayers: That took place in September of 1970. It represented consolidation of the interests of our parent company in Holland, Akzo, a-k-z-o . . . they put together in one organization their holdings in this country, primarily American Enka Company, International Salt Company, and Organon, a pharmaceutical company. Those were the three companies. But I have to go back one step further.

In our only move towards diversification, in the late fifties, we bought two wire and cable plants: one, the William Brand Company, in Willimantic Connecticut; and the Rex Corporation in West Acton, Massachusetts, your home state. In fact, I had an opportunity to go there several times and stayed in Concord at that wonderful old inn. It's just a tremendous place. I've missed going back to Concord. We consolidated those two operations and formed what was called the Brand-Rex Division, and moved them into a new building in Willimantic, Connecticut, a building that was originally, I think, built by the American Screw Company. So we had a Brand-Rex Division that manufactured wire and cable.

Upon the formation of Akzona, the Brand-Rex Division of

Ayers:(Cont'd.) Enka became its own company. So then Akzona had four companies: American Enka, International Salt, Organon, and the Brand-Rex Company. I think it was 1971 that Akzona purchased three Armour companies: the Armour Industrial Products Company, Armour Chemical Company, and Armour Leather Company. With that we had the right to use the Armour name for as many as, I think, five years. Now the old Armour Chemical Company and Armour Industrial Products have been re-named Armak, A-r-m-a-k. They're headquartered in Chicago. The Armour Leather Company has been re-named Armira; it is headquartered in Sheboygan, Wisconsin. In fact, we recently announced, about a year ago, that Armira would build at this location a plant to manufacture a poromeric, that is, a synthetic shoe upper. We're going to have sister companies kind of intertwined, more or less.

Silveri: To give some idea of the relative importance of all of these companies, would I be right in assuming that Enka is the largest, provides the largest percentage of income?

Ayers: I think it has been to this point, the largest income and the largest profit. For instance, last year, on total sales of seven hundred and fifty-three million, Enka sales were three hundred and eighty million. On total net income. . . I won't say total, I'll say, on net income of thirty three million, Enka's net operating income was fifteen million; almost fifty percent of income and over fifty percent of sales.

Silveri: When we talk about Enka, we're talking about the plant here, the plant in Tennessee, and the plant in South Carolina. That's all Enka, right?

Ayers: That's right. There's still another operation. Some years ago, I'm not sure how many, now, six, eight. I believe it was 'sixty-eight, we formed a company called Blanchard Yarn Company to increase our know-how as to how to texture polyester. We built a plant at Whitakers, North Carolina, near Rocky Mount in Eastern North Carolina, and it is a texturizer of polyester. It has about thirteen hundred employees.

Silveri: In addition to the production, I understand you had the research unit here for quite a long time, doing research.

Ayers: Yes; actually Enka has been interested in research practically from its origin. As early as 1936, four people were assigned to research. Since then it has just gotten larger and larger, which led to the construction of this research center in 1955. Two years ago it was actually doubled in size. Now, in research and in our marketing-technical department - the complex we call our research and development center - are approximately four hundred and fifty people who are engaged in various types of research and learning how we can make innovations for new end uses. We can also call on our parent company in Europe for research know-how.

I remember our former president, Mr. Stull, said one time, "We've got five thousand guys shaking test tubes in Holland for us."

So our research over there is important. We contribute a certain part to their research cost, but then we have an exchange of technical information.

Silveri: Akzona is still a Dutch company. Is that right?

Ayers: The majority of the stock is owned by Akzo; right.

Silveri: Let's go back to that stock situation, now. When Enka was formed here, did it issue stock? Was it a public company?

Ayers: No; the company didn't go public until 1955; went on the big board in 'fifty-five.

Silveri: I see. So essentially it was privately owned until 1955?

Ayers: That's right.

Silveri: Do you have some idea of the outstanding stock in the company owned by private investors?

Ayers: You mean, number of shares?

Silveri: Yes.

Ayers: That is, for Akzona?

Silveri: Yes.

Ayers: It's about twelve thousand.

Silveri: This would be a pretty small number, in comparison with other issues?

Ayers: Very definitely.

Silveri: Do you know what the stock is worth on the board today?

Ayers: It closed yesterday at sixteen and five-eighths.

Silveri: What was the reason for the company going public in 1955? To attract more capital?

Ayers: I'm certain that was the reason. But, compared to other companies of this size, there has never been a great deal of stock available. I don't know what the controlling interest in Holland was,

Ayers: (Cont'd.) but I think while it was Enka, it was generally around sixty to sixty-five percent controlling interest in Holland.

Silveri: You mentioned a number of people associated with the operation at Enka. I was wondering if you could mention other outstanding people who worked here . . . who had a significant influence on the development of the Enka work here.

Ayers: Well, I suppose we would start out with our presidents. The first active president we had was John Bassill, and I believe he became president in 1950. Prior to that we'd had this set-up I mentioned to you with a commercial vice-president and a technical vice-president. Actually, we had never had a day-by-day president as such before 1950. It more or less was an honorary position. John Bassill was a very outstanding man in rayon. He's dead now; died shortly after he retired. He was one of the leading men in the rayon industry.

He was our president until 1960, when Philip B. Stull, who had been a vice-president at Hercules for twenty-seven years, came to Enka. Mr. Stull, a very dynamic man who came at about a time when we went into one of our down cycles (1960 was a bad year for this company). Mr. Stull said we needed new direction; needed to diversify, to get out into newer fibers, and he really started the thrust toward getting more into nylon and polyester. During the next seven years he was president of Enka.

He gave way in 1967 to Claude Ramsey, who was a career man who had joined this company as a young man in his twenties and had worked his way very solidly up through many different positions. When Mr. Stull

Ayers: (Cont'd.) retired he turned it over to the very capable hands of Mr. Ramsey. Of course, Mr. Ramsey went on then to become president of Akzona and later board chairman when Mr. Stull retired as Akzona board chairman at the mandatory retirement age.

At the time of the formation of Akzona, Mr. Winger, who had been a vice-president, was elevated to the presidency of American Enka. Those have been our key men.

Silveri: Were most of these men that you mention here technical people? I mean, people who worked in the research side of it. Or, were they administrative corporate people? I don't know if I've made myself clear, there. I know of similar companies like this. Their people in charge of research have sometimes gone up to the top. How does that work in Enka?

Ayers: That's rather difficult to answer. I don't know what Mr. Stull's position was with Hercules, whether he was an operational man or. . . I'm just not certain. But Mr. Ramsey, as I said, just grew up with the company and continued to assume jobs with increasing responsibility. He was in marketing; he was in manufacturing; he knew the financial operations . . . so, it's hard to pinpoint where these various men came from. I think John Bassill, who was our president, had been . . . well, he had been a top administrator. He had formerly been with North American Rayon, but I don't know what his basic field was. I'm afraid I'm not able to give you a very good answer on that.

Silveri: We are able to find out that information in other ways. How would you assess the present situation here at the Enka plant? You just

Silveri: (Cont'd.) mentioned that you ceased rayon production here a while back. When was that?

Ayers: We announced in May that we would have to cease operations of rayon filament at Enka because of a number of factors, and as a result we had to release from our payroll about seventeen hundred people.

Silveri: Is the plant vacant now?

Ayers: The plant is completely vacant. At the time that we made the announcement Akzona and Enka officials said that every effort would be made to place any sort of manufacturing facility in the vacant buildings from any of the Akzona-operated units. We are all very hopeful and feel surely that we will. As a matter of economics, if you have here a plant, and you have various utilities available, it would be far easier to place a new manufacturing operation here than to go out and build at today's costs. We feel that eventually, certainly part, and, we hope, all of this facility will be in some type of use.

Silveri: Were any of the other plants able to absorb any of the seventeen hundred that were laid off here?

Ayers: Some; but unfortunately this came at a time when the entire market for man-made fibers, and the national economy, has been down. We weren't able to place as many as we had hoped to. We made a lot of effort and we've had some success.

Silveri: You mentioned the strikes. I wonder if you could mention when those strikes took place and what were the issues and how they were resolve, if you can recall.

Ayers: The first strike, I think, was in 1941, and I know nothing about it; it was the first one. It being the first one, it was probably the most severe that we've had here. There was another one during the war, and as I recall, it involved primarily wages. Just lack of agreement on . . . well, the union just wouldn't accept our wage offers.

But this one didn't last long, because the army moved in and put all the people back to work. I remember one Sunday afternoon I was at a movie. I was called, and they said to be ready within an hour, there would be some army officers over with me and we had to contact every employee in Henderson County. So we went from house to house. They had a list of addresses.

The army officers would read off . . . we didn't know what it was . . . but it was an order, issued by the War Department, I suppose, to return to work, and they were told when to return. So that one didn't last long.

Then there was not another one here until 1962. This came following. . . I think I told you we had a bad year in '60 and we were generally down and we were beginning to turn from a rayon producer into a producer of the newer fibers. Once again, the union was not satisfied with our wage offers. We thought it was fair; they disagreed, and we had a three-week strike in '62. That's been our last one, thank goodness.

Silveri: My father worked in the steel industry, incidentally. Strikes were just a puzzle to him. He said [they] would have to be settled one time or another, and look at all the work you lose.

Ayers: As we all know, no one benefits from a strike.

Silveri: I wonder if you have any general observations on the impact of Enka on Asheville and Buncombe County and the counties around, over the years. How do you see it? Undoubtedly we see there has been a great benefit to the mountain people, in providing the jobs and wages and security over the years.

Ayers: There is no doubt about that; it's probably been the largest single influence other than, generally, tourism, the largest one single industrial influence in Buncombe County. I believe that you would hear this from other people who are not employed by the company.

But just in the years I've been here, I've seen beautiful homes spring up all over this area, and people that have had incomes that they could depend on. Of course, most of them are native mountain people. They're very reliable; they're very frugal; they believe in saving their money. Many of them who live in the rural areas have gardens, and they have animals and chickens and such . . . they can do this because many of them work swing shifts, rotating shifts. For instance, a man who comes to work here at three o'clock, he has entire mornings that he can work in his garden.

This is an area where burley tobacco is grown. Many of them have tobacco allotments and get an extra nine hundred, fifteen hundred bucks a year from tobacco allotments.

So I'd say, because of this situation many of them are probably better off financially and economically than if they were making twice as much as they are and lived in an urban area.

Silveri: Wasn't Enka the largest single employer for many years here? Is this so?

Ayers: It still is; we still have twenty-five hundred people. We're certainly still the largest in Buncombe County. I don't know how many Olin has. Probably Olin, in Brevard, has twenty-five hundred or maybe more, but practically all the years Enka was the leader; and Champion, at Canton, and Olin were about the same, and then Beacon, at Swannanoa, probably has been the second largest employer in Buncombe County.

Silveri: Now in the past ten years Americans have become very concerned about the environment and industrial pollution. How has that concern affected Enka, and what has Enka done about it?

Ayers: Well, we've been aware of our pollution problems since the forties, and we've spent many millions of dollars, not only at this location, but at our Lowland operation. But primarily, our pollution problems have been associated with the manufacture of rayon, and since we've gone into the newer fibers we don't have the pollution factors.

If you produce viscose rayon, unfortunately, you smell, and you smell offensive. It's just like making perfume. If you make perfume, they tell me, in France you're going to smell a perfume factory. If you go to Hershey, Pennsylvania, you're going to smell cocoa. If you make rayon, you're going to have an unpleasant odor. Of course, with this location that's taken care of; we're not manufacturing rayon, so there's no odor. One of our engineers was in yesterday and just pointed out to

Ayers: (Cont'd.) me, he said, "Look at our two smokestacks; they're clean as a pin."

They had just tied in the third electrostatic precipitator, and these precipitators will remove all of the fly ash.

[END OF TAPE I, SIDE II]

[TAPE II, SIDE I]

Silveri: Did I understand that the stoppage of the rayon production and lay-off of workers was in some way connected with industrial pollution?

Ayers: Yes; in fact, at the time we issued the news story that was one of the reasons that was given.

Silveri: So it was the pressure of the environmentalists and then the state and federal laws and regulations about pollution that had something to do with it?

Ayers: The plant lost over four million dollars before taxes last year, and pre-tax losses this year have been running at about nine hundred thousand per month. This, in addition to the prospect of having to spend an additional eight to ten million dollars to complete the pollution control program for this plant during the next two years, left our management with no alternative. So, it was a factor; yes, a strong factor.

Silveri: What about the water pollution situation? You mentioned they had to use a lot of water.

Ayers: Fortunately, through additional installations we've made we've got that situation well within the standards as required by the

Ayers: (Cont'd.) state and the E.P.A. We have just constructed monitoring systems here where the water will be monitored before we take it in and monitored after it left. There again, when we ceased production of rayon that pretty well solved itself.

Silveri: When you produce nylon you don't have those same problems.

Ayers: Very, very little pollution involved with nylon. In fact, down in South Carolina, with the awareness of pollution, and with the fact that you can build into your new plant devices to prohibit it, we've got one of the cleanest operations down there in the country.

Because, if you build a plant now you have to build it by certain standards. When this plant was built in 1928, people could have cared less about pollution. All they wanted was a job and something on the table and some shelter and something on their bodies.

Silveri: I spoke with a person today whose father was with Champion Paper Company, and his father's response to those who alluded to the odor as they rode through Canton: His father said, "Well, that odor to me smells like bread and butter."

Ayers: And it smells green to them; yes. As is the case with any paper operation, their problems were far more vast than ours were, but they have done a tremendous job over there. They've spent a tremendous amount of money.

Silveri: Well, you have helped me today; I'm sure there will be a lot of other things that will be of interest in the story of Enka that I may like to come back and talk with you . . .

Ayers: I'll be right here.

Silveri: Okay. Thank you very much.