Excerpts from an unpublished manuscript in the collection of the Anacortes Museum

THE STORY OF ANACORTES VENEER

A WORKER-OWNED ENTERPRISE

By

M. N. Holland

Including a list of 1939 AVI shareholders
Description: Company records from early operations at Anacortes Veneer. Generated by Mel Holland, father; bookkeeper at the veneer factory.

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THE STORY OF ANACORTES VENEER, INC.

Section 1

During the middle thirties when millions of Americans were unemployed; when millions of employees keenly felt the insecurity of their jobs; when politicians promised two cars for every garage and two chickens for every pot, realistic men scratched the bottom of their brain barrel for a solution to the dilemma in which they found themselves. The jobless wandered from place to place in search of employment; those who were fortunate enough to have jobs scarcely received sufficient compensation for the bare necessities of life. The dilemma in which the American working man found himself was, ironically, the result of having produced too much—he had to go without proper food because he had produced too much food; he had to go without proper clothing because he had produced too much clothing, and he had to go without proper shelter because he had produced too much building material.

To overcome the dilemma—to pull themselves out of the economic mire by their own bootstraps, some employees of the Washington Veneer, Olympia, Washington, began to talk about organizing a cooperative plywood mill which would be owned and operated by the employees. This would not be a new type of organization. The Olympia Veneer, Olympia, Washington, a cooperatively owned plywood mill, owned and managed by the
for that type of enterprise, and the method of management and operation, had been well established.

In the fall of 1934, J. J. Lucas, an employee of the Washington Veneer, contacted employees in key positions of the same company and explained his plan for organizing a group of plywood employees to pool their capital to build a cooperative plywood mill. The plan appealed to the men. It offered job security and an opportunity to share the profits of the company, together with complete management of it. Anxious wives, conscious of the uncertainty of their husbands' jobs, listened attentively when their husbands came home and told about the proposed employee-owned mill. Their alert imagination quickly grasped the soundness of the idea.

There was a risk involved—a risk of losing all the hard-earned money saved over a period of years. The task of raising the necessary capital among working men during a major depression provided the first difficult obstacle. Manifesting the spirit and determination of pioneers, those men and their wives were willing to sell or mortgage their homes to raise the money. The risk of losing their homes and savings was offset by a dim hope of providing for themselves job security—the greatest insurance against poverty and want. They were willing to take the risk.

J. J. Lucas, C. O. Johnson and Harvey Leckenby formed a nucleus for the proposed plywood company. Lucas, originator of the idea to organize a new company, began late in 1934 to raise money for organizational expense. It was a slow and
disheartening process when money was scarce and hard to get. Low wages and the prolonged strike in 1935 supplied Lucas with good material to promote his plan. The strike also gave him ample time to contact new men who were indeed keenly felt the loss of their wages during the strike. It was obvious to them that if they were the owners of the mill, it would be absurd to go on strike against themselves. In a mill owned and operated by themselves, wages, hours and working conditions could be changed without loss of time. It was an opportune time to organize an employee-owned mill and interest in the project developed rapidly.

It was proposed that the mill should be built in or near Seattle and would be known as the SEATTLE VENEER COMPANY. Later the city of Forks was selected as a site for the mill.

On May 31, 1936 Ali Eriks and his wife drove to Forks to inspect the town in which they expected to establish their future home. Eriks was immediately convinced that it was not a good location for a plywood mill; that Port Angeles had much better facilities to offer for the mill. Eriks' suggestion to locate at Port Angeles was accepted and, on January 29, 1937 the company was incorporated as the PORT ANGELES PLYWOOD, INC. with J. J. Lucas, H. H. Balch and G. O. Johnson as the incorporators. The articles of incorporation authorized 8000 shares of common stock with no par value, and $500.00 paid in capital to begin business. Raymond Abbott, William Brown, Alf Bowman, Ernie Erickson, Ali Eriks, Alfred Fors, Chris Hoyt, Theodore Newell, G. O. Johnson,
J. J. Lucas and H. H. Balch were elected to the first Board of Directors.

The first meeting of the board of directors was held in Olympia February 6, 1937 at ten o'clock in the morning. Officers elected were: J. J. Lucas, president; C. O. Johnson, vice president; H. H. Balch, secretary-treasurer. Alfred Fors resigned from the board of directors, and his son, Harold Fors, was elected to fill the vacancy. The board of directors adopted By-laws for the corporation and agreed on the site of the port fill at the Port of Port Angeles for the mill site.

On April 4, 1937 the board of directors held a special meeting in Olympia. Lucas resigned as president of the corporation and was succeeded by C. O. Johnson. The directors then elected Lucas general manager with a 5-year contract.

Soon after the April 4th meeting a mass meeting was held in the Elks Home in Port Angeles. The attendance was small and Port Angeles business men showed little, if any, interest in the prospect of getting a plywood mill in their city. The indifference and lack of cooperation disappointed the promoters. The Industrial Committee of the Anacortes Chamber of Commerce, with a little knowledge of the proposed plywood mill, sent a delegation headed by Paul Luvera, then president of the Chamber, to Olympia to contact the officers of the company. The committee consisted of Gus Dalstad, chairman of the Industrial Committee; Wilson Parks, Archie Allan and Ed Schwartz met with the officers of the Port Angeles Plywood, Inc. in Olympia on April 21, 1937. The Industrial Committee, determined to get the new industry
When the Anacortes Veneer was organized, the original stock issue was sold to men who wanted jobs and and security. If they borrowed money to buy stock, the amount borrowed was relatively small. The obligation was paid off with a few years and it was safe for the stockholder to invest in a home.

In 1957 the plywood industry was confronted with a most serious market condition as a result of overproduction of plywood by the industry, the importation of plywood from foreign countries where labor costs were very low, and restricted credit in the United States. For some mills it had become a severe struggle for survival—a life and death struggle. Mills organized during the last few years, and having paid excessive stumpage prices for timber, will be very fortunate if they survive the economic crisis that beset the industry.
ROLL CALL OF SHAREHOLDERS OF ANACORTES VENEER, INC.
July 15, 1939

NAME OF SHAREHOLDER
Anacortes Plywood, Inc. 
Abbott, Ray
Alskog, A. E.
Anderson, Ernest G.
Anderson, Gust
Anderson, Ehard
Anderson, J. A.
Anderson, C. A.
Aura, Elsie J.
Backman, Ed
Baddar, Victor
Baker, Lloyd
Balch, H. H.
Barney, H. C.
Bailey, Lewis E.
Beckley, Ernest H.
Beckley, W. C. Mrs.
Beckley, Ray
Bergman, Rudolph J.
Boling Roy
Boner, Wayne
Bonde, Gust
Bowman, Alf
Boquist, Carl A.
Bromels, Oscar & Edna
Broyles, David R.
Brown, Charles L.

NAME OF SHAREHOLDER
Brown, Wm.
Brunson, Ralph W.
Bryant, W. H.
Buer, Richard John
Buer, Bennie
Buer, Alvilda Miss
Buer, Mary L.
Buer, Elmer
Cady, J. H. & Mrs.
Carlson, Charles
Carlson, John A.
Chisholm, Alex & Barbara
Christensen, Alf
Dewar, Robert R.
Egge, S. B.
Ekblom, John W.
Elston, I. W. & Florence
Ensign, Harold
Ensign, Roy & Margaret
Erickson, Ernest
Erickson, Leroy
Erickson, Arnold & Katherine
Eriks, Ali
Eriks, Edwin J.
Ervine, Norman A.
Etter, Billy G.
Fahlander, John
NAME OF SHAREHOLDER

Fischer, A.
Fisher, Fred W.
Fors, Harold
Forsyth, Thomas G.
Forsyth, Robert J.
Frantz, Edward
Grover, Edith I.
Gull, Ivar
Gustafson, Theodore
Haglund, Victor
Hanson, Mr. & Mrs. Harry
Hart, Harry
Hatton, L. S.
Henry, Iva & Ben
Herrick, W. C.
Herrick, Elvin V.
Hinchcliffe, James A. & Mrs.
Hjort, O. W.
Hoksbergen, H. L.
Hora, Frank
Isaacson, Olga Mrs.
Jackson, Geo. W.
Jacobsen, Harold
Jensen, Julius
Holland, M. N.
Johnson, Carl W.
Johnson, Viktor E.
Johnson, Carl Gustof
Johnson, Albin

NAME OF SHAREHOLDER

Josund, M. C.
Keilhamer, Mike or Mary
Kilander, H. C.
Kilgore, Charles
Knight, A. M.
LeMaister, Clyde & Jennie
Lindell, Emil
Lindell, Ernest S.
Lister, Verne
Lodwick, A.
Lundblad, H. E.
Lundstrom, Albert
Manney, Harry
Marchant, Frank L.
Martin, Albert M.
Mayo, C. E. & Pearl
McLachlan, G. L.
McLaughlin, R. D.
Medbury, Harold K.
Moen, Harvey L.
Munroe, A. D.
Nagle, T. T.
Nagle, J. E.
Nelson, M. W.
Nelson, George
Nelson, John D.
Nelson, Hans J.
Newell, Theodore
Norgard, Chas.
Null, Claude
Nylund, Joe
Odegard, Halvor
Okerlund, Wm.
Okerlund, S. L.
Okerlund, M. R.
Olson, W.
Page, Edith M., Mrs.
Palermo, Pete
Papke, Bernhard
Parchman, James H.
Parker, O. F. & Hazel
Perkins, Clyde E.
Peterson, Elmer F.
Pischke, Russell
Porter, O. B.
Prather, C. A.
Prescott, Kate
Peterson, J. M.
Queen, Homer E.
Raikula, William R.
Rasmussen, Peter J.
Rosebrook, Alton
Rottluff, John C.
Rottluff, Reinhold
Roy, Ed
Satre, David Oli
Schoblon, Hugo A.
Schulz, Elton A.

Seigert, J. A.
Sherin, Clarence
Smeby, Norton
Sparks, Ross W.
Strandberg, Frans Roy
Stuart, J. L.
Sundquist, Eloi
Suryan, Anton M.
Swanson, Harry
Swanson, P. O.
Thomsen, Henry P. (Mrs)
Tucker, Russell J.
Tuff, Charles M.
Verhoeff, Lyman R. & Dora
Verhoeff, J. C.
Wagar, Erik J.
Watson, William J.
Weatherbie, C. S.
Welk, Rolland W.
Wells, Levi H.
Whipkey, C. E.
West, Victor Wm.
Wilhelmson, August
Williams, Geo. B.
Wilson, H. G.
Wilson, O. K.
Crisman, Rob. A.
Guiberson, Max
Foss, Oscar
NAME OF SHAREHOLDER

Byron, J. C.
Hall, Ellen E.
Bergner, Paul
Erickson, Emil
Anacortes Physicians & Surgeons, Inc.

Allan, Archie
Affleck, Bros.
Curtis Wharf
Driftmier, Ben
Johnson, C. L.
Mooney, Ed

Nobles Mens Wear
Safeway Stores
Voitus Furniture Store
Werner, Arnold C.
Demopoulos, E.