

The two I wish to speak to you particularly about tonight, are under the sub-supervision of an assistant chief, Mr. J. R. Kimberly, one of the officials of the Kimberly-Clark Paper Corporation.

Back in October, when I first joined the staff, pulp and paper, printing and publishing, were one branch. There had been some concern on the part of the staff officers of O. P. M., as to the justification, shall I say, and the practicality of having pulp and paper on one hand, the life blood line of supply of the printing and publishing industry, and on the other hand, printing and publishing—the consumers, the customers, if you please, of the producers of the life line—all joined together in one branch.

Such was the combination during the last war, as most of you remember. The first week in November, Mr. George A. Renard, who in private life is the Executive Secretary-Treasurer of the National Association of Purchasing Agents, and for some 18 months a very close adviser to Mr. Donald Nelson and Mr. Leon Henderson, was sent in to determine whether that branch should be divided into two branches.

I remember very distinctly the day in which he came, and I remember his opening remarks when he said that it had been decided to establish at least for the time being, separate organizations; and he said, "I know nothing whatever about printing and publishing, except that which pertains to buying material."

PRESIDENT MAHER: Here is what you have been waiting for. He said, "I understand that you are from the industry, therefore you will proceed to analyze the industry, and to set up an organization to take care of it."

That being the case, I am sure you will understand that it was quite natural for one out of the industry, to immediately fall back upon his knowledge of the divisions of the industry, in an attempt to organize it into some regular semblance of its various sector activities.

Accordingly, it was broken down into four major divisions, newspapers, magazines, books, and what we now affectionately and nevertheless practically term the great three-ring circus of the printing industry, the commercial producing and converting printing ends, in which we have, as most of you practical printers know, the relief, the planographic, and the intaglio processing groups.

The next step, as might be imagined in the hands of one from the industry, was to determine that those heads of the various sections, and the various unit chiefs operating under them, should be men drawn from the industry, men who had come up from perhaps their youthful days in learning, and having experience in the various problems and peculiarities of the industry.

Ladies and Gentlemen, that is the plan that has been followed, and if it becomes necessary to branch out and to expand upon those major sectors which we have established, it is our intent to follow the same policy of taking men out of industry.

I am only going to mention very briefly in passing, the fact that the newspaper section is headed by Meyer Donowski from Dallas, Texas, the man who came from the Dallas Morning News, a newspaper well known in the newspaper field. The magazine section is headed by Walter J. Risely, one of the technical men from the staff of the Saturday Evening Post in Philadelphia. The book section is headed by Allen S. Brown, himself a practical printer, who came out of the direction of the production of the McMillen Company, America's largest book publishers. As we step over into the relief field, we have a man, Stephen Harrington from Nashville, long allied with the production of printed and standardized forms. In the planographic field, we have John J. Wolf from St. Louis, and in the intaglio field,

Louis MacFadden, from New York. Their assistants are somewhat too numerous to mention, and perhaps would not mean sufficiently to you to relate their names.

MAGNITUDE OF PRINTING INDUSTRY.

Now, taking the industry at large, I think that sometimes we fail to have the proper appreciation of the size, the character and the importance of the industry in which we are engaged. You know, I have heard it said that years ago, in Great Britain, any printer who chose to go to his office in an automobile or who assumed to wear the proverbial high hat, would be looked upon as a usurper. Now, in this country of course, we don't complain. Sometimes we throw snowballs in winter or bricks in summer at anyone who essays to wear a topper, but nevertheless there is no opprobrium against doing it, and I think the printers may well hold up their heads alongside their publisher-clients and associates, especially when you consider that this particular industry of ours has over 42,000 establishments, notwithstanding the fact that fifteen thousand and three are known as one-man establishments, that it has a total salaried and wage earning personnel of 600,000, in round figures, that we pay out, and I imagine Mr. Seese has already looked this up, 953 million dollars, or did in 1939, in salaries and wages, we bought materials that cost a billion, a hundred million, and we produced end products of 3 billion, 165 million.

Now, perhaps some idea of the analysis behind or the thought that pulp and paper ought to be separated from printing and publishing, aside from the fact that we are the customers, the clients of that particular industry, rests in the fact that in the same year, 1939, the Bureau making the census of manufacturers, reported that there were 1,895 pulp and paper establishments, 244,000 employees, 364 million in wages and salaries, 924 million in materials, and a billion, 611 million in end products—the value of end products. That is no disparagement to pulp and paper. On the other hand, it is rather a clear indication, or so it seems to me, that we have our particular functions. We need to maintain a very close liaison together, but there are certain fundamental problems that have to be handled entirely separately.

When we get into the question of the life line of printing and publishing—paper—it is well to remember that not all paper is printed. It is also well to remember that during emergency periods such as that in which we are now in, and in which factual data indicates very clearly we may well remain in for a long time, that we are only the partial users of that great production line.

In 1940, the United States census of forest products indicated that in excess of 17 million tons of paper was produced in the United States. Of that, 39 per cent was turned into printed products, and it is rather interesting to note in the preliminary breakdown that we have attempted in seeking to represent your interest as an industry properly, that there is a wide diversion in the usage of those papers. I am not going into all the details, because it is too long a study, but I do want to give you this.

Of the 39 per cent of paper, out of the total production that goes into printed form, which amounts to, in round figures, 6 million, 700 thousand tons, about 2 per cent is unclassified. We can't break it down. A little over 8 per cent is a groundwood sheet; 8.9 per cent are writing stocks; 24.7 per cent are book stocks; 55.6 per cent is newsprint. That is a pretty heavy production, but when you consider that of the total printed papers we run a gamut of thousands of different types and ends uses, you can imagine somewhat intelligently, I believe, the problem we