CASE NO. 165.

Feldman-- Contractor-- Rate for Second Basting


The question in this case is whether the employer may fix a rate of 22¢ for second basting full lined coats and 25¢ for ½ lined. The union contends that this cannot be done because a single rate of 23 1/2¢ has been paid for all coats, and separate rates for ½ and full lined cannot be made under the present wage agreement. The employer maintains that the rate of 23 1/2¢ did not cover full lined coats because none were being made, and he desired to establish a new rate of 25¢ for this work now that it is being made. He added 1 1/2¢ to the old rate for ½ lined coats because of the extra work of basting vent tops. The union asks the same 1 1/2¢ for the full lined coats as well.

The Chairman is convinced from all the evidence before him that a single rate for second basting is in force covering all classes of coats. No. rate for full lined coats different from the ½ or ½ lined coats could be found either last season or the season before, although some full lined coats were made in the shop. A number of decisions have made it plain that where a single rate is in force it cannot be split into separate rates for easier and harder work during the life of the present wage agreement. The rate for the full lined coats will therefore have to be the same as for the one-half lined, namely 25¢.

Dated July 28, 1920.

__________________________________
CHAIRMAN
LABOR ADJUSTMENT BOARD, ROCHESTER CLOTHING INDUSTRY

CASE 167

L. ADLER BROS. -- RATE FOR UNDERPRESSING.

Complaint entered by the employer, June 26, Hearing on July 12. Mr. Harmon appeared for the Employer. Mr. Licastro represented the Union. Investigating committee, Leo Earialo, Leonard Peters, Moses Reicher, N. Aceto.

The operation of under collar pressing and top collar shrinking was changed and new instructions issued for doing the work. This change in method makes the work easier and the employer seeks to reduce the rate for the operation from $3.60 to $2.00 per hundred. The union objects to any revision of rate.

A committee representing both parties investigated the operation and they found that the change in method made the new operation so much easier that about one-third of the time was saved in doing the work. A new rate for the new method of operation is therefore justified, and it would seem fair to deduct one-third from the old rate of $3.60, making the new rate $2.40 per hundred.


William M. Leiserson
CHAIRMAN
DEAR [NAME]

The operation of sugar cane processing and copra coffee
extraction was changed by new instructions issued for grinds
the coffee. This change in method means the work process and
the employer needs to reduce the rate for the operation
from $5.00 to $2.00 per hundred. The union opposes to
any reduction of rate.

A committee representing both parties investigated
the operation and found that the分开 at the new rate.
A new rate for the
same wage to continue the occupation as previously started and it was
seen that to continue one-third from the new rate of $5.00

July 28, 1920

Chairman

[Signature]
CASE NO. 169.

STEIN-BLOCH CO. -- RATE FOR POCKET MAKING.


The question in this case is a proper rate for two welt pockets on overcoats. The firm offered 35¢. The pocket makers asked 40 ¢.

A committee representing both parties agreed unanimously on 39¢, and this rate is therefore approved.

Dated July 31, 1920.

William M. Leiberson,
CHAIRMAN.
CABE NO. 186

STAIR-ROOM OF --- RATE FOR ROOM MAKING

Compliments of "The Union" Inc.
2000 - Recorder June 29th

Outstanding balance for the above.
All known property recorded for
Investigating committee, pleasure.
Revised rate and $9.30.

Outstanding p.a. 1910.

The direction in this case is a proper case for two ways
because of the case. The rate on the case. The longest
needed to make the copy of.

A committee recommended foroque partition during
our 2nd and first four in expiration, however.

Dec 9th 1920.

M. M. KEGLER

CHARGE
LABOR ADJUSTMENT BOARD, ROCHESTER CLOTHING INDUSTRY.

CASE NO. 170

STEIN BLOCH CO. -- RATE FOR FINISHING.


The chairman is asked to fix a price for coat finishing on a new 1/8 lined coat. The employer offers 55c on the ground that this model has about two cents more work on it than the regular 1/8 lined coat for which the rate is 53.46c. The finishers ask for 61c because, they claim, this new 1/8 lined coat has the same amount of work on it as a 1/4 lined coat for which they get 61c.

Comparing the work on the various coats presented in evidence, the Chairman is convinced that the work on the new model is much more like the old 1/4 lined than the old 1/8 lined. A rate of 60c would appear to be fair for the new 1/8 lined coat.

Dated July 31, 1920. William M. Leiserson

CHAIRMAN.
A shaper employed by this firm was discharged for leaving his work at 4 P.M. after his request to quit at that time had been refused by the foreman. He claimed there were only four coats left to be shaped and if he had done them that afternoon there would have been no work for him in the morning. The foreman contended, however, that he had other work for this man and his action unbalanced the section.

When there is work it is not right for a piece worker to lay off without excuse and without notifying the firm in advance so that arrangements might be made for keeping the sections balanced. This man should have considered the interests of other workers in the shop as well as his own. Discharge for the offense seems too severe a penalty in this case, and it is ordered that the shaper be suspended until Monday, July 12, 1920.

Dated July 10, 1920.  

William M. Leiserson  
CHAIRMAN
LABOR ADJUSTMENT BOARD, ROCHESTER CLOTHING INDUSTRY.

CASE NO. 178

HICKEY-FREEMAN CO.—CLASSIFICATION OF SEAM PRESSER.

Complaint entered by the Union, July 17. Hearing on July 22. Mr. Radder appeared for the employer. Mr. Licastro represented the Union.

Luca Staffieri, a seam presser receiving the scale for Class III Underpressing claims that he was hired as a Class I underpresser and should be paid the scale for Class I.

The evidence presented at the hearing showed that he was hired before the grouping of underpressers into three classes was made. The only ground on which he can claim the scale for Class I work is if he is actually doing that work or did that work in December when the classification was made. It is claimed that in shrinking the collar he is really doing the work of a shape presser which belongs in Class I. On investigation the chairman finds that collar shrinking is generally regarded as Class III operation and other pressers doing the same work as the man involved in this case are receiving only the Class III scale.

The seam presser also claims that he received $25.50 before the December increase and should have received a $6.00 increase to make his wages $31.50 instead of $30. The evidence showed, however, that he was doing no more or better work than other Class III underpressers, and therefore he is entitled to no more than the scale of $30.

Dated July 31, 1920. William M. Leiserson, CHAIRMAN
LABOR ADJUSTMENT BOARD, ROCHESTER CLOTHING INDUSTRY.

CASE NO 180.

ROSENBERG & KATZ -- RATE FOR COLLAR FELLING

Complaint entered by the Union, July 17. Hearing on July 19. Mr. Merkel appeared for the employer. Mr. Klein represented the Union.

The collar feller employed by this firm complains that her earnings have been reduced because the collars now made are much longer than heretofore.

An examination of the coats submitted in evidence at the hearing showed there was practically no difference between the work of felling the new collars and the old. The wages received by the collar feller also shows that there has been no decrease in earnings. An increase in rate is therefore not justified.

Dated July 26, 1920

William M. Leiserson

CHAIRMAN.
CASE NO. 780

ROCHESTER & KANE RIVER RAILWAY

Complaint by

F. M. McKee

Respondents

The complaint of F. M. McKee, against the Rochester & Kane Railway Company, was heard on the 26th day of July, 1920, at the office of the Agency and the complaint is hereby dismissed.

F. M. McKee, in his complaint, alleged that he had been employed by the Rochester & Kane Railway Company for a period of 15 years, during which time he had rendered faithful service and had never been absent from work except for illness. He further alleged that he had been discharged without just cause and that he was entitled to compensation for his services.

The Rochester & Kane Railway Company, in its answer, denied the allegations of the complaint and stated that the defendant was entitled to discharge the plaintiff for misconduct.

After a hearing, the court found in favor of the Rochester & Kane Railway Company and dismissed the complaint.

J. W. Johnson

Chairman

Date July 26, 1920
LABOR ADJUSTMENT BOARD—ROCHESTER CLOTHING INDUSTRY.

CASE NO. 182.

KAPLAN & MEYER — DISCHARGED EDGE BASTER


An edge baster worked one week for this firm and then the factory shut down for a week. After the shut-down she worked one day, and was then discharged.

The employer contends that she had not worked two full weeks and he was free to discharge her. The union's contention is that she was in the employ of the firm for more than two weeks, when the week's shut-down is included for which the edge baster was not responsible.

It is quite plain that the two weeks' probationary period means two weeks of actual work in the shop, and since this edge baster had worked only one week and a day, the employer was free to let her go. Circumstances connected with her hiring, however, lead the Chairman to believe that he firm is under obligation to pay her wages until the end of the week.

The discharge is therefore approved on condition that the wages be paid until the end of the week.

Dated July 31, 1920. 

William M. Leiserson
CHAIRMAN
Dear No. 185:

Refer to Wages -- Discharge Room Menders

Company Secretary of the Union, July 26, 1930.

Your order of July 18, 1930, relating to the above-named has been taken under advisement.

The approval of the above application by the Secretary is hereby given.

Approval of July 26, 1930.

Chairman

[Signature]

Date July 26, 1930.
LABOR ADJUSTMENT BOARD, ROCHESTER CLOTHING INDUSTRY.

CASES NO. 189-190.

FELDMAN -- CONTRACTOR -- INSULT AND STOPPAGE.

Complaint was entered by the Union, July 22, 1920. Hearing July 22. Mr. Merkel appeared for the employer. Mr. Klein represented the Union.

These two cases arose together. There is no dispute as to the essential facts. A son of the contractor told a workman to "Get the hell out of here." The workman went back into the shop to get his hat and coat, and all the people walked out of the shop with him; being encouraged to do so by the shop chairman. At one of the hearings the activity of the shop chairman in calling people out was admitted by witnesses, but this testimony was changed at a later hearing.

Anyone connected with the management who uses insulting language to an employee will be punished by the Chairman whenever the matter is called to his attention. Had the people not walked out of the shop, or had the business agent of the union who was nearby ordered them back to work immediately as it was his duty to do, the punishment could be made quite severe. But the action taken by the people shows there was fault on both sides. Under the circumstances a fine of $15 to be paid by Mr. Feldman to the Labor Adjustment Board will be sufficient to emphasize the duty of respectful treatment of employees. The Board will determine some charitable purpose to which the money will be devoted.

As a penalty for causing the stoppage the employer asks that the shop chairman and the worker who was insulted shall be discharged. Had there been no fault on the employer's side this might have been a reasonable request; but under the circumstances of the case the Chairman cannot approve the dismissal of either of the men. The shop chairman, however, was not involved in the original dispute and he did actively encourage the stoppage. In this he showed himself unfit for the responsible position of representative of the union, and the union should remove him from this position.

Dated July 26, 1920.  

William M. Leiserson,  
CHAIRMAN
There is no evidence to support the assertion made in the complaint. The contractor, Mr. John Smith, requested an increase in pay for his workers, but this was not approved by the union. The union holds that the contractor is not entitled to the additional pay as it was not requested in writing and was not approved by the union's executive committee. The union also states that the contractor has not provided adequate proof of the necessity for the increase.

William M. Parker
Chairman
CASE NO. 193.

ROSENBERG BROS. CO. -- DISCHARGED WORKER.

Complaint entered by the Union, July 31. Hearing on July 31. Mr. Merkel appeared for the employer. Mr. Pearlman represented the Union.

Sam Gulino, a second baster was discharged for refusing to go on piece work. He is a weaver worker getting the established scale. The employer contends that his week work production is low and that he signed a statement agreeing to go on piece work after two weeks employment.

In regard to the charge of low production the employer is free to file a complaint and have a standard set for the scale he is paying. This can not be used as a justification for forcing a man to go on piece work against his will. Nor is the signed statement a justification. It says that he agrees to go on piece work after two weeks and he has been working by the week for about six months. Gulino will therefore be reinstated with pay for the time he lost.

The union contested the right of the employer to make people sign a statement that they would go on piece work as a condition of securing employment. This question is not decided in the present case, but will be submitted for consideration to the Labor Adjustment Board.

July 31, 1920. William M. Leiserson

CHAIRMAN
CASE NO. 194

ROSENBERG BROS. CO. -- Discharged Worker.

Complaint received from the Union, July 31, 1920. Hearing held July 31. Decision July 31, 1920. Mr. Merkel appeared for the employer. Mr. Licastro represented the Union.

James Falvo was discharged for refusing to go down to the Labor Department when sent for by the labor manager. He says he wants to be paid for his time, and will not go unless he is paid.

This is the third time he has refused to go when called. The first time the shop chairman ordered him to go when informed by the labor manager, and at that time it was clearly explained to him that he could file a complaint if he thought he was losing time unnecessarily. A second time he refused to go because he had not been paid for time lost previously and in the present instance he refused again, although it happened that it was at the request of a business agent of the union that he was called this third time.

If a workman can refuse to go to the labor department to adjust some difficulty, then the employer would have the same right to refuse to listen to complaints because he loses valuable time thereby. When called by the labor manager it is the duty of the worker to go. If he thinks he loses time unnecessarily he is always free to file his claim for lost earnings. It is admitted that Falvo was informed of his rights in this respect, and understood them clearly.

Hundreds of workmen are called by labor managers to adjust matters every day. Falvo is no better than any one of the others. It was his business to go when called. Had this been a first offense or even a second offense, and had he not clearly understood his duty to go when called and his right to file a complaint for lost earnings, then the plea made by the union representative that there were extenuating circumstances might have been good. As it is, the Chairman is convinced that Falvo deliberately wanted to be obstructive. If every member of the union acted as unreasonably as he has done there could be no adjustment of complaints and grievances. His dismissal is therefore approved.

Dated July 31, 1920.

CHAIRMAN.
Review of the Accomplishments of the Rochester Clothing Industry for the Year 1919

A Report Presented at the 29th Annual Meeting of the Clothiers' Exchange December 20th, 1919, at Hotel Seneca by Max L. Holtz, President
Chronological Summary of Important Events in the Clothing Industry From November 11, 1918 to December 20, 1919

November 11, 1918—Strike for the 44-hour week began in New York.

December 17, 1918—Amalgamated announced that campaign for the 44-hour week would be carried into every clothing center.

January 8, 1919—Hart, Schaffner & Marx granted 44-hour week.

January 10, 1919—Campaign for 44-hour week began in Rochester.

January 22, 1919—Eleven weeks' strike in New York ended when "advisory board" granted 44-hour week.

January 23, 1919—Rochester announced 44-hour week effective May 1st.

January 27, 1919—Work resumed in New York market.

February 13, 1919—Rochester announced collective bargaining agreement with Amalgamated and advanced 44-hour week to April 1st.

February 17, 1919—Dr. Meyer Jacobstein appointed labor manager for Stein-Bloch Company.

February 18, 1919—George L. Bell appointed impartial chairman in New York.

February 25, 1919—Dr. N. I. Stone appointed labor manager for Hickey-Freeman Company.

March 12, 1919—Leroy E. Snyder appointed labor manager for Rosenberg Brothers & Co.


March 17, 1919—S. Park Harmon appointed labor manager for L. Adler Brothers & Co.

March 31, 1919—Peter J. Van Geyt appointed labor manager of Clothiers' Exchange group.

April 1, 1919—Forty-four hour week became effective in Rochester.

April 27, 1919—Chicago workers rejected profit-sharing plan proposed by manufacturers in that market.

May 13, 1919—Chicago market signed agreement with the Amalgamated.

May 17, 1919—Montreal market signed agreement with the Amalgamated.

June 10, 1919—Rochester declared that it would maintain original contract prices on Fall clothing.


August 19, 1919—New York Clothing Trades Association signed agreement with Amalgamated.

August 21, 1919—Toronto market signed agreement with Amalgamated.

September 4, 1919—National Joint Council of Clothing Industry formed at Rochester.

September 5, 1919—Dr. William M. Lieser, appointed impartial chairman of the Rochester market.


October 18, 1919—First semi-annual sales banquet of Rochester market.

October 27, 1919—First semi-annual market opening of Rochester market.

November 17, 1919—Willis Wisler appointed associate labor manager Clothiers' Exchange group.

November 19, 1919—Boston market admitted to National Industrial Federation.

November 28, 1919—Announcement of wage scale for spring manufacturing season.

December 20, 1919—Annual meeting and dinner of Clothiers' Exchange at Hotel Seneca.

Report of the President
For 1919

It is a pleasant custom of the Clothiers' Exchange to meet annually at a dinner, at which time the presiding officers retire and the incoming officers assume charge. This is an event that both sets of officers look forward to with much interest, the retiring ones with pleasure that their year of service is over, the incoming ones anticipating the pleasure of their coming administration.

A retiring president has the privilege of expressing his opinion as to the support received from the membership during his administration. Even though I could lecture you, it would be beyond my desire, as I feel there is really nothing of which to complain, since I honestly believe that all of our members have, according to their best understanding, assisted in all that we have accomplished.

There has been an unprecedented growth in the membership of the Exchange throughout the year, and for the first time to-night we enjoy the presence of our new members. A welcome is extended to them, with the hope that their membership will prove to be all that the Exchange hoped when they were elected to membership. They are part of the chain that binds us together, and must perform their share of the duties that their responsibilities entail.

There is one thought that I would have you all consider, and it is this: That, perhaps as never before,
justice has been meted out to all of our employees, and that they, too, have every reason to enjoy this Christmas season. The joy that comes from this conscious knowledge should enable us to enter upon our new year with a better spirit than ever before.

The year 1919 tried the very soul of the Clothiers' Exchange and proved its stability and character. What has been accomplished in this year has justified its existence for the past quarter of a century.

A Chronological Record

The history of the Rochester clothing market for the year 1919 is a story of bold endeavor, supreme faith, and splendid accomplishments; the story of the practical fulfillment of a dream that was condemned as idealistic and visionary. In the short space of a few months an almost chaotic condition of unrest has been replaced by law and order in industry; the reputation and standing of the market have been greatly enhanced, and notwithstanding the highly competitive nature of the industry, there has been developed a spirit of co-operation that promises to usher in a new era in the manufacture of men's wearing apparel. All this has been brought about in addition to an unprecedented growth that has greatly increased the output of the market.

In a general sense, the accomplishments of the Rochester market have been reflected in other clothing markets, and this has aided in cementing together the five prominent clothing centers of the country under the National Industrial Federation of Clothing Manufacturers. But without usurping undue credit, it may be safely stated that throughout this year of wondrous achievement in the clothing industry, Rochester has acted as a pacemaker. From the day, early in February, when Rochester startled the clothing and textile world by the announcement that it had entered into a collective bargaining agreement with its employees, and that it had recognized the Amalgamated Clothing Workers' union as the official spokesman of the workers, its every movement has been watched with interest. This was a radical departure from the traditions under which the clothing industry had struggled along for years and brought down prompt and vigorous condemnation on the heads of the Rochester manufacturers. Yet succeeding events have justified their action.

The achievements of the Rochester market for the year 1919 automatically group themselves under three distinct headings, as follows:

1. The establishment of a definite labor policy, with the machinery for its administration, based on a system of collective bargaining that now has been adopted practically by the industry as a whole, and which has brought about a better understanding between employer and employee than exists in any other industry in the country.

2. The establishment of a definite market policy toward the retailer, based on the square deal. When the Rochester market announced on June 10th that it would adhere to its original contract prices, although the costs of production had mounted greatly, it set a precedent for square dealing that still is echoing through the halls of retaildom, and which retailers now use as a standard in judging other markets.

3. The development of the spirit of co-operation. This spirit, which has been greatly in evidence throughout the year, was exemplified to the fullest extent in the salesmen's dinner on October 18th and in the general market opening during the week of October 27th, two events that, while in the future they may be surpassed in size or detail, can never be duplicated in significance.

Each of these is a logical development, upon which the best minds of the market have been at work for months, and each, in turn, supplements the others. Each is important enough to be considered separately.

In recording any historical occurrence, no matter how short a period of time it is intended to cover, it is necessary to establish a background. In fact, the shorter the period it is intended to cover, the more background
must be sketched in, in order to show the true significance of important events.

Therefore, before describing the important events in the Rochester market during the year 1919, it is necessary to look back into the preceding year long enough to identify the events which had an important bearing on the future and which foreshadowed the accomplishments of the present year.

BEGINNING OF ARBITRATION

In the light of succeeding events, no happening in the clothing world looms up so importantly as the arbitration during the month of August of the demands of the Amalgamated Clothing Workers for a wage increase, by Professor William Z. Ripley of Harvard University and Louis E. Kirsten of the Filene Company, both at that time in the service of the government. The acceptance by both the manufacturers and the workers of the decision which this board handed down on August 21, 1918, averted serious labor trouble, no doubt, but a far greater significance also must be attached to the decision, since it opened the eyes of the manufacturers to the possibilities of a collective bargaining agreement with their employees as a means of permanently eliminating strikes and lockouts.

On August 30, 1918, Dr. Meyer Jacobstein, professor of psychology at the University of Rochester, was appointed permanent representative in Rochester of the Ripley-Kirsten board, another milestone on the path of progress, since it proved the fallacy of attempting to carry out a labor program in which no responsibility devolved upon the workers. This experiment also emphasized the necessity of more adequate machinery for the administration of any agreement between the manufacturers and their employees, and the fact that it was impossible to negotiate effectively with the employees as an unorganized body. The necessity of allowing the employees to organize along lines of their own choosing also was recognized. If only as a matter of convenience, it is easier to deal with one man than with 10,000, but when the added weight of the discipline which a well-organized union wields among its members is thrown into the balance, recognition of some form of employees' organization becomes imperative.

Another event that occurred during 1918 that exerted a tremendous influence upon Rochester during 1919 was the great New York strike, which began upon Armistice Day, November 11, 1918, and interrupted the manufacture of clothing in that city until January 27, 1919. One great fact that this strike drove home was that the industry has become so complex that the happenings in one market exert a great influence on other clothing centers. Thus, although Rochester and Chicago benefited greatly in increased business through the tie-up in New York, the unrest among the workers became daily more apparent.

On December 17, 1918, the Amalgamated announced at its New York office that it would carry the campaign for the 44-hour week into every clothing market in the country, but it was not until January 10, 1919, that it actually began operations in Rochester with this end in view. On January 22 a board of arbitration consisting of Professor Felix Frankfurter, Louis Marshall and Professor William Z. Ripley granted the 44-hour week in the New York market, bringing the strike to an end, although work was not resumed until the following Monday. A system of arbitration similar to that created in Rochester the preceding August also was established by this board. The day following the settlement of the New York strike, on January 23, 1919, the Clothiers' Exchange of Rochester voluntarily announced that the 44-hour week would become effective in the shops of its members on May 1st. Within the next few weeks the 44-hour week was accepted as the standard of the clothing industry.

The next few weeks were eventful ones for the Rochester market. The Amalgamated Clothing Workers had been conducting an intensive membership cam-
campaign in the market, and their claim to represent a majority of the workers could no longer be denied. Consequently, when the president of the organization, Sidney Hillman, asked for a conference, the Clothiers' Exchange, for the first time in its history, agreed to meet officially the representative of a labor organization. Mr. Hillman came to Rochester and entered into a series of conferences with a committee of the Exchange, composed of President Max L. Holtz and Samuel Weill. As the net result of these conferences it was announced on February 13th that the Clothiers' Exchange had entered into a collective bargaining agreement with its employees; that it recognized the Amalgamated Clothing Workers of America as the official spokesman of its workers, and that the 44-hour week would become effective on April 1st instead of May 1st.

**Formation of Labor Machinery**

The formation of the machinery necessary for the administration of this agreement between the Clothiers' Exchange and its employees was entrusted to Dr. Meyer Jacobstein, whose appointment as labor manager for the Stein-Bloch Company previously had been announced, and who, because of his intimate knowledge of the industry in general and his sympathetic understanding of the people with whom he was expected to deal, was eminently fitted for this task. Dr. Jacobstein soon gathered about him a group of men admirably fitted, both by training and endowment, to pioneer in the field of labor management.

These men were drawn from many walks of life. Dr. N. I. Stone, whose appointment as labor manager for the Hickey-Freeman Company was announced on February 25th, had had an extensive experience in the industrial field. During the twenty years following his graduation from Columbia University he was engaged largely in investigation dealing with industrial and commercial problems, both for the government and for private institutions. For a number of years Dr. Stone held

the position of chief statistician of the United States Tariff Board, and later served as arbitrator in various branches of the garment industry in New York. During the war he was connected with the quartermaster general's office of the War Department as chief of the cost studies section of the clothing and equipment division.

Leroy E. Snyder, the next labor manager to be appointed, resigned as director of the Rochester Bureau of Municipal Research to take charge of the labor problems of Rosenberg Brothers & Company. Mr. Snyder formerly was a news writer on the staff of the Indianapolis News and later the executive secretary of a business organization in that city. Before coming to Rochester to take charge of the Bureau of Municipal Research he was connected with a corresponding organization in New York.

The fourth appointment to be announced was that of S. Park Harmon as labor manager for L. Adler Bros. & Co., which was made on March 17th. Mr. Harmon was associated with Art in Buttons, Inc., for eight years following his graduation from the University of Rochester in 1909, and during the war acted as assistant director of the course in employment management conducted at the University of Rochester by Dr. Meyer Jacobstein.

On March 31st the labor machinery was temporarily completed by the appointment of Peter J. Van Geyt to act for the members of the Clothiers' Exchange who had not secured individual labor managers. Mr. Van Geyt was graduated from the Y. M. C. A. College at Springfield, Mass., and later was connected with the Bausch & Lomb Optical Company as cost accountant. He was graduated from the employment managers' course at the University of Rochester during the war and was chosen by the government to organize the service department of the Liberty Shipbuilding Company.

Although the next few months were marked by peace and quiet in the Rochester market, the reverse was true of other clothing centers, especially Chicago, where
the workers, encouraged by the success of their comrades’ negotiations with the Rochester manufacturers, were clamoring for recognition, and it was with real pleasure that Rochester learned on May 13th that the Chicago manufacturers had entered into an agreement with the Amalgamated. Previous to this the Chicago workers had refused a profit-sharing plan offered by the employers. The agreement between the ready-made houses in Chicago and the Amalgamated was followed by a similar agreement between the union and the wholesale tailors.

**Development of National Organization**

From this point on the development of the labor plan must be considered in a national, rather than a local, aspect. Montreal signed an agreement with the Amalgamated, and at a meeting of the labor managers of the clothing industry in Rochester during May a National Board of Labor Managers was formed, with George L. Bell, impartial chairman of the New York market, as chairman, and Dr. Meyer Jacobstein as secretary. These and several other events were preparatory to what was to follow, although their significance was not discernible by all at the time, and all had a more or less direct influence on the Rochester market.

A peculiar situation had existed for some time in New York, where there were two associations of clothing manufacturers. For a period of over eight years efforts had been made to consolidate these two associations, but it was not until after the action of Rochester and Chicago in entering into collective bargaining agreements with their employees emphasized the necessity of a unity of action in labor matters on the part of clothing manufacturers generally throughout the country, that this consolidation, which took place on July 17th, was accomplished. This news was followed the next day by the announcement that a national organization of clothing manufacturers had been effected, with representatives from the four markets of Rochester, New York, Chicago and Baltimore, under the title of the National Industrial Federation of Clothing Manufacturers, the principal object of which was unified action on all future questions of hours, wages, conditions in the clothing industry. Rochester was honored at this time in the selection of Samuel Weill, president of the Stein-Bloch Company, as chairman of the Board of Governors of the new organization.

It was highly appropriate that this honor should have been accorded to Mr. Weill, whose faith and energy and enthusiasm are primarily responsible for the adoption of the principle of collective bargaining by the industry as a whole, and for the degree of success that has been achieved. His courage in breaking down traditions and in establishing new ideals has been a source of inspiration to his associates, and has aided them to adhere to the principles that he has so clearly outlined. Mr. Weill was a pioneer in this field, and his efforts may be said to have set the clothing industry in advance of other industries of the country, and to have pointed out a way in which the labor problem may be solved.

The Clothing Trades Association of New York, comprising eight manufacturers who formerly had conducted “open” shops, signed an agreement with the Amalgamated on Aug 19th and linked its fortunes with the majority of the clothing manufacturers throughout the country through the National Industrial Federation, which almost completely achieved the unity of the New York market. On August 23rd it was announced that the Toronto market also adopted the principle of collective bargaining.

The organization of the clothing industry at this time was theoretically as follows: In each factory there was a labor manager to represent the manufacturers’ interests, and a shop chairman, who acted similarly in the interest of the workers. The union officials and the labor managers formed a joint council for each market, which settled problems that could not be worked out in the factory, or which affected the market as a whole. In
New York there was an impartial chairman whose decision was final and binding. In a national way the National Industrial Federation of Clothing Manufacturers was balanced by the national organization of the Amalgamated. In practice the arrangement was slightly different, as the labor affairs of the various markets were in different stages of development. The stage was all set, however, for the next step, which was the formation of a National Joint Council of the industry.

Formation of National Joint Council

During the first week in September, when President Wilson, acting upon the suggestion of Franklin K. Lane, Secretary of the Interior, was sending out invitations for his ill-fated labor conference, and when in Chicago a group of men and women were endorsing the principles of the Soviet government of Russia, a conference was taking place in Rochester that is destined to be recorded in the annals of industrial history as marking the beginning of a new era in the relations between employer and employee in the clothing industry, and perhaps in every industry in the country. Anticipating by a considerable period of time Secretary Lane’s suggestion that a better understanding could be developed between workers and their employers through frank discussion of the problems with which each has to contend than by any other means, the leaders of the clothing industry, on both sides, had proceeded quietly to arrange for this conference. On September 4th, following the quarterly meeting of the National Executive Board of the Amalgamated, which voted favorably on the proposition submitted by the National Industrial Federation, namely, to endeavor to fix, not later than October 1st, wage scales for the four markets of the Federation, which were to hold during the spring manufacturing season, these two bodies met jointly at a luncheon at Hotel Rochester. The meeting is historical for more than one reason, but primarily so because it is the first time in the history of the United States that representatives of both capital and labor from an entire industry ever had met each other amicably in a national way.

Besides the members of these two bodies there were present at the luncheon a number of manufacturers and labor managers from other markets and the members of the Clothiers’ Exchange of Rochester, together with the local union officials. The meeting was presided over by Max L. Holtz, president of the Exchange, and the speakers included Samuel Weill, chairman of the Board of Governors of the N. I. F. C. M.; Professor Earl Dean Howard of Chicago; Sidney Hillman, president of the Amalgamated Clothing Workers; Joseph Schlossberg, secretary of the same organization, and William Goldman of New York, who was present as representative of the Clothing Trades Association of New York, which had just concluded an agreement with the Amalgamated.

“The thought involved in what we are attempting is not new,” said Mr. Weill on that occasion. “The newness lies only in the application of the thought. Everybody understands that stoppages of work are costly; that strikes are wasteful and that the brunt of suffering that has ensued from strike conditions has been borne chiefly by those whose well-being it ever has and ever will be for the best interests of the employers to preserve and protect. In the present effort to evolve a plan for the avoidance of destructive force in industrial relationship, we have reached a point where there is a meeting of the minds of employers and employees and a recognition on the part of both that, for the benefit of all, waste in all forms, and particularly that which results from basic dissatisfaction in the industrial relationship, must be eliminated. To meet this economic problem, our Federation shares with the Amalgamated Clothing Workers of America the conviction that the machinery to be established by us can be made adequate and that the principle on which our plan of government is based is a sound and enduring one.
“The measure of success that will attend the establishment of government in our industry will be determined by the human element responsible for the degree of control exercised by the parties concerned. The machinery is not, and must not be, regarded as a makeshift or an expedient. All engaged in the industry must realize that there is, and must be, a sincere effort and honest purpose to make progress through orderly control which, of course, presupposes respect for law and regard for continuity of production.”

It detracted nothing from the intent of these sentiments that the National Joint Council found it impossible at this stage of its history to bargain collectively for the entire industry, and referred the wage scales back to the individual markets for ratification. The machinery created on September 4th still is in existence and is destined to play an important part in shaping the future of the clothing industry; and the Rochester market is proud to have been the birthplace of this first great national industrial council, and thus to have aided to usher in a new era in industrial democracy.

Impartial Chairman Selected

Although the original plan for the machinery to administer the agreement between the Clothiers’ Exchange and the Amalgamated in the Rochester market called for an impartial chairman, to act as arbitrator in all disputes and differences that could not be adjusted in the factories, such was the faith between the union officials and the labor managers that it was not until September 5th that such an official actually was secured. In the meantime a mid-season increase had been negotiated without friction, but it was felt by both sides that a higher court in which problems could be adjusted was really needed, and after careful consideration Dr. William M. Lieserson was selected to act in this capacity. Rarely has a more happy choice been made.

Dr. Lieserson brought to his new work the rich experience gained through years of contact with both the practical and theoretical sides of labor problems. He drafted the present employment law of the State of New York and established the employment system of the State of Wisconsin. Besides investigating industrial conditions in Europe for the Wainwright Commission of this state and making an unemployment survey for the United States Commission of Industrial Relations, Dr. Lieserson has held the chair of political economy at Toledo University. He came to Rochester from the Department of Labor at Washington, where he served as chief of the Bureau of Labor Administration during the war. The soundness of his judgment has been apparent in the many decisions which he has handed down, and his insistence upon production has been a vital factor in the success of the Rochester agreement.

Although Rochester had managed for five months without an impartial chairman, when this official finally did take office it was found that there were plenty of cases in which his decision was needed, and there have been few days since that time when hearings have not been held in the office of the impartial chairman, or chairman of the labor adjustment board, as he prefers to call himself.

During October and November two additional experts were added to the staff of the Clothiers’ Exchange. On October 15th the appointment of Charles N. Underwood as executive secretary of the Exchange was announced, and on November 1st Mr. Underwood assumed his new duties and began a general survey of the market with a view of standardizing costs and wages. On November 17th Willis Wisler was appointed to be associate labor manager with Mr. Van Geyt. Both of these men were veterans in their respective fields. Mr. Underwood began the study of production work in 1907 at the Sayles Bleacheries under H. L. Gant, one of the foremost production engineers in the United States, and remained with that company until 1912, when he went to the Ilion plant of the Remington Typewriter Company to take charge of the time study and investigation.
departments. When he resigned to take up his new duties with the Clothiers' Exchange, Mr. Underwood was secretary to the general manager of the Remington company, with offices in New York. Mr. Wisler, after serving an apprenticeship as iron moulder in his grandfather's shops, was graduated with honor from Harvard in the class of '09. Until the beginning of the war he was associated with the Harrington Emerson Corporation, efficiency engineers, and during the war was attached to the Working Conditions Service of the United States Department of Labor.

The wage scale for the spring manufacturing season, which was referred back to the individual markets for settlement when the National Joint Council failed to establish such scales for the four markets at its meeting in Chicago during the week of October 15th, engaged the undivided attention of Rochester's labor machinery during November, and it is a credit to both the employers' representatives and the Amalgamated officials that an amicable agreement finally was reached, which was announced at a mass meeting of the workers at Convention Hall on November 28th. The wage scale established through these negotiations will prevail until May 31, 1920, which insures the members of the Clothiers' Exchange against a recurrence of the series of events which last spring caused an unexpected increase in labor costs. During November the membership of the National Industrial Federation was increased by the admittance of the Boston market.

With labor costs assured for this period and secure in the confidence that the agreement with the Amalgamated provides against any interruption of work, the clothing manufacturers of this market are now enabled to devote their undivided attention to other problems, which, though fully as important, have long been subordinated to the labor problem. With the basic dissatisfaction of the worker eliminated through the democratic machinery that has been established, it is expected that production will increase and that the expansion of the Rochester market will follow.

At various times the labor plan of the Clothiers' Exchange and the policy of the members in entering into a collective bargaining agreement with their employees has been questioned. It is not at all necessary for the Exchange to justify its action, but there should be a genuine sense of satisfaction on the part of everyone connected with the industry, either as employer or employee, to feel that at this time, when the industrial fabric of the nation is rent by strife and when there is hardly an industry in which labor trouble is not in effect or brewing, that the great clothing industry of the United States, with its quarter of a million workers, is thoroughly at peace, and in the midst of the industrial furore that is raging on every side, is engaged in interpreting into industrial terms the principles of American democracy.

**The Square Deal**

If the only accomplishment to which the Clothiers' Exchange could look back upon in reviewing the happenings of 1919 was the development of a successful labor plan, the members could still be justified in congratulating themselves. There has been another accomplishment, however, not quite so tangible as the new labor policy, since the results of it are not so readily seen, yet one which is fully as important in its own sphere. This is the development of a distinct merchandising policy, based on the principle of the square deal, which has created unlimited good will for the market from coast to coast. And good will may safely be accounted one of the greatest assets of any business.

To say that this policy of the square deal has been developed entirely during the present year is only a half-truth, for it is on this principle that the Rochester clothing industry was founded. It was by rigid adherence to this principle at a time when a deviation would have been justified by many, however, that Rochester brought
its integrity to the attention of the clothing industry as a whole and boosted its stock to double par value with retailers.

The merchandising conditions under which Rochester began the year are yet too fresh in the minds of clothing men to need rehashing. A prolonged strike in the textile industry which delayed deliveries and greatly increased fabric values; a non-buying campaign on the part of the retailers; a reduction of nearly 10 per cent in working hours consequent upon the adoption of the 44-hour week, plus several unexpected wage increases and a general reaction on the part of labor caused by the sudden cessation of four years of world strife, all tended to increase costs, lessen production and to create an unsettled merchandise market. There was no unity in the opening of the fall lines, and many firms booked a large volume of orders early in the season. When deliveries began to be made it was found that manufacturing costs had increased so rapidly that in some cases there was a considerable loss on each garment.

This condition was not confined to the Rochester market alone, but was the general predicament in which every clothing manufacturer in the country found himself during May and June. Rumors began to circulate that manufacturers would not make deliveries in the face of this certain loss, and retailers, alarmed at the possibility that they might find themselves with bare shelves when the fall season opened, began to hurry to the markets, ready to pay any price to insure the delivery of their orders. In the face of this scramble for merchandise there was little opposition from retailers when one market announced a 10 per cent increase in contract prices to cover the loss due to increased wages. In this increase, however, Rochester refused to join.

Rochester’s attitude, which it took as a matter of principle, occasioned a loss that still is going on, since some firms are still delivering original orders of fall merchandise. On the other hand, the market has gained in prestige with retailers and in self-respect, an inestimable fortune.

Co-operation

The year 1919 brought to the Clothiers’ Exchange of Rochester the greatest co-operative growth in its history. At the date of the last annual dinner of the Exchange, on December 21, 1918, there were but thirteen members of the association; to-day there are nineteen. The new spirit of fraternity which this growth has engendered has encouraged the members of the Exchange to co-operate with each other in ways hitherto considered impossible. Perhaps the greatest co-operative achievement of the year, representing as it does an innovation in the methods of selling men’s clothing, was the general market opening which took place during the week of October 27th, and which attracted hundreds of the largest clothing buyers in the country to this city.

There is no doubt that the unparalleled growth of the Exchange during the past year is in a large degree due to the success of the new labor agreement. The only standard by which success may be measured is healthy growth, and it was through the unity of interest given to the various firms by the labor agreement that they were led to experiment with the co-operative idea applied to other phases of their business. That during this period of experimentation the Exchange has enjoyed a 30 per cent increase in membership is evident proof that the principles by which the organization has been guided throughout the year are sound and enduring ones.

The new members that were added to the Exchange during the year are: L. Black & Co.; Rochester Standard Clothes Co., Inc.; Hershberg & Co.; Lehrs, Prinz & Mandel; Segal Brothers, and R. Goldstein & Company.

The plan for the general market opening is the logical development of an old idea by the application of modern methods. The idea of the fair, or buying assemblage, has been used by merchants in all parts of the world from the time that primitive man first began to
barter and trade. It reached its height during the Middle Ages, when the fairs of England and France drew buyers from all parts of the world, and then, as the manufacture of merchandise became more general throughout the civilized world and better methods of transportation began to be developed, the need for them began to pass away. It was found easier to take the merchandise to the buyers than for the buyers to journey hundreds of miles to see the merchandise.

In the United States, however, for a number of years past some of the conditions that made the fairs of the Middle Ages important have again been developing, one of these being the concentration of a given industry in a certain city or town. The men's clothing industry of the United States is practically confined to four or five large cities, and for the convenience of buyers it is highly essential that all the lines of clothing made in each of these centers be ready for inspection at the same time. Another factor is the cost of distributing clothing. By bringing buyer and seller together under the most favorable circumstances, the general market opening will undoubtedly act to lower distribution costs.

The arrangement for the first general market opening of the Rochester market was in the hands of a special committee composed of Samuel Weill, J. G. Hickey and Edward Rosenberg, who appointed a sub-committee to handle the details, composed of Harvey F. Morris, of the Hickey-Freeman Company; Dan Lippman, of Fashion Park; Mark Sloman, of the Stein-Bloch Company, and Elmer Adler, of L. Adler, Bros. & Co., and these committees also made the arrangements for the first semi-annual salesmen's dinner, which was held at Hotel Seneca on October 18th. This dinner was the first real get-together that the executives and salesmen of the various houses comprising the Exchange ever have enjoyed, but its success was so apparent that it should be continued as a preliminary to each semi-annual market opening.

The dinner on October 18th was presided over by Max L. Holtz, as president of the Exchange, with Samuel Weill as toastmaster. The speakers included A. L. Gifford, selling agent of the Worombo Company, who gave some new facts and figures on the piece goods situation; Dr. Meyer Jacobstein, who explained the labor agreement for the benefit of the salesmen; and Dr. Edward James Cattell, chief statistician of Philadelphia, who spoke on "Getting the Most Out of Life." Over 250 salesmen, executives and guests of the Exchange were present.

This meeting served to put the members of the Exchange houses in the proper spirit for the market opening during the week of October 27th, with the result that every last buyer who visited the market during that week left the city with a new appreciation of the work that Rochester is doing in elevating the men's clothing industry to the place among the leading industries of the country that its magnitude entitles it to hold, but which, through petty jealousies and the weight of tradition it has been prevented from holding.

I cannot let this occasion pass without mentioning an honor that has been conferred upon one of our members and through him to the clothing industry of Rochester. I refer to Mr. J. G. Hickey's election to the presidency of the Rochester Chamber of Commerce, which is appreciated by our membership, and I pledge to him the entire support of the Exchange in the good work we know he will accomplish. At a later day the Exchange will be glad to take formal recognition of the honor that has come to us.

I also feel that a word of appreciation is due the Daily News Record, which, by its accurate recording of the day-to-day happenings of the industry, has kept the trade informed of the progress made during the year.

And now I return to you the office you were kind enough to entrust me with, with the hope that there is something to commend, although I know that there are
so many things to condemn. There are so many members I should like to specially mention for their co-operation that perhaps it is best to include all, and to express my thanks for the many courtesies shown me.

Max L. Holtz.

President.

Officers of Clothiers' Exchange for 1920

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Vice-President Secretary-Treasurer
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