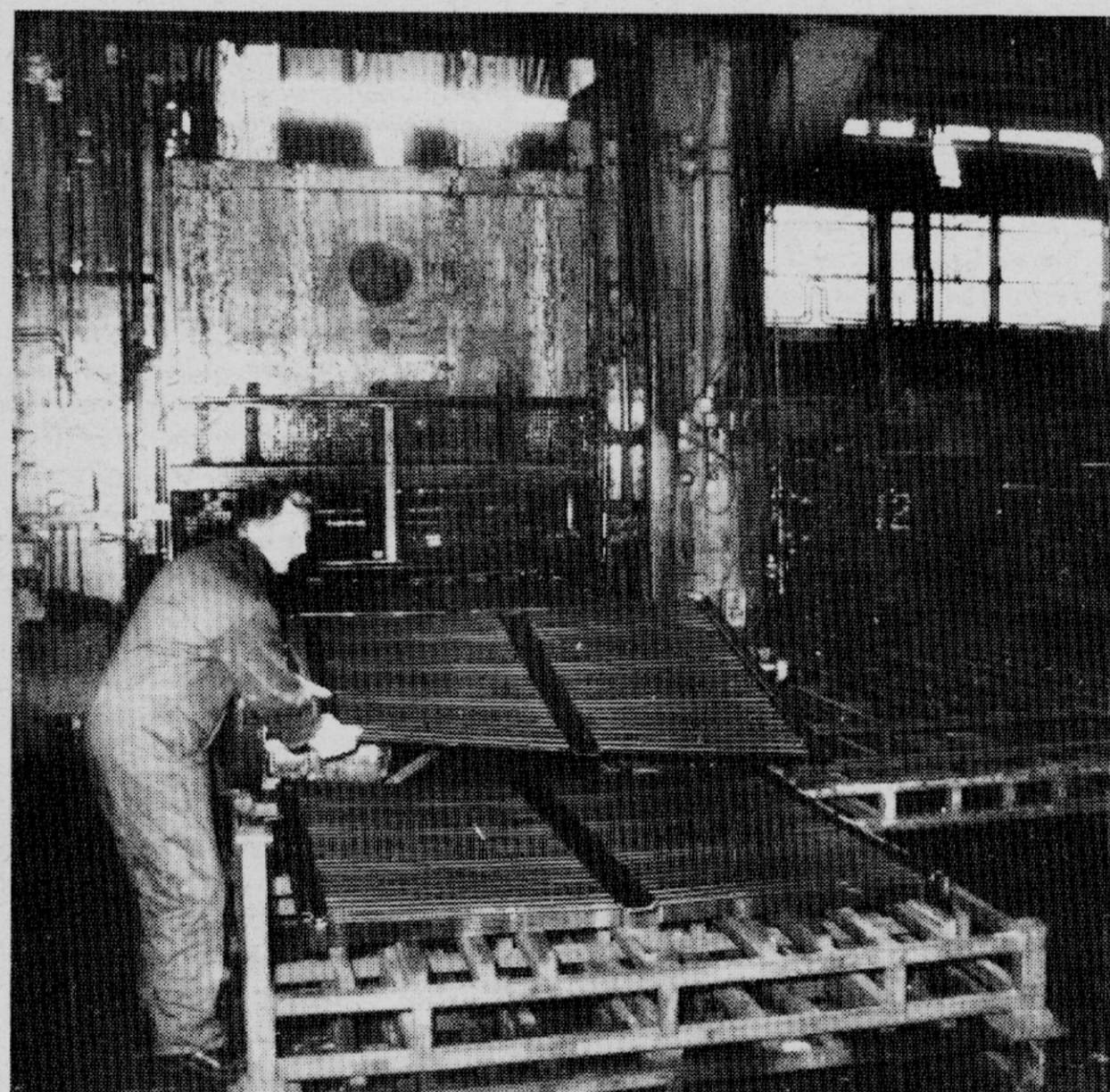




Concentrating on the orange squash.



A prize possession — one of the few automatic presses of its kind in the country.



One of the many smaller presses (also operated by women).

UNDER NEW MANAGEMENT

FOR YEARS, workers at the former Fisher-Bendix factory in Kirkby watched successive managements strip the assets and run the factory into the ground.

Then, after a long struggle involving two sit-ins, they won the right to run the factory

themselves. The Kirkby workers co-operative was born.

Their first financial year has just ended. Here the Free Press looks at how the factory is now managed...

A look at the Kirkby workers' co-operative

STEPHEN SPIERS, aged 26, has worked for three years at the factory. Every day he helps to check 72 radiators and welds up any leaks.

Has he noticed any radical changes since the co-operative started?

"There's not a great deal of difference. You still get here at a quarter-to-eight in the morning and go home at half-past four...

"I am sure the Press get misled. They think we are working for the love of the co-operative, type of thing. We don't work for that. We work to get money for our wives and families.

"That's why we work. We don't work for the glorification of Jack Spriggs [the much-publicised senior steward] or anybody like that. We come here for the money."

Mrs Agnes Steele, who has worked at the factory for over twelve years agrees with this view.

"It's just the same now. We are doing what we are told to do. We're keeping our work up. We are doing our best, we want the firm to go on."

Indeed few seem anxious to rush into any experiment in industrial democracy or press on to real workers' control. Their jobs come first, and the co-op second.

This is scarcely surprising. Everyone at the factory has had to fight for their jobs. In 1972 when Thorn Electrical abandoned the factory the workers occupied it. Their efforts gained them a new boss, Harold King and his company IPD. After King ran up £4 million debts and helped a financier called Gershfield to make over £1 million, the firm again faced closure.

Again the workers occupied it. But this time they could not find a new owner.

As Jack Spriggs, the convenor and director, says: "Our platform to the Minister, Tony Benn, was... what are you going to do about 1,200 jobs? We want the right to work."

"The receiver said there was little hope of another firm taking it over, so we came up with the idea of running it ourselves. The co-op was almost incidental."

GREAT HASTE

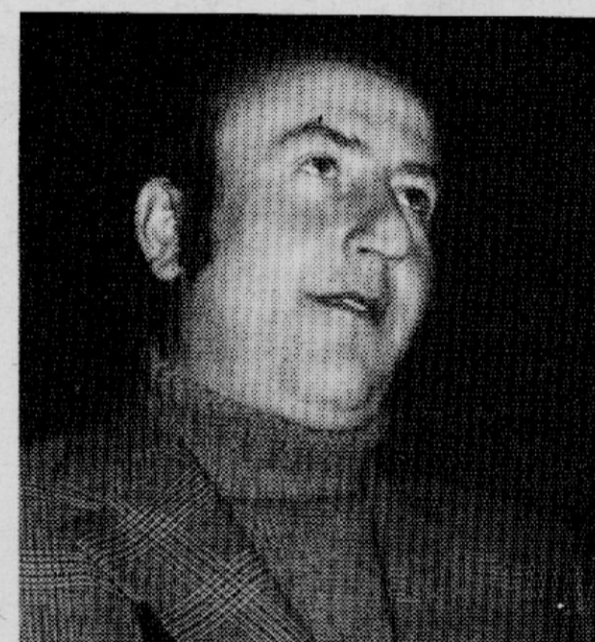
The co-op was also created in great haste. The £3.9 million loan was agreed in November 1974 and for political reasons Benn wanted everything signed and settled by early December. This only gave the shop stewards enough time to draw up a rough constitution, which was heavily amended by the lawyers.

Under the constitutions the business of the co-op is managed by a council, which consists of an elected representative from each of the six unions and a management representative.

The council is elected each year. And every worker in the factory who has worked there for one year can have a £1 share. No outside share-holdings are allowed.

Simple enough... or so it seems. In practice this is a completely inadequate description of how the factory is run.

For legal reasons a limited liability company, called Kirkby Manufacturing and Engineering had to be formed. This meant two directors had to be elected. They are Jack Spriggs, the T & G convenor and Dick Jenkins,



Deputy Convenor Stan Ely: "I wouldn't say we are not as militant as we have been in the past, but we have to look. Where we would jump in at the deep end as shop stewards, and probably defend the undefendable, we now have to sit down and look on its merits."

the AUEW senior steward. There was never any doubt that these two would be chosen. They have led the sit-ins, led the negotiations, and although criticised on occasions, are widely respected.

From the start, the very survival of the company, and hence the co-op was in doubt. The financial problems have been immense. The civil servants and their advisors even stated flatly that the company could not become viable, and should not be given a loan. It has been a major achievement just keeping the factory going for fifteen months. But this has meant that the two directors have had to devote nearly all their energy to 'business' and haven't been able to give much time to developing the co-operative.

These financial pressures have automatically concentrated power in the hands of the directors and the top managers.

What's more, they know that the Government would almost certainly refuse to give them another loan. This means that the factory has to become profitable and at the very least break even in the very near future. They haven't any time to play with.

At one stroke this sets the pattern for the co-operative, and determines how and why decisions are made.

For instance every worker has a target to work to each day. He doesn't choose it, it's chosen for him. The men and women can't get together and decide how many radiators they want to produce each day, or how many bottles they want to fill with orange juice.

So this leaves co-op members with very little control over their day-to-

day life in the factory. Anyone not completing his target is likely to be hauled up to the manager's office where he would be warned and told he's letting down the whole co-op.

This is accepted. Spiers says: "Obviously you've got to work or otherwise you are out of a job. You are working for yourself like. But you've still got to have bosses. Every factory has got to have some sort of discipline code."

And in most cases it's not the new 'worker' directors or even management who want to keep the same number of inspectors and foremen. It's the men and women themselves, who seem reluctant to supervise their own jobs.

John Davies, the works manager, says: "This factory since it was formed has been an inspection-orientated production unit, so that in fact the man hasn't been made totally responsible for the job he's doing."

"If he's operating a press he will put a piece of metal in and press the pedal, and will do that continuously for 7½ hours a day. But his back-up is someone coming to check that the piece of metal is correct.



THE WORK of these two men shows the different viewpoints in the co-op. They are radiator testers. They dip radiators into the tank of water, pump air into them and watch for bubbles. If there are any bubbles they weld up the holes in the radiators.

Every radiator has to be checked and passed by an inspector. And it's the 'new management' not the workers who want to take away the inspectors. Jack Spriggs, the worker/director, would like people in the co-op to take more responsibility for their work. He would like the radiator testers to check both the quality and quantity.

But when the inspectors were withdrawn, the quality took a bashing.

One tester, Stephen Spiers (not in the picture) says: "The inspector makes you keep having a go at it, whereas a fellow might say sod it, like, I'll put it through any way."

But it's not just a case of the men not wanting the responsibility. Each day they have to test 72 radiators. About a year ago it was just 58. This means they have to work hard to reach their target. And they say the heat from the welding flame makes their eyes tired and bleary.

"In fact now we are on an education system so that the guy is responsible for the quality as well as the quantity coming from the press. This is what we have been onto for the last six months."

Stan Ely, the deputy T & G convenor, agrees: "It would be better for the people themselves to take a more positive interest, self discipline if you like, and to say we don't need the inspection. But this is a gradual process."

"It's a case of educating people and getting them into a mood that they are in a different set-up. That they are working for themselves. And that what they are making is going to be for themselves and no-one else."

There's no question of the supervisors being made redundant. They would merely be given more productive work. Jack Spriggs is well aware of the limitations of these meetings. "Mass meetings are very delicate. Some people don't like talking from the body of the floor. I do most of the spouting. And, because of experience could carry most things at a meeting."

The council does not manage the business of the co-op as was planned. It is consulted but doesn't really

make decisions. This has, not surprisingly, disappointed some of the members.

"It's early days yet for the council," says Spriggs. "From the start I thought it would take two years for the council to become effective."

The shop stewards' committee is still the most influential body. This is where issues and problems are thrashed out, and this is where individual stewards can raise complaints or suggestions about their section.

Spriggs is chairman of this stewards' committee, and so is in an ideal place to keep in touch with opinion on the factory floor. But, undoubtedly it puts him in a powerful position. A position which ordinary directors would love to have, but could never achieve.

Recently the 700 workers at the factory placed their future in the hands of the two directors.

At a mass meeting lasting less than 30 minutes Jenkins and Spriggs asked for — and were given — a free hand to take whatever steps they considered necessary to secure the financial structure of the company.

This was a momentous decision. The directors are now able to draw up any terms they like with banks or finance houses for new loans, can decide which new products will be made at the factory, or even change the conditions on the shop floor.

Some may consider it foolish for a 'co-operative' to rely so heavily on the judgement of two men, especially when the success or failure of the factory could depend on their decisions. But it shows the immense amount of trust the workers still have in Spriggs and Jenkins.

ADMIRER

"I don't think Spriggs will let us down at all, because he's been for us all the time... I can't see Jackie Spriggs going down the drain, all I can see is Jackie Spriggs coming up on top. Mind you, he's got to do it and it may take a while," says Mrs Steele, one of his admirers.

And as Spriggs himself says: "The co-op members may not love me, but I am sure they know I wouldn't give them a bum steer... that keeps us together. At the moment the way we are going is not my idea of a co-operative... give us another year in business then I think we can start moving forward. I want the co-op to become a co-op, at present it's more of a compromise."

KME survives — but the price is compromise

CRITICS OF the KME co-operative said it would collapse within about six months. Already it has survived fifteen months.

It may be true that the co-op hasn't yet really developed into a co-op, and that relationships within the factory have scarcely changed. But there's no doubt that merely to keep going is a major feat.

The Industrial Development Advisory Board reported that the co-operative factory had no chance of being commercially successful.

There's no doubt the company was desperately short of cash from the start. The stewards and their advisors applied for a £6½ million loan. The minister, Tony Benn, may have wanted to experiment with co-operatives, but he wanted a cheap experiment because he was facing strong opposition within the Cabinet.

The loan, he said, would have to be under £5 million. The consultants and the stewards then asked for £3.9 million, which they were granted.

In reality the co-op has cost hardly a penny. If the workforce weren't at KME, virtually all would be on the dole and the Government would have had to fork out redundancy payments, tax relief, and unemployment benefit.

What's more, the KME co-op didn't have all the £3.9 million. A massive slice — £1.8 million — went to the receiver for the plant and industrial equipment. Another £100,000 went as an advance for the lease. So the co-op was left with at the most £2 million.

The Government has made it quite clear that there will be no more help. In future they will have to go to banks and finance houses for any further money. Obviously these loans carry substantial interest rates which could jeopardise the co-op's future. And the co-op would be in the hands of private capital.

The KME factory is enormous. Ever since it was built it has been under-used. The co-op only takes up about 60% of the space which means costs and overheads are excessive.

The management and the directors have scoured several European countries looking for new products to make in the empty acres. They have already started production on two new lines.

One is the Accadiair ventilator, which lets in air but no noise, and is especially for houses near motorways which have to be sound-proofed. The other is hydraulic lifting equipment which KME are now making for another firm.

Naturally private firms aren't eager to see co-operatives succeed. But KME has found it especially difficult because the previous owners, IPD, ran up debts of about £4 million. KME may be a new company, but the creditors haven't forgotten — or won't forget — the factory's past.

So KME found it extremely difficult to obtain the supplies they needed. British Steel, though a nationalised industry, were owed £400,000 by IPD and looked on KME with little sympathy. They refused credit to the new company right up until November 1975. The co-op were forced to go to Germany for their steel, where they were given 28 days' credit and paid £2 a ton less.

Rockware, the giant glass company, were also owed money by IPD. They forced the co-op to pay a premium of about 5% above normal prices for their bottles so they could claw back some of the money they were owed.

These are just a few of the daunting financial problems which the KME management faced.

So far they have succeeded be-

cause of the widespread support and co-operation they have received from the co-op members on the shop floor and in management.

The workers have helped by allowing trade union power to decline and by accepting wages which are relatively lower than they have been in the past.

These are enormous sacrifices to make. Admittedly they could eventually secure their jobs and give the co-op time to develop and even prosper. But, not surprisingly, these moves have met some opposition.

To a great extent they were taking place under the previous boss, Harold King, anyway. Then it was the fear of losing their jobs which forced the workers to co-operate. And this may still be partly true.

Perhaps Stan Ely, the TGWU deputy convenor, sums up the dominating attitude to trade unionism under the present co-op:

"I was very, very militant prior to the King regime. But when King came we had to draw our horns in. He had probably more co-operation from the Shop Stewards' Committee than any previous owner."

"I wouldn't say we are not as militant now as we have been in the past, but we have to look. Where we would jump in the deep end as shop stewards, and probably defend the undefendable, we now have to sit down and look on its merits. Now there's no conventional management pattern. There's no-one to kick, there's no-one to fight. The be-all and end-all is the good of the majority of people in the factory."

There is now complete mobility of labour, and the members have to be prepared to work outside their skills. Someone who usually bottles orange juice could find themselves in the dispatch and packing room during cold spells when there isn't much demand for orange juice.

This naturally challenges many trade union attitudes. And some craftsmen are particularly unhappy about it. Last year seven skilled AUEW setters challenged this mobility — and ended up by being sacked by the co-operative.

They were asked to do semi-skilled work, although they would still receive the skilled rate of pay. The setters refused, stopped all work, and sat in, causing production in the radiator department to stop. The two directors and management recommended they should be sacked. The council and a mass meeting agreed.

Once the factory was one of the highest paid in the area. Today the workers are among the lowest paid — a semi-skilled person getting a basic £43 a week.

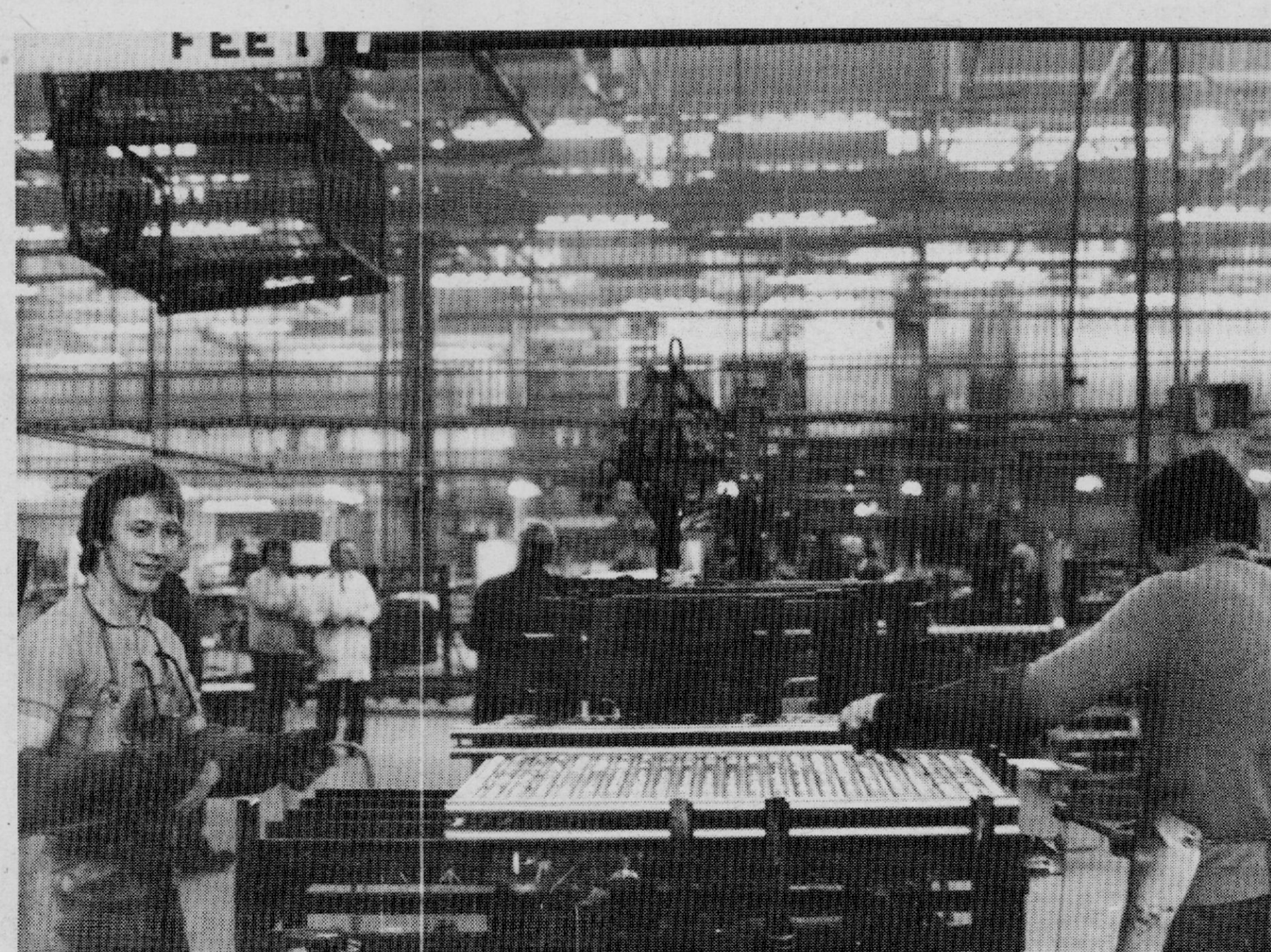
Yet at the same time, production has almost doubled under the co-op. John Davies, the works manager, says: "We are probably doing more now than in the King era with roughly half the labour force."

"We are now averaging about 10,000 radiators a week with something like 190 people. In King's day we were averaging something like 12,000 using 300 people."

Again, this change started to take place under King. It has continued through the workers' fear that they will lose their jobs if they press for higher wages, and through a clear decision not to 'rock the co-operative boat'.

These developments are perhaps inevitable in a co-op starved of cash and struggling to survive.

At the moment co-op members seem to be working harder, for lower wages, and with little more control over their working lives. It remains to be seen whether they will continue to be happy with this in the future.



Radiators in production. KME now turn out 10,000 a week.