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State authority gives Hyatt's 'experiment' \$4 million shot in its corporate arm

By R. E. Rosenwald
What was regarded as a unique experiment in modern industry a little more than two years ago in Clark became a much more valuable employee-owned company recently thanks to a \$4 million loan from the New Jersey Economic Development Authority.

The loan to Hyatt Clark Industries, Inc., was made on Dec. 28, 1983, and in announcing it Gov. Thomas H. Kean cited the fact the firm, formed through employee contributions to an Employee Stock Ownership Trust (ESOT) in 1981, helped to create more than 1,300 jobs and add 400 new jobs to the state's economy. According to the governor, the loan is part of a \$53,100,000 financing package

which enabled Hyatt Clark to purchase the General Motors Corp.'s New Departure-Hyatt Roller Bearing Division in the township.

General Motors officials had announced plans in 1981 to close the township facility after its efforts to find a buyer proved unsuccessful.

The announcement led Hyatt's employees to form the ESOT to purchase the plant and related machinery, equipment and inventory from General Motors.

Although only 850 workers reported to the new company to begin the fledgling venture on Nov. 2, 1981, there are now about 1,500 in the workforce.

This is in spite of the downturn in the automobile industry in 1981 and 1982, and growth was spurred by the automobile industry's surge in activity last year.

According to authority executive director, James J. Hughes, Jr., the firm has exceeded its employment goal by 200 and is realizing a profit.

The company manufactures roller bearings for automobiles and light trucks and journal boxes and traction motor bearings for railroad locomotives.

Although General Motors is still the company's prime customer, it did receive a \$400,000 order from the Chrysler Corp. last March to provide rear wheel axle bearings for all

mid-size Chrysler trucks for the 1984 model year.

According to Mr. Hughes, Hyatt Clark has expanded its product line to attract new customers and is negotiating with other major automobile manufacturers for business.

Financing for the worker acquisition of the plant has come from the Chemical Bank of New York, General Motors and the Union County Economic Development Corp.

The county group is providing a \$3 million loan from Urban Development Action Grant funds secured through the United States Dept. of Housing and Urban Development.

The state authority's executive director said his agency secured a \$3 million

grant from the State Economic Development Corp. to help Hyatt Clark acquire the plant and related machinery, equipment and inventory from General Motors.

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According to the company president, not only do the plant's new owners make the old machines run as good as they ever have, but they also re-build them with the latest design.

A case in point is the old elevator system still used on some of the machines.

Using this system, used to feed the parts, unfinished bearings roll down a long chain of inclined planes dropping regularly into monstrous machines. When one machine or one section of the elevator breaks down the whole system shuts down and if a bearing gets stuck in an obscure part of the elevator, all the machines stop running.

It's too cramped to get inside to look at the machines in order to locate the problem and it's dangerous to get up and look down at the elevator.

With Hyatt's new layout four elevators feed bearings into 20 machines quietly and efficiently. There is enough room between the machines for mechanics to get in and out at will and broken machines can be moved out of the system quickly.

According to Mr. Kuan the firm was making 20,000 parts an hour not too long ago, but it has doubled its output while making the plant a safer, more pleasant place to work.

An important part of the bearing-making process is the honing, which dictates the finish of the bearing's internal surface. Most of Hyatt's online honing are wearing out. Replacing them would cost more than \$8 million.

But, thanks to Mr. General, the honing are being redesigned from scratch and being made as fast as possible and virtually maintenance-free at a cost of less than \$1 million.

New grinders cost \$200,000 each, half that much to repair. The overhaul supervisor had rebuilt four of them for about \$20,000 each. He has even tackled one that was purchased as scrap metal for \$1.

There are other changes too-many of them motivated by the fact that the workers were willing to take a 25 to 30% pay cut in order to save their jobs and become molders of their own destinies by having a much greater say in the operation of the new plant.

Councilman Eckel Fires Warning

EDITOR'S NOTE: The following is the editorial text of the Clark Councilman's letter. First Editor's note on Jan. 1 after he was elected to the 1984 Council.

Reverend clergy, Mayor Yarusso, my colleagues on the Council, distinguished citizens, family and friends: I want to thank the Council members for electing me to serve as their president for 1984.

Three years ago when I took the oath of office as a councilman I had only one ambition and that was to work for the people of the Township of Clark in the very best of my ability. I have not changed and my goal remains the same today.

The past three years have been rewarding for me. I had the opportunity to serve on a variety of committees and to gain experience in my new assignment.

I was especially pleased to participate in the

tations that established for the first time in Clark a two-year contract with all municipal employees. As Council president I will strive for the improvement of services in the township.

These include the cleaning and dredging of Jackson Pond, the new traffic light to be installed at the intersection of Madison Hill and Raritan Rd., and the possibility of a recycling program. Many townships are profiting from recycling and it is my intention to form a committee to study the feasibility of initiating a recycling program in Clark.

My major priority will be the development of the Charles H. Breyer School into a municipal complex that will house our township hall. It will provide space and facilities for public programs, and, of great importance to me, it will be a place where senior citizen recreational facilities can be developed. It will have a kitchen, it will have a gymnasium, and it will have an abundance of meeting and activity rooms. Our seniors are certainly deserv-

WATCH THE BIRDS Helen Rokony of the Triangles and Squares Club of Clark points out one of the gaudy ornaments which she and the other ladies of the club made to decorate the tree in the Clark Public Library. The club is sponsoring a game to have children guess the number of birds on the tree. The contest will end on Monday, Jan. 9, when the winner will be awarded a gift certificate.

ing of this long-awaited program.

The year ahead holds great promise. As elected officials, it is the duty of each and every one of us to put aside our petty differences and work for the betterment of Clark and, as Council president, I intend to work towards that goal.

On behalf of my family and myself, I would like to wish everyone a happy and healthy 1984.

BB Women to discuss fire prevention

The Toy Chapter of the B'nai B'rith Women of Clark will meet today at 8 p.m. at the Clark Library.

The guest speaker will be John Weibeyski, Jr., a field consultant manager of the Absolute Fire Prevention Co. of South Plainfield.

By John Gerschlager
Union County Regional High School District No. 1 students who display severe antisocial behavior will have the option of serving suspension time by attending Sunday or Saturday school for a brief time or accepting a longer period of out-of-school suspension, according to revised administrative guidelines adopted on Jan. 5 by the board of education.

Behavior requiring this type of suspension, in the opinion of the board, would include insubordination, disruption of classes, truancy, class cutting, leaving the building or school grounds without permission, cutting detention, excessive tardiness and smoking of school property.

The policy provides for religious observances, permitting the students to attend school on either Saturday or Sunday if they are required to do so.

According to the new policy, which is effective immediately, students would receive suspension for three days if they do not attend Saturday or Sunday school.

Disciplinary action under the new ruling would range from suspension on Saturday or Sunday school for cutting class or truancy for the first time to three days Saturday or Sunday school for second offense truancy.

In comparison, a student choosing out-of-school suspension would serve three days for cutting class or truancy for the first time, while truancy for the second time would warrant nine days' school leave.

Students failing to comply with the new policy by not attending Saturday or Sunday school would receive three days of out-of-school suspension.

In other action, the board approved the appointment of Joseph Hubert, the assistant boys track coach, \$1,503; Dennis Boral, the assistant boys track coach, \$1,503; Jack Malkos, the golf coach, \$894, and Robert Nadasky, the head tennis coach, \$1,453.

It also appointed the following bedside instructors at the high school as needed for the remainder of the year: Mr. Boral, English; Stephen Signa, history; and Herman Simmeth, mathematics.

They are: Betty Lingberry, the head softball coach, stipend: \$2,027; Steve Orubach, the assistant softball coach, \$1,345; Robert Kowalski, the head girls track coach, \$2,520; Dean Kulkowski, the volleyball coach, \$1,453; Larry Sturchio, the head baseball coach, \$2,027; Anthony Falzone, the assistant baseball coach, \$1,345; Steve Petruzzelli, the assistant baseball coach, \$1,345; Ralph Johnson, the head boys track coach, \$2,520; Joseph

Hubert, the assistant boys track coach, \$1,503; Dennis Boral, the assistant boys track coach, \$1,503; Jack Malkos, the golf coach, \$894, and Robert Nadasky, the head tennis coach, \$1,453.

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Board members named Joyce Fahrenholz as the senior class advisor for a stipend of \$378.

