

YOUNGSTOWN STATE UNIVERSITY

ORAL HISTORY PROGRAM

History of Industry in Youngstown Project

Legal Experiences

O. H. 502

HUGH MANCHESTER

Interviewed

by

Janice Cafaro

on

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YOUNGSTOWN STATE UNIVERSITY

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INTERVIEWEE: HUGH MANCHESTER

INTERVIEWER: Janice Cafaro

SUBJECT: Depression, Youngstown College, World War II,
YMCA, Steel History, Law Practice

DATE: July 9, 1986

C: This is an interview with Attorney Hugh Manchester for the Ohio Historical Society and Youngstown State University Industrial History Project. It is taking place at 4257 Oak Knoll Drive, Youngstown, Ohio, on July 9, 1986, at 10:30 a.m.

Mr. Manchester, would you tell me a little bit about your background, where you were reared, information about your parents, et cetera?

M: I was born on the north side of Youngstown, Ohio, on North Heights Avenue in March of 1905. My father, Curtis A. Manchester, who was an attorney had been born in Canfield Township. My mother, Leona Eckis, had been born in Milton Township. They married and settled in Youngstown where my father commenced in 1902 with the law firm of Hine & Clark which had been functioning since 1872. The oldest member of the firm was Cecil D. Hine.

C: How about your education? Where did you go to school? -

M: I went to McKinley School as an undergraduate on the north side of Youngstown. I went to the Rayen School, class of 1922, which was the last class in the old building. From there I went to Cornell University, class of 1926, and then to Harvard Law School, class of 1929. I commenced practice of law in 1930 with the firm of Kennedy, Manchester, Conroy & Ford. I continued with that firm and its successors until 1983 when I retired. In 1932 I had been appointed to the board of trustees of the YMCA in Youngstown. I'm still an inactive trustee of the YMCA. In 1932 Howard Jones was employed by the YMCA to head its education department. It created a board of governors of what was then sometimes called Youngstown College. I continued as a member of that board until 1950.

From 1942 on until 1983 I wrote the minutes of the meetings of the trustees of the Youngstown College and its successor, Youngstown State University.

- C: As you were growing up, Mr. Manchester, could you describe the general business climate in Youngstown, what types of businesses there were?
- M: It was almost exclusively steel, basic steel, the manufacture of iron and steel. Three of the leading steel firms of the country operated plants in Youngstown. The United States Steel Corporation, which at that time was called Carnegie Steel, was in the Youngstown area along with Republic Steel Corporation and the Youngstown Sheet & Tube Company. There were other firms: Truscon Steel Company, which manufactured articles for assembling buildings made of steel and glass. There was the General Fireproofing Company, which manufactured office equipment. There were also a number of subsidiary firms which were connected with the steel business.
- C: There were a lot of small steel companies too, weren't there?
- M: There were not many small, basic steel companies because it took so much capital to construct the equipment necessary to manufacture iron and steel. The different steel companies had interests in iron mines. The steel business had started in the early 1800's. Mr. Hine's father-in-law had an iron-making plant in Poland Township as early as 1814. The reason Youngstown was engaged in the steel business was that it was underlaid with soft coal, which was a necessary material for the manufacture of iron. It was near limestone, which is another necessary raw material. It could obtain iron ore from the areas near Duluth. The ore came down over the Great Lakes and was shipped down from Lake Erie by railroad.
- C: When did the railroads start laying tracks in Youngstown and serve the needs of the steel industry?
- M: The Erie Railroad right away was obtained by an English firm and started in 1850. I'm not sure when the other railroads came in. Baltimore & Ohio, New York Central, and the Pennsylvania Railroad all served the Youngstown area.
- C: Were most of them here around the Great Depression?
- M: They were here when I was growing up as a small child; I remember the flood of 1913 when the river rose so high. My father took me down to see the flood. At the time I was eight years old. He took me down over the Market Street Bridge and we walked down onto the tracks of the Baltimore & Ohio Railroad and walked west on those tracks as far as the B&O station. At that time there was a livery stable on Mahoning Avenue, not far from the tracks. They had moved

the horses to the second floor of that stable and were fearful that the water of the flood would destroy the building. I remember seeing them move the horses from the second floor of that building. They had a group of strong workers on the railroad bank hanging onto one end of a long rope. By boat they would take the other end of the rope to an opening to the second floor in that building and hook it onto the halder on a horse and force the horse out into the water. The current was so strong that it would carry the horse around the the railroad bank where it would scramble up. Then the boat would take the end of the rope back to the next horse.

The B&O station itself, the seats were floating on the water about a foot below the second floor balcony, which is around the inside of the station. A little ways further west, where the railroad tracks were a little bit lower, the tracks were underwater. Under the Market Street Bridge, between what's now the Wean Engineering Building and the river, there were a number of boxcars parked in the water with only about a foot or a foot and a half of the top of them above water. It was that high.

The damage to the steel plants was terrific. The basements of all of the buildings on Federal Street were flooded. There was no elevator service in any of the buildings. That flood led to the construction of Milton Dam. Thomas McDonald, who was one of seven McDonald brothers, six of whom were active in the steel business, was the right-hand man of Andrew Carnegie. McDonald was a figure in the steel business throughout the country and a native of Youngstown. He was active in the management of Carnegie Steel Company, which had plants in Youngstown. That company went out and obtained options for many farms of Milton Township, which would be needed for a reservoir, and persuaded the city of Youngstown to pass legislation to construct the reservoir.

C: This all resulted from the flood?

M: Yes. Carnegie wanted to protect its own interests. The dam was built and it controlled the water. There were no serious floods after that.

C: What was the business climate like during the Depression? Did small businesses go under? Was the steel industry affected by it?

M: I was just starting in the practice of law in 1930 and had finished law school in June of 1929 and had taken the Bar examination in December of 1929. I was admitted to practice in January 1930. I was married at the end of May in 1930 and that was the time when times were getting tough. The Depression had not quite hit, although locally Cyrus Eaton of Cleveland

had obtained control of Republic Steel Corporation. He was buying into stock of the Youngstown Sheet & Tube Company. The officers and officials of the Youngstown Sheet & Tube Company did not want their firm absorbed by Mr. Eaton's group. That led them to enter into a contract to merge into the Bethlehem Steel Corporation.

My father's brother, Leroy Manchester, who was a few years younger than my father, had been in our firm and was then secretary and general counsel of the Youngstown Sheet & Tube Company. After 1916 he had spent full-time as secretary and general counsel with the Youngstown Sheet & Tube Company.

Mr. Eaton persuaded Myron C. Wick, of Youngstown, to start a lawsuit to block that merger. At that time I was just commencing to practice and the battle for proxies was taking place. Meetings of the stockholders were held in Stambaugh Auditorium. The public in Youngstown was widely split. The case was to be heard before Judge David Jenkins, common pleas judge, father of Judge Elwin Jenkins. The trial was to commence on June 26. That was the day of opening arguments.

C: What was the gist of them against the merger?

M: The plaintiffs in the case were using every argument that they could to persuade the court to block the merger. They were represented by the firm of Harrington, Huxley & Smith of Youngstown and by Squire, Saunders & Dempsey of Cleveland. Sheet & Tube was represented by our firm as local counsel and by Ohio Baker Hostetler firm of Cleveland. Bethlehem Steel was represented by New York counsel, one of the leading firms in New York, Cravath, DeGaresdorf, Swain & Wood.

We didn't realize my uncle had gone into a nervous breakdown because of anxieties that arose because of the merger. The second day of the hearing he killed himself before going over to the courthouse. There was a delay in the trial, but the trial continued through nine weeks. Judge Jenkins finally ordered an injunction and blocked the merger. The plaintiff's attorneys applied to the court for fees, which was possible, when the attorneys had succeeded in blocking the merger. He awarded them fees of one million dollars. The Youngstown Sheet & Tube and Bethlehem later appealed that fee award to a higher court, the court of appeals, which ultimately ruled that the merger should not have been enjoined and that the fee award should not have been made. The plaintiff's attorneys, of course, did not recover the payment of their fees from the steel companies. However, the economic climate had changed and both Bethlehem and the Youngstown Sheet & Tube had concluded that they no longer wished to join in a merger and the parties to the contract called off the contract.

C: Do you remember the atmosphere of the trial, the press, what

people were saying was progressing? It was a big thing in the papers.

M: The national press were present and the jury box was full of reporters from all over the country. Papers were full of it.

C: Youngstown was still split basically most of the time as this was going on?

M: Sure. The reason the merger didn't take place was because of the change in the economic conditions.

The stock market had crashed in 1929 and by 1932 the banks were having troubles. My father was a director of the Commercial National Bank and he called me one night and told me that he had just come from a meeting of the directors and none of the banks in Youngstown would open the next morning. President Roosevelt had ordered all banks in the country closed.

C: What bank was your father director for?

M: It was the Commercial National Bank.

I remember at that time that my wife had a little girl whose home was in Campbell and she was working for us full-time at \$3.50 a week plus room and board. Her mother didn't want her to come home on her days off because it took ten cents for car fare. The morning that the banks closed we sent her home with 350 pennies out of our penny box.

C: You could no longer afford her?

M: No. Cash was scarce and times were pretty tough in those days.

C: What happened when the banks closed? Was there a rush to the banks?

M: No, they were closed.

C: There was no warning or anything? People lost their money?

M: No, not necessarily, but they couldn't get it. I've forgotten how long the banks were closed, but conditions of all of the banks were reviewed carefully. Some reopened and some did not. The old First National Bank did not reopen. Its assets were combined with assets of The Commercial National Bank, to create a new national bank named The Union National Bank. The steel business put a million dollars in fresh capital into its hands and a new head of the new bank was sent here from Washington to become president of The Union National Bank. The Dollar Savings and Trust Company did reopen, but it issued some new stock to get fresh capital with which to work. The Commercial

Bank had merged into the Union Bank, so it ceased to be. The City Trust and Savings Bank was merged into the Dollar Bank, so it ceased to function.

- C: Do you remember which steel company had put their money into the Union National Bank?
- M: I wouldn't know that. Probably all of them.
- C: Would they have lost their money then if the banks closed? If they merged they probably still had their money.
- M: The stockholders and depositors didn't lose any money. Their money was just tied up for awhile.
- C: What happened then was the consolidation of many banks and then some closed?
- M: Yes, a reshuffle. Some of them went out of business and some new corporations took over.
- C: Were there any work programs in Youngstown? I'm sure there were many by Roosevelt, WPA's.
- M: Yes, all that was going on around here.
- C: Do you think this area was hit harder than other areas because of the steel industries?
- M: I have no way of knowing that. I think all of the banks in the whole country were closed during that period.
- C: You said your father was director of Commercial National Bank. What were his thoughts, his concerns, when he was informed that his bank wasn't going to open?
- M: Everybody was worried about what was going to happen because they knew business generally was bad.
- C: Let's go back a little bit back to the Rayen School. Can you talk a little bit about what conditions were like at the old Rayen School?
- M: The principal was E. F. Miller. He had formerly taught at the Northeastern Ohio Normal School and taught my mother and father. Mr. Herr was his assistant. Rayen had some very fine teachers. Miss Baldwin and Mrs. Peterson taught mathematics. Miss Thomas taught French; Donal Love taught English and history; Miss Pyle taught Latin. They were all graduates of well-known colleges and were very good teachers. I could give you a little history on Rayen School if you're interested.
- C: Sure.

- M: Judge William Rayen had been a common pleas judge of Mahoning County back in the 1840 and 1850's. He was a bachelor. He died in 1854 and by his will left the bulk of his estate to found a school for the benefit of the youth of Youngstown Township between the ages of four and twenty-one. He requested in his will that his executors ask the Ohio legislature to create legislation for the operation of this school, because at that time there were no public schools. The legislature did pass legislation for the appointment of trustees to operate the school. Those trustees were appointed by the judges of the common pleas court of Mahoning County. Those trustees acquired the land on which the building was later built. They constructed the original building and the first class to graduate from that school was the class of 1866. Later on, public schooling became so general and widespread that it began to be financed from tax proceeds and administered through various government agencies. Finally, the Rayen School gave up the teaching of the elementary school grades and confined itself to the high school level. As the city grew, the building became insufficient to handle the crowd of students. About 1916 or 1917 South High School was constructed. We had the two high schools: Rayen and South High. That was the condition when I was in high school.
- C: How were the students relationships with one another? Were there any tensions?
- M: Not that I was conscious of; they were all kids.
- C: I heard that there were some problems.
- M: I wasn't conscious of any problems.
- C: Were many of the teachers local people who had perhaps gone to the normal school?
- M: They were from all over.
- C: Could you tell us a little bit about your experience on the YMCA board during the 1930's and on?
- M: Howard Jones had been employed by the YMCA in 1932 to head up its educational activities. He was interested in teaching at the college level rather than the secondary level. He was a very aggressive person. In 1929 the YMCA had planned a public fund solicitation to seek one million dollars for five or six YMCA projects, one of which was to build a separate building to house its educational department. Another reason was to meet the requests of the colored people of Youngstown for a separate building in which to house their YMCA activities. Another purpose was to remodel the main building of the YMCA and another one was to improve facilities at its Camp Fitch.

It was planned as a normal solicitation by the YMCA and at the opening meeting the leaders were able to announce that the solicitors had no work to do because the fund had already been oversubscribed. Subscriptions were payable over a three year period. Most of them were from industry and wealthy people interested in the Youngstown area. When the banks closed and the Depression hit it became difficult for many of these people to pay their pledges. Also, with the Depression on, building costs were down. In the meantime, Leonard Skeggs, who was the executive secretary of the YMCA, had died. Nobody wanted to take on the responsibilities of being president. My uncle, Leroy Manchester, had been president of the YMCA from 1922 until his death in 1930. Nobody wanted to take that job on; they were having difficulty finding somebody to take it over.

C: About what year is this?

M: From 1930 to 1932. In 1932 they persuaded James E. Bennett to go on the YMCA board and take over the job as president. W. E. Bliss was the vice-president. The YMCA went ahead during that period when building costs were low to construct both the West Federal Street branch building and the original college building, now known as Jones Hall.

C: How were they able to secure the money with pledges not being able to be fulfilled?

M: Industries came through with their pledges and many of the wealthy people in Youngstown were able to pay.

C: They constructed two new buildings then?

M: They constructed two new buildings and they remodeled the downtown building. They went ahead with a good many of their planned projects taking advantage of the low building costs, although it wasn't easy; they had to borrow some funds to carry them through. That was carried out and Howard Jones was a very aggressive fellow. He began to raise money for the operation of the college and more and more students attended. I think there were about 500 students in 1932. During the Depression, it was much cheaper for a lot of the kids in this area to go to college locally than it was to go out of town. It wasn't long until the new building was so crowded that they said the seats never got cool from early morning until late in the evening, and I guess that was true. As the college got bigger it began to seek the approval of the various accrediting agencies of which there are many in this country. In order to get accreditation those accrediting agencies as a general rule frowned upon outside control of colleges. Of course, the YMCA was still in control. It named the college trustees and through the legal setup it

put the trustees in place. The reason for setting up that board of governors was to make it easier for members of the Jewish and Catholic faiths to become active in management of the college function as YMCA trustees. That was the reason back in 1932 for setting it up. We had some very fine men on the board: Clarence Strouss, Harry Levinson, Herman Ritter, Harry Mayer, and Father Trainor.

C: It was representative of the people of Youngstown?

M: Yes. It grew and grew until finally the pressures from the accrediting agencies became so great that January in 1943 the YMCA gave up control of the college funds. Up until that time the trustee of the YMCA had collected the college tuitions and paid all the college bills. We amended the rules and regulations, basic documents, which controlled the YMCA and also the college.

In the meantime, in 1937, the YMCA had caused the Youngstown College to be incorporated as an Ohio nonprofit corporation, but it still retained control of the purse strings and the appointment of the trustees.

In the early 1940's, we amended the articles and regulations of both organizations and we put through a lawsuit to approve the conveyance of title to the real estate to the college! That was Jones Hall and whatever else it owned in connection with it. I think it included the building on Rayen Avenue as well as lands on Bryson Street. Ownership of the land was transferred from YMCA to the Youngstown College, the nonprofit corporation. Personnel of the board would change from time to time. Nate Fulson, who was an attorney and had been trust officer of the Mahoning National Bank had served as secretary of the board of governors in writing the minutes of the college. He was at the point of retirement and about that time I was heavily engaged in change of the articles so they asked me to be secretary of the trustees of the college and I started writing the minutes. I continued as a trustee until the college board of governors was reduced in size in 1950. It was a more workable group. I ceased to be a trustee, but continued as secretary to the board. There were never any serious dissensions on that board; everybody was working pretty well at the project. It was very interesting work.

C: Do any of their main concerns stand out in your mind?

M: No.

C: It was just for the betterment of the Y and the college in general.

M: Yes. The college was growing in size and kept acquiring more

pieces of real estate.

C: Then you had your segregated YMCA too; you had your Y for the blacks. That was located on West Federal?

M: Yes. That continued until . . . I've forgotten until when. Attitudes toward blacks changed. They came to the main branch and they kept expanding that branch and improving it. In the meantime the active head of the West Federal Street branch, I think he had died. He had been a black man, but a very capable person. I've forgotten his name. That building began to wear out and the YMCA didn't have the money to put into rebuilding it. There wasn't enough use being made of it.

C: Of West Federal?

M: Yes. Finally, it was transferred to another organization. It takes care of needy persons, homeless drunks, and people like that.

C: Getting back to the 1930's, do you remember the steel strike at all, Little Steel Strike?

M: Yes. I remember that because we were pretty much mixed up in it.

C: Can you recall anything?

M: One humorous thing was that I was taking statements from some of the employees within the plant and I remember taking a written statement of some laborer who was a Greek who worked in the blast furnaces. I remember his name; I'll never forget it.

C: What was it?

M: Makis Mistakis.

C: Why were you taking statements? Was your firm involved in the strike at all?

M: We were general counsel for the company.

C: You were airing grievances?

M: Yes. And also investigating this and that.

C: Do you remember the draw up for unionization at all?

M: I remember that was increasing.

C: Was that one of the issues of the strike?

M: Al Shipka was the head of it, the local head of the union.

He exerted a lot of power. He was the one who first blocked the United States mail from getting into the plant. That hit the national press. That occurred up at the West Federal Street branch. I remember the tensions were so great. Company men who were living within the plant received food and supplies that were laid in for them. Tensions were so great that when some of their friends had taken the train from Pittsburgh to Youngstown and had tossed them some current newspapers and reading matter from the train over into the plant, the news had gotten to the union by the time the train got to the station, and those men were accosted. That is an indication of what tensions were at that time.

- C: You were on the fringe of it, but your firm was representing the company?
- M: Yes. I wasn't heavily engaged in that part of the work at the firm.
- C: Let's move on to World War II. How was the Youngstown economy affected by that?
- M: There was a lot more business and more demand for steel. I wasn't close enough to see the effect of that. It didn't affect the law business too much. I think it did increase the attendance of students at the university.
- C: You think they were trying to avoid the draft?
- M: Yes, but maybe not. Not the World War I don't think.
- C: I'm sure the industry must have picked up and got out of the Depression with the coming of World War II. Do you remember anything about the economy?
- M: I still tremble when I look at the empty grounds where the steel plants were. There is the absence of business on Federal Street. I can't understand why so many people appear with money in their pockets at the malls and in the outskirts.
- C: Thank you very much.

END OF INTERVIEW