Subject: Competitive edge
Posted by Wayne Parham on Thu, 28 Oct 2004 14:23:33 GMT
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How many of you remember America in the fifties? Every automobile was American and so was every television, radio and sound system. Imports were considered cheap, and this is largely because they were.How 'bout the seveties? We still had our pride on, but the truth was we were getting beat. Japanese and European import products were simply better. With smug complacency, we didn't even see it coming. We drove our piece of crap cars with pluged up large displacement engines making a measly 125HP and getting 14MPG. Meanwhile, the Germans were exporting the Porsche 930 and the Japanese were sending over Mazda RX-7s and Sony televisions and video recorders.By the nineties, we started waking up but we'd already lost most of the market share in several industries. So I ask you, what have we learned?I've been dealing with a bunch of folks who evidently haven't. They want to be seen as a leader, but they are doing the same old tired dance. Sell whatcha got and don't waste money with product development 'til the market just won't bear it anymore. What they arrogantly forget is that competitive forces are then allowed to introduce better products and yank the market right out from under their feet. And rightfully so.The egotistical snake oil salesman is the same kind of deal. He sells his products until people discover real medicines to replace them with. Of course, the snake oil salesmen fight hard to give the impression that their elixers are worthy. Magic elixers come in different flavors and some of them aren't even medicines - Look at what Edison did to convince people that Tesla's AC current was more dangerous than Edison's DC. What a load of crap. We shouldn't celebrate Edison's multiple patents; Most were insignificant anyway. We should have kicked his ass for being a manically obsessive lying sack of shit. I'm just really tired of that sort of thing. I've seen too much snake oil and too many ho-hum products touted as the end-all and beat-all. Rather than actually make something with a competitive edge, these snake oil salemen load claims to get patents on insignificant ideas and fabricate performance data to sell their ho-hum products. It's bullshit, stamping out copies of the same old stuff but giving it twelve sylable hyphenated names. I guess the idea is that if it sounds fancy, it must be really high tech stuff.It's no big deal in the scheme of things, I mean, nothing really is. But I felt like ranting a minute about the BS in the industry. End of rant.

Subject: Re: Competitive edge
Posted by Manualblock on Sat, 30 Oct 2004 19:37:25 GMT
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It's raining here and there is time after the football game to reply to this essay with the attention it desrves. Yes the fifties were great times for manufacturing, the result of the baby boomers having the advantages of the G.I. bill allowing them to buy houses and go to school to upgrade their standard of living. The war created research faciclities government funded that shared data with the universities. Transportation and electronics drove the engine of production and as a result, millions of people in this country upgraded their standard of living to an unprecedented level. These were men who had fought in the war and had pride in their work and a sense of humble authority. Labor unions eneabled millions to work safely and securely knowing they would have

steady work and a comfortable retirement. Wall Street hated this situation. They called it the Union Tax and created think tanks designed to train managers in divisive tactics designed to eliminate organised labor. The white collar middle-management refused to accept the Plumbers and Engineers living as well as they were. Then the work force changed. Females entered in huge numbers weakening the power of unions, after all, whats at stake if your hubby is already doing well. And management delighted in these changes knowing the workforce of the future would be easily manipulated and cowed by aggressive tactics. The manufacturing organisations needed to provide the street with bottom line figures designed to impress short term investors after the de-regulation of the banking and investment industries under Reagan. Short sighted Managers immune from responsibility made stupid descisions concerning updating manufacturing methods due to the tax structure that favored the immediate gain over long term. There was no money for R&D; too long term and expensive, outsource it. Except now they have the patents and methodology. Eliminate the workers organisations so that there was no power base to threaten the status quo. Allow large amounts of politically motivated groups to invade the education system; dumbing it down so the emerging graduates are more easily lead. Cut funding and strike fear into the universities forcing them to toe the line. If the will of the people orders clean air and safe water for their children; move the factories somewhere where they care less about the health and safety of the workers and pay them squat. Before you leave, pretend you can offer a chance to continue to produce jobs if veryone agrees to cut pay and work harder with less safe envirenment. Then if those who suffer egregrious harm try to use the courts for redress; force tort reform through the Legislature under false pretense of abuse. Let the richest 1% make and keep 30% of all the money and threaten to eliminate jobs if you complain. So; who can blame the companies like Eminence who just want to toddle along making their most cost effective products and carrying the bottom line so they can keep showing good on the ticker and fill those 401K's(Which is the biggest scam and pyramid scheme in history) after all; they too will soon need to go somewhere where they can destroy the envirenment with impunity and not pay taxes's.

And yes it is a big deal. When they take a poll on CNN and 70% of the people polled(Over 100) do not even know there was a prescription drug bill passed that will affect everone, why should we expect any different. The voters could care less about issues, so we are stuck with hacks and shills as representation and a media that writes scripts instead of reporting; and they are all in bed and the voters excersize the most precious right in history as a frivolous mockery of deluded nonsense. Thank You and good night.Do one thing; Replay any old speech from JFK then fade into our current spin jockey and weep. J.R.

Subject: Re: Competitive edge
Posted by Wayne Parham on Sat, 30 Oct 2004 20:00:31 GMT
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What gets me is when you can get away with it, that's one thing but when the competition is strong, you can't. American products in the 50's and 60's were the best, but by the seventies, they weren't. American companies realized that by 1985 or so, and the car market gradually pulled out by doing some catch up on R&D and eventually making some really fine automobiles. But the electronics industry never recovered, with exception of computers.So forgetting about politics or trade unions, even free trade capitalism sets the bar here. If a company's product isn't as good as its competition, it is at a disadvantage. The company can sell on reputation and

cultivated image, but that fades quick when its product gets stomped. That doesn't happen very quickly because people are slow to change and move out of their comfort zones. But when a trend starts, it usually snowballs. Maybe in the past, a company could hang on to the status quo for a few years, but today, it cannot. So I think that sitting smugly on an old product in a technology oriented market is not good.

Subject: Re: Competitive edge
Posted by Manualblock on Sat, 30 Oct 2004 20:50:16 GMT
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So Wayne; in terms of the intersection of government and business and the quality of american auto manufacturing; the bailout of Chrysler by the taxpayer, the tax incentives offered by southern senate districts of prominent republican legislatures. The protectionist legislation rammed through congress in the 80's that bought time for GM? The majority of parts for these American cars come from ...Where? My point is you cannot seperate the two. Free trade capitalism is a myth. Will a product that is better made sell? Sure if the price is right. How do we do that? When Wall Street demands a return far in excess of reasonable in order to fund all those private pension mutuals and huge CEO payrolls.Can American initiative succeed in the Electronics industry. No. Not without trade protection legislation; a mandate to free up the Universty research Depts. Tax funded private R&D. Of course that all ties in with politics. Look at how a drug is brought to market. It is simplistic to think initiative and innovation can still produce a profit independant of political affiliation. Can a small operator succeed, sure look at yourself; but in the end if the drivers in your speakers became too expensive what would happen; you would go back to computors and the world wide electronic communications network.

Subject: Re: Competitive edge - too much nostalgia?
Posted by wunhuanglo on Sat, 30 Oct 2004 20:52:17 GMT
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I’m not too sure that US products of the 50’s-60’s were so exceptional. The standards for cars, even then, were Rolls-Royce and Mercedes (not to mention Lamborghini), and we didn’t produce anything that could compete with them.In optics, particularly in the area of cameras, the Germans ruled. The Swiss did and do make the finest mechanical watches. There was no US wine industry. The luxury ocean liner was still largely a European phenomenon. The finest guns were made in Belgium and Italy (many still are).The Germans led the world in precision machine tools. The best gold jewelry was made in Italy. In fact, the Italians made the largest number of refrigerators in the world into the 70’s. The history of US industrial production seems to that of making serviceable items affordably. We made the Model T, not the Silver Ghost. We built Levittown, not castles. We made lots of steel for all those cars, that rusted through in three years.We certainly dominated the world's industrial production, there's no doubt about that, but I'm not too sure about exceptional quality.

Subject: Re: Competitive edge - too much nostalgia?
Posted by Manualblock on Sat, 30 Oct 2004 21:01:08 GMT
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Hey; watch that Levittown thing thats my hometown. I lived On Swan Lane three blocks over from Bill O'Rielly from the O'Rielly factor.

Subject: Seen this?
Posted by wunhuanglo on Sat, 30 Oct 2004 21:17:16 GMT
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http://www.imdb.com/title/tt0120529/
http://www.imdb.com/title/tt0120529/

Subject: Re: Seen this?
Posted by Manualblock on Sat, 30 Oct 2004 21:22:47 GMT
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Yeah; it was on cable for months. My mom says there really weren't any orgies; "thats a lot of hooey", she claims. It actually was a good place to grow up. The beach was 2 miles south and there were untold numbers of kids running around. I used to hitch to the beach every day in the summer at age 14 up. And we had these private pools that only the community could use, there were four of them, one in each quadrant.

Subject: Re: Competitive edge - too much nostalgia?
Posted by Wayne Parham on Sat, 30 Oct 2004 21:24:54 GMT
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Point taken. You may be right.But really, I think automobiles made in America in the 50's and 60's were some of the best in the world. I love German cars too, and have a long history with them. But I'm not particularly impressed with any German automobiles until the 70's. I don't dislike them, but I do prefer the American muscle more. I'm talking about comparisons like the Ford GT40 or Cobra to the Porsche 911 of the same era.Rolls Royce in the 50's and 60's didn't actually compare because it used archaic 1920's technology. What made it special was its craftsmanship, not its performance.In another industry, I think American electronics were some of the best in the 50's and 60's. Sure, other companies made fine goods, but American products were what everyone wanted. American televisions were the best. There really wasn't a commercial market

for computers that wasn't American.I'm sure you're right about the nostalgia factor. But I do think America was a market leader in several key industries. I also think those industries have become much more competitive, and that it's harder for American companies to stay on top. And that brings me back to the point of what was kinda bugging me when I wrote the initial "Competitive edge" post - I think American companies should be careful about holding back on new technologies. There was a time when companies could wait to introduce technology so that they could keep from having to re-tool. The American V8 engine is a great example. But I think those days are gone, and to hold off on new technology now is to lose a competitive edge. It's like folding with a flush in your hands.

Subject: Re: Competitive edge
Posted by Wayne Parham on Sat, 30 Oct 2004 21:35:37 GMT
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The problems Chrysler faced in the 80's were a direct result of their not bothering to keep pace with competition. Now their products are some of the best on the market, in my opinion, because they learned not to be complacent. They're an exciting company now, making exciting products. They are able to be competitive. Chrysler can put some of their current models alongside some of their best cars of the 60's and not be ashamed. They sure couldn't have done that in 1982.

Subject: Re: Competitive edge
Posted by Manualblock on Sat, 30 Oct 2004 22:13:06 GMT
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Absolutely; but they still benefit from tax incentives. I drive a Buick Roadmaster 1993 and will do so untill the car rusts into oblivion. 100k miles it's still a baby. Tell me about that new Mustang, did they hit the bullseye with that one or what! Gorgeous.

Subject: Re: Competitive edge
Posted by Wayne Parham on Sat, 30 Oct 2004 22:28:16 GMT
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Yeah, I just saw one of those Mustangs the other day. It sure brought back memories. One of my best friends used to drive a '68 with a 351 Cleveland that he built right. I was with him once when he got ticketed for pulling wheelies in that thing, no kidding.

Subject: Re: Competitive edge
Posted by Manualblock on Sat, 30 Oct 2004 23:08:48 GMT
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One of the guys at the bar had a 1971 Shelby GT; did that have the 351 clevelend stock; my memory fails me. He took this girl Mary Esmiel for a ride and ran into a telephone pole. She looked exactly like Marlo Thomas, he must have gotten sidetracked. Nice car; it was godawfull fast; I remmember racing a Kawasaki triple, the first one they made with a claimed 0-60 of 4.2 sec. We stayed with him for quite awhile but he took us before the crossroad. Ramblin' again! What did you mean by "Done Right"; was it common to do them wrong?

Subject: Re: Competitive edge
Posted by Wayne Parham on Sat, 30 Oct 2004 23:23:04 GMT
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That was one of the larger body Mach I style cars, and I think there were several engine options for them. The 351 Cleveland would definitely be one of the options. It got scaled back a lot in 1972.What I meant by "done right" is meticulous attention to every detail. The engine was tuned right as a combination. It started with a block that was machined precisely, and rings and bearings fitted to that. Then a cam, intake and headers were chosen to match the heads and application. The same care went into the drivetrain, transmission and differential gears were all gone through and chosen for performance. Same with suspension, tires and even body, paint and interior. The car was definitely done right.

Subject: Re: Competitive edge
Posted by Manualblock on Sat, 30 Oct 2004 23:48:14 GMT
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Gotcha; we used to call that "Blueprinting".

Subject: Re: Competitive edge - too much nostalgia?
Posted by Bill Martinelli on Sun, 31 Oct 2004 04:48:57 GMT
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It's funny every (myself included) thinks the old cars were better built. If you think about it for a minute they are not better built, only made more heavy. In a crash test the old cars survived impact but defered all the impact to the passenger. Now days with 'crumple zones' the car is

destroyed but the people live on. Sure for us gear heads the whole car and design was more simple in the 60's. things were thicker and we could do more modifications with less thought. The 60's had some of the most horse power per cubic inch. The 80's took it all away, but it's coming back today in full force with great fuel economy as well. Todays 350 hp vette gets 25mpg on the highway. a 65 small block vette got 12 mpg on good days.Quality today is actually better. Engines for example have an increased life expectancy every new model. In the 60's and 70's cars with 100,000 miles on them were very rare and would soon be in need of a resting spot. Today a 100k on an engine is not much at all. Some companies are shooting for 100k as the first tune up point. Living in a town where Rochester Products and Delco started and lived, we were all found of carburators, points and plugs to earn livings. I dont miss carbs and points these days. I dont miss having to change plugs 1 or 2 times a year either.In the north east we get snow and then put crazy things like salt on the roads so we can still drive. Here, in 1970 a car never had a chance to make 100k because it would tottally rust out in 4 years. The cars are now thinner, lighter, and we say cheaper. but they last longer. run better, and handle better. There are only a handfull of post war cars that were good handling cars. Sure the big muscle cars went fast,,, in a line. But cars of the showroom floor of yesteryear did not handle good, were not easy or comfortable to drive and didnt brake well either, compared to the new stuff. There is a problem growing today with the outsourcing and perceptions of loosings jobs. I sure dont have any answers it is all very concerning if you need to work for a living. The typewriter was a great invention. we dont use them any more and all those people lost jobs making them. The transister took over the vacuum tube (for normal people!) The ice house doesnt get to come by and drop a block of ice in the small door on my back porch anymore, I have a fridge now and dont need them.The technology changes, and as leaders of the free world, If thats the way we want to look at ourselves. We need to make changes and work on the next level. We need to make our own markets. We cant compete with labor in far away lands. If those products were made in USA, we wouldnt be able to afford to buy them. But, Thats not saying there isnt something else we can make here that we all can afford. That is what has kept us a world appart in past. Lots of changes and I imagine the econimic profs at the college's have no shortage of things to talk about in class these days. .

Subject: Re: Competitive edge - too much nostalgia?
Posted by Manualblock on Sun, 31 Oct 2004 14:26:34 GMT
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You know Bill those are good points, the older cars were more difficult and prone to failure. The improvements are real and good; but that is the nature of progress. The issue of why there is very little R&D done in this country and the false impression that we as a nation are not able to produce economically a cost effective manufacturing base is another story. Here is the truth; give us a level playing field; make other countries follow safe manufacturing practice, disallow the sale of goods produced by slave labor, disallow the importation of goods produced in countries that allow deadly environmental conditions to flourish. The average compensation for CEO's in Europe equals 20 times the average skilled workers salary. Here in the U.S.A. they get 40-80 times the same salary. And that trickles down through upper management. Change the rules so that Wall Street does not call the shots and allow companies time to grow and learn instead of having to fill the bottom line out of the box. Instant return on investment or you are gone does nothing to further R&D efforts. I can go on and on but you get the picture; Give Us A Level Playing Field and we will

rise again to pre-eminence in the worlds manufacturing. Thank You.

Subject: Re: Competitive edge - too much nostalgia?
Posted by Wayne Parham on Sun, 31 Oct 2004 16:18:11 GMT
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I agree with you Bill. I agree 100% I'm usually quick to remark when people talk about the "good old days" and how crime has risen and things are getting worse. It's easy to look at the past through rose colored glasses. But really, what was happening 60 years ago was World War II and the atrocities of that period eclipse those of today. The further back you go, the worse it gets. So I'm not glamorizing the past.What I'm talking about is companies holding back on a good product so they can continue to sell a lesser one. I compared it to the introduction of the overhead valve engine, which was first built in the 20's but not made widely available until the 50's. Companies can get away with that sort of thing if the competition isn't fierce. But if it is, is it really smart to try to eek out profits from an existing (inferior) design if an improved one can be made and with little extra cost?American cars today are better than they have ever been. But the 1980's American car market was in a slump. Todays cars are better than 1960's cars. But 1980's cars weren't. The automobile industry now realizes that if they want to sell cars, they have to be competitive. But in the 70's and 80's, American car companies were complacent and thought people would buy their cars over "cheap Japanese imports." That cheap Honda CVCC is what kicked America's butts in the 1990's.So, yeah, todays car market has rebounded. But that's because it learned not to be complacent, in my opinion. Now what I'm saying is when was the last time you bought an American sound system? There are a couple of American loudspeaker manufacturers, and I hope they're paying attention. I'm not saying I know what's best for them, but my guess is that complacency in the status quo probably isn't.

Subject: Re: Competitive edge - too much nostalgia?
Posted by Bill Martinelli on Mon, 01 Nov 2004 00:16:25 GMT
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Oh dont get me wrong. I agree with the whole level playing field idea. I think it is unfair for workers in some parts of the world to have to compete with other parts of the world who are paid slave wages. Mom always said "life isn't fair" and it isnt going to change anytime soon. The corperations set much of the pace and its a tough game. Should CEO's make less? Sure! I'm not one so why not. I think pro athletes who squable about 15 mil vs 16 mil is pretty silly too, considering the people who want to go see them play and support their saleries earn 30k and can hardly afford to take their family to an event. I was always under the impression we did a lot of r&d in this country. After developement the products would then be made some place else. The bottom line I see, is we can't produce economically in this country compared to a lot of others. So I dont try to. I make a lot of parts and then send them places for assembly. The people in other countries who assemble cant develope the parts or produce them. So I keep lots of people employed doing work

the lower laber rate countries can't do. I'd love to see some of the rules change. I'm not too happy with the last 4 years worth of rules but I do what I can to keep hiring more people. That involves Making product from raw materials in house, making product into finished parts in house, Importing products, exporting products and assembling and finishing both in house and overseas. It's sure an uneasy fealing sending things out but it's all in balance. What I find is that using more affordable labor rates allow products to made and sold more economically. There is then more sales, more market share and I hire more people to develope and produce things in house. I do agree with you. those are just a few way I work with what I have right now. It was different 10 years ago. and it will be different 10 years from now too. We all hope for the better

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Subject: Re: Competitive edge - too much nostalgia?
Posted by Manualblock on Mon, 01 Nov 2004 00:28:18 GMT
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Thanks Bill for that thoughtfull explanation. I wasn't aware you did business on that level so you are probably more aware of import duties and tax subsidies than I am. I appreciate anyone taking the time to explain these things; every little bit of personal experience helps. I don't deny I hold a take no prisoners attitude with management, many years of union work cured me of any sense of empathy with the powers that be. Thanks J.R.

Subject: Re: Competitive edge - too much nostalgia?
Posted by Bill Martinelli on Mon, 01 Nov 2004 00:39:19 GMT
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I can say I always listen to American made speakers! some of the parts inside are from all over. Hell, even JBL and Eminence use caps and other parts made in Mexico for crossovers. Your right and I agree that the carmakers fell alseep and got caught. Import cars when you and I were kids were total junk. Bad cheap shit and there was no doubt. Today, they rule the world. Chrysler has great stuff today and they shold have done it in the 80's like you say. Gleasons made all the gear cutting machines but never wanted to go after the gears for front wheel drive cars. they, like the car makers suffered heavy for those mistakes. It was always more simple. I often wonder if all this progress, inflation and upward spiraling is worth it. We have tonns of shit today. games, gadgets and widgets that make our lives simple and easy?! or not. It all comes at a cost. Remember when the stereo system was all american, like you say? you had a choice to listen to the radio or listen to a record. NOW, good god! tubes or ss. SET or Mosfet, Radio, records, CD's DVD audio, SACD Mp3, and satellite radio for goodness sake. you get the idea. too many choices. It's all a pyrmid scheme and its getting close to the top. I think we are all after nastalgia for one single reason. It was simple and its relaxing. The hard decision is. We all want to earn more money, have our house values increase for no reason and have a retirment plan that we could actually live on for a few years. But, we want to be less frustrated, fewer traffic jams, less trips to the store to buy and finance some new thing everyone else has to make things easy. and lets not forget it would be

nice to take less prozak, heartburn, blood pressure and cholesteral medications too. I dont know if we make things that are inferior for any other reason than affordability. Speaking of cars though. I always thought the car companies were holding out on fuel economy technology to hold up the heads of the oil industry. If a driver in a race car can survive a crash at 150mph, why is it so many 50 mph crash's produce fatalities

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Subject: Re: Competitive edge - too much nostalgia?
Posted by Bill Martinelli on Mon, 01 Nov 2004 01:00:42 GMT
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Let me tell ya. USA is exporting lots and lots of product right now because the dollar is so low against other currencies. The Europeans I deal with absolutely hate it. Sure they get more on what we buy because the Euro is high, but that 20% is nothing compared to the loss of business they have because US is exporting more goods. Obviously I run a manufacturing business other than speaker building. We all need a day job right? The business for our product that gets exported increases a lot every year. It's a bizzare situation. We cant assemble or make the finished whatever in this country because manual labor cost too much. I'm in NY state and most manufacturing jobs left the northeast years ago. Here in Rochester. Kodak employs 20k people used to be over a 100,000 when i was a kid. Xerox is smaller, Gleason works is smaller, Bosch and Lomb sold its sunglasses out and closed plants, Taylor instruments is gone, Burroughs is gone, Stromburgh Carlson is Gone, General Railway is another company now and builds little here. The list goes on. The university of Rochester is the second largest employer here now! I dont have any answers but I would like to see things move toward the way they were to some degree. Bill

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Subject: Re: Competitive edge - too much nostalgia?
Posted by Manualblock on Mon, 01 Nov 2004 13:29:49 GMT
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Thanks Bill; My question; do you think it is wages driving business away or is it benefits and pensions and healthcare requirements as well as environmental regulations. These issues combined absorb much more capital than labor wage costs. Just the requirements for funded pension liabilities alone is staggering. Regardless of what they tell you, that huge cash requirement is what cleared out the auto industry 30 yrs. ago. So whatta you think?

Subject: Re: Competitive edge - too much nostalgia?
Posted by Bill Martinelli on Tue, 02 Nov 2004 00:40:42 GMT
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Heck, JR. I wish I had answers! I see it as a combination of the wage and all the benefits. If I cost out a job the price for the labor is the hourly wage of the worker x 1.33. By adding a third to the hourly wage that's pretty close to what gets paid out in benefits. Places like China dont have that additional cost. Having said that, I think its more the fact that in places like China where there is a large difference in pay, it's more that workers make ten dollars a day instead of ten dollars an hour. Maybe when you compare US wages to places like Europe where the rates are more closely matched. Its the benefit packages that play more into effect as you say.What do you think? Having been involved with unions. do you think that th unions have pushed to increase workers compensation so much that it's priced us out of the market? I have never been involved with unions and Ive done fine. I have a lot of friends in thr trades and they are all in local unions and they are all quite happy too.

Subject: Re: Competitive edge - too much nostalgia?
Posted by Manualblock on Tue, 02 Nov 2004 15:38:19 GMT
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Well I see it as a quality of life issue. The myth that has developed; of the lazy shiftless union guys was very effective in turning the spotlight away from the real issues. Now we are in opinion territory here but it is well informed.Are wages pricing us out of the market; or is the abuse of workers in third world nations acceptable.The pollution and horrific envirenmental damage done in some manufacturing sites around these source areas of cheap labor will come to haunt us eventually and who do we think will bear the cost of the clean-up?Two quick illustrations;In the forties the government was faced with a choice whether to invest in the Railroads in respect to upgrading the rolling stock and lines and facilitating the modernisation of the ports and depots.They chose to build the interstate highway system instead and fund that through tax dollars instead of profit.With a modern shipping scheme we would have reduced cost to the manufacturers significantly.The same time the steel industry chose to stay with the antiquated bessemer forges instead of upgrading and reducing cost.My point; this country had the ability to support the working public and provide a decent standard of living and choices; for whatever reasons, were made not to persue that path.Now we live in a time that allows for poorer counries to provide profits generated by many abuses but that will not last. So when the case is made that we are wage priced out of competition, the chickens in the form of huge clean-up costs, civil unrest due to wage disparity, lack of basic health care, will and are coming home to roost.That huge tax burden we all are victims of in terms of endless recycling of tax requirements would be minimised through co-operative wage and benefit policies; consequently we would not need to earn a 100k minimum to live in New York and 10$ per would suffice.I just know deep down there is no free lunch, and every job shipped out of here results in a deeper burden placed on ther rest of us. So you tell me; are we saving money when the price of some item is 2$ less because a child in Shri Lanka makes it?Around here nobody; and I mean that Nobody mows their own lawn, Mexican immigrants do it, and hey"It's only 20$ a week why should I do it"? Except when they use the emergency rooms at the local hospital for every need because the hospital; by law must treat them.They send all their dollars home and spend nothing and don't pay taxes, but use the schools and facilities for free. I don't begrudge them a life but that 20$ is really 50$ in the end and that seems to illustrate what I am trying to say.I know; big story for a simple question. I see you know

your figures as a result of doing business and as a bright guy, how do you feel about your employees? Is it cost effective to hire for the long term or work on a just in time basis; which works better over the long haul?

Subject: Re: Competitive edge - too much nostalgia?
Posted by Bill Martinelli on Wed, 03 Nov 2004 23:57:51 GMT
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Well, your right. I cant imagine living in new york, la, san fran, boston to name a few. I cant say much about the steel industry but I think when you say the workers in cheap markets wont stand for it very long is on target. Isn't that the cycle that the proponents of cheap labor are hoping for to even things out later on? I'm in no way suggesting the unions are lazy, shiftless, etc. At one point workers needed to group together and be paid better and have better working environments. All I bring up is did all this negotiating and constant pushing for more wage and benefit, accelerate inflation so fast that the rest of the world never caught up or got left behind. Thus causing a large gap in what we pay vs what they pay? Its funny the 20 bucks cost you 50 to cut the lawn. Your an employer now and that what all the benefits, withholding tax and overhead cost some employers to pay an employee 20 bucks. I'm just talking out loud cause I just realized it's very similar in that respect. It sucks, for sure. there are a lot of things that keep tipping the scale against us and take money out of our pocket. Id like to allow less immigration into the US and keep more of the money we give to other countries in aid to our own people. I don't like just in time manufacturing. Its a fancy term for cutting inventory cost, increasing delivery time and all in all having less support for your customers. Believe me, the raw materials are extremely costly. This kind of thing is just a touchy feely way to get around having inventory and breeds outsourcing. This whole concept will be full circle pretty soon. No matter what kind of JIT or CELL facility you have. It more stressful then having inventory.The only people who "like" just in time are bean counters. They have no sense or feel for what its like to constantly change employee's direction and always need to push something through so it can be put together and shipped to make a deadline. Because, Customers don't like just in time. They like inventory that ships today. The accountants like lower inventory level since finished product has the most value. More value in wip can be pushed around cost wise as to what state its in. finished is finished and has a set cost.I don’t like short term employees either. It far to costly to train people and bring them on board, get them settled and specialized in a field. Temp agencies and part time help is more costly than having planned out work loads and cross trained employees that can shift from one task to another. The employee becomes less stagnant doing multiple jobs and you can in essence, be a person short in every dept. When you become two people short you hire some one and you wont have to get rid of them as long as business stay at a moderate fluctuation. If business tanks, then everyone is fucked and layoffs are inevitable. By the same token, growing too fast is just as lethal.Its really a smaller version of the global eceonomy. It all has to stay in balance. Right now it seems more out of balance. Bill

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Subject: Re: Competitive edge - too much nostalgia?

Posted by Manualblock on Thu, 04 Nov 2004 04:14:15 GMT
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I didn't mean to imply you personally thought of workers that way, just that it is a stereotypicall view many people have. And there are lazy union employees that take advantage of the system, just like there are incompetent people at all levels. Your explanation of inventory management is excellent BTW, I learned something and thats good; very interesting perspective,thanks. The concept that aggressive wage increases are the staple of union demands loses weight when we realise that the average hourly worker makes 28% less in adjusted income than they did 20 yrs ago. Observe your friends who have working wives and hold a small part time job in addition to their 40 with overtime; are they living better?I am one of the lucky ones who got in at the right time before the slide. Labor unions provided me with a good living and a good retirement; I just offer this info so it does not seem that I speak from sour grapes, I just worry about my kids and the futures that are available to the average people. Immigration is what we are all about, but it used to be legal immigration.

Subject: Re: Competitive edge - too much nostalgia?
Posted by Bill Martinelli on Thu, 04 Nov 2004 15:57:13 GMT
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Thanks for your insight. It's so nice to have a civil discourse. This is a good thread and I wish more people had gotten into it. Your right about not having as much spending power. When I was a kid my mother never worked. Today it’s difficult to support a family on one income and have a spouse stay home. I'm getting close to the brink of financial disaster anyway! I have 3 kids going to be at college age in 4 years, LOL. Looks like I'm going to adjourn my membership to the power tool of the month club...

Subject: Re: Competitive edge - too much nostalgia?
Posted by Manualblock on Thu, 04 Nov 2004 19:15:05 GMT
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Good God Man; three you say. Sackcloth and ashes for you! I will be forwarding my book 1000 recipes for macaroni and cheese. J.R.;(And, How to make clothes out of leaves.)