

Burlon
Co-Operator
Josephine Roche:

Lunched today with J. R. who evidently was really pleased to have a talk with me. I'll take it from the beginning of the story, that is, the beginning of the connection with the Rocky Mountain Fuel Company. Before she went in there which was in 1927 she had been fighting with the organized miners - the whole story of the miners and the C. F. & I., she did not touch on but that is available. In 1927 her father died. He owned about a third of the stock of the Rocky Mountain. It gave her two votes on the Board of Directors numbering seven. Two men particularly, the largest holders, were antagonistic to all her views and she knew that they would do their best to get her out. She went to work very quietly and for a year did nothing but investigated the conditions of the property. She claimed it was very bad, operating expenses high, their administration inefficient, the ^{accounting} adding system childish. She went through all of this and finally laid out a plan which included recognition of the union with its scale of wages and hours. There was strong opposition and the most powerful of the two big men on the Board said, "If this is to go on," (meaning I suppose her supposed suggestions) "than my stock is for sale."

She said, "Do you mean that?" He said, "Yes, I do." And she said, "At what price?"

He was a little stumped but named the price a little higher than the market. She said, "Very well, I will take you at

that figure."

It seems that when her mother died she inherited some money - a considerable sum I imagine - and she laid this aside in order to acquire the stock. Her idea being to get a controlling amount. She wrote him a check on the spot. She had as witnesses of course the remaining number of the Board. He did not back out and was subject to a good deal of ridicule in Denver. She went on until she ~~had~~ really a majority control and was instituting economy and getting her labor relations on a solid basis.

She seems to have had the confidence of the men from the first and met in regular meetings with them to discuss the problems of the mine. She showed them the financial condition, talked the prices of the market. They became deeply interested and considered it a joint enterprise, as it was.

She claims that ~~there were~~ all kinds of oppositions ^{her admitted} have been attempted to ~~hierarchy~~. One thing that she says is interesting is that these coal companies treated their fine coal, or slag I suppose it is called, as an ~~inevitable~~ ² although as a matter of fact she says that there is more of that used now by the great utilities, etc., than of the large lump coal used in homes. The large lumps are sometimes ground up to make fine. According to her story the small buyer pays a large sum for this coal in order that the utilities may get the essential fine coal at a cost less than production.

They tried to get a certain market and did at least partially succeed. For instance the C. F. & I. have always bought largely of the Rocky Mountain a certain kind of coal they have needed for one of its markets and which it did not produce. It stopped this after she came into power. They had cut wages expecting to embarrass her, they had cut prices at times. An interesting thing is that she has always had the backing of labor in all her financial straits. (See contract for arranging about wage cuts in other countries - how it is worked out in her company.)

She has three million bonds out and it is a struggle to get the eighty thousand dollar interest together. Last year was a poor year and she was much disturbed about where she was to get the money, when she was waited on by a delegation of labor men saying, "We know where you ~~must~~ ^{difficultly} begin and we want to lend you half of our weekly wages for five weeks. We can not give them to you because that is against the law, but we can lend them." And it was done and she met her interest.

The unions, not only in coal, but in the railroads and other industries have made themselves sale agents for the Rocky Mountain and her market has increased, rather than fallen off in these years.

She has been able in spite of the tremendous struggle to make a little money every year, even in these disastrous times.

The *Scruffin* Howard man has an engagement for the Colorado Fuel and Mine to broadcast. I did not get his name. But since that engagement was made he has been unfriendly. He, himself, has had an amusing time with the broadcasters. It seems that some months ago a National Convention of, I think the Episcopalians was held in Denver. She was asked to speak. She spoke on radically on the coal situation - did not know that she was being broadcast. The next morning when she went to her office there was great excitement in the order department. They had forty new orders that morning. That gave her an idea and she went to the N.B.C. to buy fifteen minutes. They wanted to have her talk two minutes and give the rest of the time to a jazz program which they would select. She refused this, but they would make no contract with her. ^{If} she could only get fifteen minutes of the time she would talk ^{ten} on economic questions and five on coal. And it always brought orders. But she had to make her engagement week by week and now they generally say that they have no time to spare which is of course is not true. She says it is impossible for her to get a dollar of credit in Denver.

She impresses me as being an absolutely sincere person, and exceedingly patient. She sees that the thing can only be done step by step. She says that when people talk to her about planning and foreseeing that she has been living from day to day meeting situations as they arose, situations which nobody could ^{for} see.

Mary Van Kleeck has been out there for three months studying. At one time the situation was such that she was obliged to lay off sixty men. Mary had hysterics nearly. It wasn't according to the blue print. But it is according to the situation, said Josephine Roche. It had to be done. The men themselves agreed to that. She feels that the men are much more understanding where you get a co-operative management such as she has.