

YOUNGSTOWN STATE UNIVERSITY

ORAL HISTORY PROGRAM

Labor Industry

Personal Experience

O H 1020

ROBERT HORVATT

Interviewed

by

Mary Kay Schultz

on

March 14, 1981

## ROBERT S. HORVATT

Robert S. Horvatt was born on July 9, 1930, a son of Stephen and Mary Horvatt, in Campbell, Ohio. He grew up in Campbell and graduated from Campbell Memorial High School. Mr. Horvatt was a professional dancer and operated his own dance studio in the area. He served in the United States Army from 1952 until 1954 when he was honorably discharged. He attended Youngstown State University graduating in 1964.

Mr. Horvatt began his career with the Youngstown Sheet and Tube Company in 1957. He participated in their Student Engineer Program and was in charge of quality control in both the Bar Mill and the Strip Mill in the Campbell Works until his job was terminated in 1977.

Mr. Horvatt lives in Campbell with his wife and daughter. He is employed by Youngstown Steel Corporation. In his free time, he enjoys his hobbies, which include fishing, taxidermy, sketching, painting, and horticulture.

S This is an interview with Robert Horvatt for the Youngstown State University Oral History Program, on steelworkers, by Mary Kay Schulz, on March 14, 1981, at 316 Penhale Avenue , Campbell, Ohio, at 4 00 pm

Can we start out by talking about your background, where you grew up, and a little bit about your childhood?

H Well, I grew up in Campbell, Ohio, and I have spent all my life here. I went to Campbell Memorial High School. Primarily, I intended to become a professional entertainer I was a dancer, a tap dancer I had a lot of professional work in the area, in Cleveland and other places. I had my own studio in Youngstown until I got drafted into the Army After I got out of the Army, I worked here and there at various jobs until I started working at Youngstown Sheet and Tube

S When did you start there?

H In 1957 I worked there almost two years, met my wife, and decided to get married. I entered college in 1959 I was going to be a marine biologist, so I took a biology major and an education minor.

Due to the generosity of some people down at Sheet and Tube, I did not have to quit my job I managed to work nights and go to school during the day, part-time I finally graduated in 1964 I intended to go into teaching also, but I had a better offer at the Sheet and Tube.

I got into their Student Engineer Program It was a supervisory training thing After I graduated from that, I got a job in the Bar Mills in Struthers I was in charge of Quality Control there. I stayed about seven years, and then, I moved to Quality Control in the Strip Mills, which was a hot strip and cold strip combined I was there until they shut the plant down For two and a half years, I did not work.

S Since that shut down, you mean?

H Yes, until I started working at Youngstown Steel Corporation

S Were you in the mill on “Black Monday”?

H No, I was one of the fortunate, I guess you might say, fortunate or unfortunate Due to some political maneuvers, my job was eliminated a month before they shut the place down. I have my own feelings on that, but I was not eligible for a pension when they shut down because I was no longer there. Even though I had twenty and a half years of service, which would leave me eligible for a pension I did not get a pension this way

S: I do not quite understand

H Well, I have a vested pension

S Okay.

H Having twenty and a half year's service when they did shut they place down, they had to either offer me another job somewhere else in the plant, or pension me off because I had the acquired time In the way it was handled, I was terminated because my job was then eliminated

S. Do you think it was intentional?

H Yes

S: You do?

H Well, I made it a point to follow Lykes, and it was one of my hobbies to follow their handling of the Sheet and Tube after they took over It was all the way through. people they hired, fired, who they put in what job, and so forth Yes, let us say I stepped on the wrong toes. At a certain meeting, I was told by someone who was there that it was a matter of eliminating my job for personal reasons as well as political So, I was out the door before they shut down

In my twenty years at the Sheet and Tube, I saw many changes after the Lykes Corporation took over Primarily from all the information available, they bought the Sheet and Tube with their own money They bought the stocks to gain controlling interest

S They bought Sheet and Tube with Sheet and Tube's money.

H Right, they bought the controlling interest. I forget how many millions of dollars Sheet and Tube had for expansion and so forth. When they did gain control, they managed to use this money to pay for the stocks they bought. It was a lot of maneuvering.

Shortly after the take over, the president, who was president of the company at that particular time, retired In acquiring a new president, the previous finance director was elected In a year or so, he retired. Then, Nemick became president He was the go-between for Lykes and Youngstown in the first place

S But did Nemick work for Sheet and Tube?

H No, he originally came from Lykes

S He was an original Lykes man?

H Yes they retired him in a few years Everybody got their goodies out and got out Like

what I was saying before, though, I watched who they hired and fired while Lykes was running this company

It was always my contention that Lykes intended to shut this mill down. That was their primary goal, as soon as they could figure out how to do it without any government intervention. I made it a habit to watch who they hired, who they fired, who they retired, which every way you want to call it, and who they placed in key jobs.

Through the years, it seems as though the steel-knowledgeable people were eased out of the company, and, as I call them, "wheeler-dealers," were put in their place. These were people who really did not care what happened in this valley as long as enough money went out of the corporation and into the Lykes Steamship Line. Some of these people had nothing to do with steel, and they never had. They did not know how to run a steel mill.

S Are these people you personally came into contact with?

H Some of them are, yes, and some of them were higher up, say the Boardman office people. A lot of them that were hired had no previous steel experience or did not know the first thing about running a mill, but they did know how to maneuver finances. As everybody knows, Sheet and Tube, I believe, never failed to pay a dividend as long as they were in existence.

When Lykes took over, I believe it was almost two years or even better before they paid a dividend. They claimed a loss. Finally, they did pay a dividend. There was an article about it in The Wall Street Journal. The next quarter after that, I believe, is when they paid their first dividend on the stocks.

For instance, they hired a man to run what they called a steel plant, which controls making the raw steel in the open hearth and blast furnace. In addition, they had him run the strip mill as a general superintendent. He was fired by the company that originally hired him.

I believe that this man was one of the men that was hired to run this company into the ground and to make sure that it did not make money. Attending meetings with him and seeing some of the things he did in the plant and maintenance was unbelievable. It was just that there was no preventative maintenance. It was all patched together just to keep it running.

Finally, at this time, I was out of the Bar Mills and into the Strip Mills. Eventually, they gave him control of the Bar Mills. I worked with Fran McHugh, who was superintendent when I was down there and in charge of Quality Control. Prior to taking charge of the quality end, costs, just to name some figures, were running in the neighborhood of \$90,000 a year. Within a year or so, we managed to get the claim costs down to an amount of \$30,000, which really is not too high for a whole year. We reduced a lot of other costs in the mill through various methods of inspection and in controlling the incoming billet qualities and so forth.

The year after I left the Bar Mill, Francis McHugh left the Bar Mills for another job elsewhere in the plant. They told him it was a promotion. They sent a fellow who

had run a cold drawn steel department, which we used to ship our bar stock to them to cold draw. He was one of the “wheeler dealers,” a real maneuverer.

Anyway, the claim costs the year after I left there jumped to \$160,000, and the following year jumped to \$250,000. For one department, such as the Bar Mill, \$160,000 was just out of sight. A quarter of a million was ridiculous. It was a matter of them shipping everything they made whether it was good or bad or whatever, just to make money and take the claims loss. Therefore, the place looks bad, like it is not making any money.

This is one of the reasons I say that Lykes originally intended to shut this steel mill down when they first took over. They did not want it. It just came with the deal. There were other goodies along side that they wanted, which were Van Huffer Tube, coal mines, ore mines, and Continental Ensco Company, which makes a material for well drilling. *[Interview ends, last page is missing]*

End of Interview