



THE BEACON

WHAT IS HAPPENING WITH THIS BUILDING?

The former Hercules/AET building located in the Edgemont Area of Covington can be considered a prime choice for many industries wanting to expand or relocate.

This plant is in relatively good shape, and has a power house for generating the steam and electricity to assist in operations. The plant has easy access to road and rail service for transporting the

manufactured goods out to the customers. The plant could be almost considered a turnkey investment.

What kind of industry could locate here in this facility or in this area? I do not believe that we

could have an industry that has a fair amount of emissions due to the fact that MeadWestvaco's emissions may be close to the environmental limit allowed for this area. Nothing against MeadWestvaco intended.

I remember when the plant was in full operation when Hercules owned it and I believe that there was close to 1,000 people employed there in the fiber-side, which made yarn and other fabric, and the film side. The film side made the

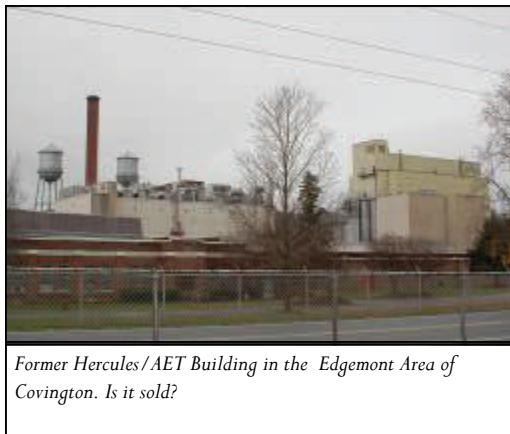
material that potato chip bags and other food and non-food packaging were made of. This area was thriving. We had many stores to shop, schools were full, and many community functions such as a large industrial softball league that was renowned statewide.

Then, one morning back in the early eighties, my dad went to work the daylight shift at Hercules. I remember him

coming back home, and hearing, while I was laying in the bed, him telling my mother that the fiber-side was on fire and would probably be deemed a total lose. The economic domino effect that this had on the community was

devastating and this area has never recovered from it. Even though the film-side remained in operation, the writing was on the wall for that entity also. Hercules favored its Terre Haute, Indiana production facility. Many new packaging products were developed here, then, only to have the manufacturing of it shifted to the Terre Haute facility, even though the Covington Plant made a better product. This was a practice that

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Former Hercules/AET Building in the Edgemont Area of Covington. Is it sold?

SPECIAL POINTS OF INTEREST:

- *The brick building of the plant housed the original rayon plant*
- *Hercules/AET was also called The Rayon Plant*
- *The ballpark across from the plant, Jackson River Sports Complex, was originally called Hercules ballpark.*
- *During the Summer, Hercules would have a family day which employees and their families would come for a tour of the plant and enjoy food and games.*

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HAS ANYONE EVER ATE A “PO-BOY” SANDWICH?

First of all, what is a “Po Boy” sandwich? A “Po Boy” sandwich originated in New Orleans piled with roast beef and gravy or corn-flour-breaded and fried shrimp, slathered with mayonnaise, paved with sliced pickles and sliced tomatoes, strewn with shredded lettuce, wrapped in butcher paper.

What does this have to do with anything union? Well, this sandwich originated during a 1929 streetcar worker strike in New Orleans against the New Orleans Public Service Incorporated (NOPSI), which 1,100 members of the Amalgamated Association of Electric Street Railway Employees walked off their jobs. Restaurateurs – and onetime streetcar workers -- Bennie and Clovis Martin, at the height of the strike pledged to feed their

former colleagues at their sandwich and coffee stand.



A group of NOPSI motormen and their sons posing for a photo as they parade around the neighborhood

Whenever the Martin’s saw one of the striking men coming, one of Martin’s would say, ‘Here comes another poor boy.’ Over time, by way of various elisions, both vernacular and purposeful, “Po Boy” became the widely accepted rendering of poor boy . At the New Orleans Po-Boy Preservation Festival on Nov. 22, as brass bands play and celebrators hoist drinks, serious-minded panelists will tell tales of long-lost “Po Boy shops”, these shops had no designated parking or an advertising budget. This is a celebration of the hard-working Union Labor that helped build the City of New Orleans. It is hard to imagine that there is another American food item that owes its birth to labor solidarity.

DANVILLE CELOTEX PLANT TO RE-OPEN



Photo Courtesy of WSET-TV13

The Danville Celotex Plant is re-opening with new owners.

W.R. Meadows Incorporated, which manufactures materials for the construction industry, and has

been in business since 1926, expects to employ close to 90 people when the plant is fully operational. The Company is located in Elgin, Illinois.

"We are truly excited that Blue Ridge Fiberboard is choosing to re-open the Danville Celotex® plant. The company had the opportunity to choose between plants in Louisiana, Maine or Pennsylvania, but was convinced we

have the best business climate for the company to be successful. We can offer good employees and a 'can do' attitude that is hard to beat. When we work together, Danville is a formidable team," said Danville Mayor Sherman Saunders.

W.R. Meadows received a grant up to \$300,000 from the Virginia Tobacco Commission to reopen the plant and will be able to take advantage of tax breaks also. The plant's former owners, Knight-Celotex, filed Chapter 11 Bankruptcy Protection in April 2009 when they defaulted on a \$34 million dollar loan from Bank of America. Bank of America petitioned the court to move the bankruptcy from Chapter 11 to Chapter 7, which forces liquidation of all of Knight-Celotex’s assets.

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AET (Applied Extrusion Technologies) continued until the Covington Plant was completely shut-down a few years ago. On AET's behalf, they keep a manager at the Covington Plant to help maintain the property and to assist in finding a buyer. I have been told that this gentleman has been very active in doing so.

Has somebody already purchased the property? The realtor's sign is down and CSX railroad has removed the old cars that were on the tracks inside the plant. Some time ago, there was a rumor circulating around the area that DuPont was interested, however, that has seemed not to materialize.

There was another rumor that another industry was interested, but the railroads spur needed a \$1 million upgrade. \$1 million, is that all? Surely the State of Virginia

would have given that money, plus more, without hesitation to assist in locating an industry to our economically depressed area. I sincerely hope that an industry is locating there.

The Alleghany Highlands, regardless of what the rest of the state thinks, has a lot to offer. We have a great community with wonderful school systems. We have a viable, loyal workforce that has proven in the past, and still with MeadWestvaco, that whatever locates here will be an industry leader in quality and ingenuity. Sure, we are down right now, but we are not out. We are proud area with much potential and are eager to show the rest of the state and country that we are the best.

THE RAT HOUSE MOTEL IS BEING RENOVATED

It appears that the motel on Covington's Main Street is getting a makeover. Unlike the wonderful outcome of the recently renovated CSX Depot on Maple Avenue, this has a sinister intention. A source, a Zachry worker, who spoke on the condition of anonymity, said that it has been leased to Zachry Construction for some time now and it appears that they are planning to stay here for awhile.

The source also stated that his company was going to bring in "skilled workers" from other parts of the country to assist the Mill in outages and general maintenance. This is bad news not only for our Union Brothers and Sisters in the maintenance department, and for the rest of the workers at the mill for what will start-out as fringe

work, will soon Zachry will turn into a part of the daily workforce at the Mill. Union jobs at the Mill are in danger, especially since we are working under a null and void contract where any contracting-out language is not en-

forceable and new contract negotiations are soon to start with a new union.

Zachry will bring in transient workers that will not contribute anything but heartaches to our community, like BE&K did, they have proven industry-wide that their quality of work and safety is subpar. If these speculations come true, we can only realize that the management of the Mill do not care about us, or our community. Besides, why should they care when they can get into their vehicles at the end of the work day and drive east on Interstate 64 to Rockbridge County or south on Route 220 to Botetourt County and

not have to stay here endure the consequences of such actions. Hopefully, none of this comes to pass and we can breathe a much needed sigh of relief.



Workers renovate the former Town House Motel. Is this going to be the residence of transient Zachry workers?



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WE ARE ON THE WEB!

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**Holiday Party
For All USW
Associate Members and
Guests
Date: December 19th, 2009
Time: 7:00pm until ?
For more information call
the Hall at 540-962-4971!**

EVERGREEN PACKAGING OVERWHELMINGLY APPROVE MASTER LABOR AGREEMENT

United Steelworkers union (USW) members at five Evergreen Packaging sites overwhelmingly approved Nov. 13 a five-year master labor agreement covering about 1,600 workers that features above-industry-standard wage increases and benefits. The master labor agreement covers plants and mills located in Canton, N.C., Waynesville, N.C., Athens, Ga., Clinton, Iowa, and Olmsted Falls, Ohio. Each location bargained over local issues and has the same contract expiration as the master labor agreement: May 13, 2014.

Wages will increase 3.0 percent the first year, 2 percent the second year, 2.0 percent the third year, 2 percent the fourth year and 2.5 percent the fifth year for a total of 11.5 percent over the contract term. The first year raise is retroactive to May 13, 2009.

Wage adjustments were done for classifications at each mill and increased the base wage. The percentage wage increase for each year is then added on top of that. For example, at the Clinton converting facility workers received a 43-cent per hour wage adjustment equivalent to 3 percent; the first-year 3 percent wage increase was added on to that so that workers there ended up receiving a 6 percent wage increase the first year.

Under the agreement, Evergreen will deposit \$200 into a flexible spending account (FSA) for each employee that can be used for health care expenses like copays for doctor visits and prescription drugs. If workers get preventive screenings like mammograms and cholesterol checks, an additional \$120 will be

deposited.

Workers who retire and turn age 65 during this contract term will have health care reimbursement accounts. Each January 1 Evergreen will give the retirees \$2,000 to be used for the retiree and his/her spouse to purchase a Medicare wraparound plan. A company called Extend Health will help the retirees choose the best plan for their needs.

A joint insurance committee composed of four union and four company representatives will be formed to run the Canton location's health clinic and see how the health care plans are being administered, monitor costs and develop recommendations to maintain costs and improve the quality of care. An advisory board, consisting of one USW-appointed representative from each location, will meet quarterly to review costs, utilize biometric screenings at each location and recommend ways for improved health care at a reasonable cost.

An important successorship clause was obtained that will ensure Evergreen workers' jobs and union contract are preserved in case the company is sold. Both parties also agreed to principles for conduct in union organizing campaigns that enable workers to freely choose representation without a negative campaign being waged.

For the complete story and details, please visit www.usw8675covington.com.