Six REVOLUTIONS

AWCl’s Joe Baker capsulizes the biggest changes that hit the wall and ceiling industry over the past thirty years.

by Joe M. Baker, Jr.

Six distinct issues have revolutionized the wall and ceiling industry in North America during the past thirty years. Those six revolutions—not necessarily in order in which they occurred—are Reaganomics, drywall, exterior insulation, open shop, computers and asbestos.

I. Reaganomics . . .

What’s going on in Washington, DC, right now is called by a number of names-Reaganomics, supply-side economics, the Laffer Curve. Call it what you want, the bottom line is this: Ronald Reagan’s election to the presidency is the first major political revolution the United States has seen since Roosevelt was elected in 1932.

Whether you like Ronald Reagan or not doesn’t matter. What makes Reaganomics truly a revolution is the fact that Reagan has changed and is continuing to change the face of America. For some of us, the changes he is making are not being made fast enough; for others, they are being made too fast. No matter which opinion you hold, changes are being made and they are going to be permanent.

Reagan’s game plan is very simple. More money has to be made available to the people in the United States, more money which can go into investments and savings.

One of the President’s goals is to increase our own United States investment from the pitiful five percent of five years ago toward a more respectable ratio, something like the 25 percent and 30 percent figures that Japan and Germany boast.

There is evidence of an increasingly successful change in attitudes directed toward American business and its needs. “Profit” is no longer a dirty word. “Free enterprise” is no longer something to be whispered in back rooms. And “Capitalism” is no longer a funny slogan but rather a meaningful system of government.

No one doubts that as goes the American construction industry, so goes America. There cannot be economic success in North America if construction itself is down.

Construction is simply too big an industry to ignore. Its impact is felt throughout the entire economy from the raw materials supplier to the producer of small fasteners.

Yes, there is a revolution going on. Everyone knows that more money must be made available and at a lower cost so that construction all over this country can pick up—so that we can get on with building a better future—so that we can make a stronger truth of the observation that AWCI is helping its members gain a passport to a more prosperous future.

It’s our task as an association to see that, as an industry, construction’s growth takes place with efficiency; in other words, that the wall and ceiling industry becomes increasingly successful.

And what has AWCI done to aid construction’s efficient growth? Well, let’s start with AWCI’s impact on that first revolution I mentioned: the Reagan Administration.

When Reagan was elected to the presidency for his first term, his first order of business was to resolve the nation’s domestic economic problems. Obviously, as a new political team, the Reagan Administration needed all the help it could get. Ray Boyd of Dallas (President of AWCI in 1981) told the White House: “We’ll get the whole construction industry together for you, form a coalition, and help you get your program passed.”

Seasoned White House staffers were a bit hesitant to believe that an effective coalition could be put together that fast and that strong, and, of all things, by an association as small as AWCI. But, we were as good as our word.

And so the Construction Industry Coalition for the New Beginning was formed, with 49 national associations participating. The budget vote in Congress in 1981 gave Reagan his first success. And we had played a major role!

(No need to guess that standing of AWCI among the White House people today! We have been invited to meet at the White House thirty or more times since Reagan was elected President, twenty of those times with the President himself.)

The formation of the Construction Industry Coalition for the New Beginning was quite an accomplishment for AWCI!

The criteria for our accomplishments has always been: Is this good for the entire industry? Will the success of this goal contribute even in a small way to the increasing success of all wall and ceiling contractors, distributors, and manufacturers?

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That such a philosophy has been effective can be seen in the growth that AWCI has enjoyed along with the growth in the wall and ceiling industry itself.

II. Drywall...

The second of the six revolutions I mentioned earlier is: the development of drywall.

Up until World War II, the plastering industry owned the wall and ceiling business. There was never any need to knock on the wall; everyone knew it was lath and plaster! Back then, most plastering contractors could not bring themselves to admit that such a product as drywall was here to stay. Obviously, the use of drywall increased rapidly in America, and, in the mid-1950’s, a drywall association formed. Almost simultaneously, another association representing acoustical tile ceilings was also formed. Nearly thirty years passed before the plastering and drywall industries were able to get together and to form a single national association which today is known as the Association of the Wall and Ceiling Industries, AWCI.

Just prior to the consolidation of GDCI and iaWCC, each of those associations boasted a few more than 300 members. Neither of those two associations had reached the efficiency that was required from an industry’s viewpoint. AWCI’s total membership is now well over 1,200. But if you want to be downright accurate about the whole thing, we certainly are not the biggest association of contractors in the country. As an association representing the subcontractor or specialty contractor, we probably can’t ever hope to be counted among the biggest. But we are ranked at the top as one of the best.

III. Exterior Insulation...

This brings us to the third revolution experienced in our industry, exterior insulation systems, and it is a revolution that is going to be as widely felt as the drywall revolution three decades ago! We wanted to make certain that everyone is well served with this new important emerging technology.

AWCI was also instrumental in bringing together the manufacturers when they formed the Exterior Insulation Manufacturers’ Association, EIMA, which was actually created in the conference room of the AWCI offices! EIMA represents most of the manufacturers of exterior insulation systems.

In other technical projects, we are working now on a new application standard for Portland cement plastering, and setting up new education programs on such subjects as material handling and warehousing, panelization, and performing energy audits.

All in all, we have a well integrated, yet comprehensive technical program. What other group or organization in our country comes even close to such total coverage? Admittedly, it’s taken us a while to get where we are . . . but we are here now and improving constantly.

IV. The Open Shop Movement . . .

Most of our members have been 100% union contractors for decades but the open shop movement is so strong and moving so fast that our members, whether loyal to their union background or not, have had to sit up and take notice of something that is
happening and happening so fast that it is a revolution in the true sense of the word!

The state of Hawaii, a 100 percent unionized state in construction, is now more than 50 percent open shop.

The Pacific Northwest — once a union bastion—is now better than 50 percent open shop.

Over 90 percent of the commercial construction done in our Capitol City of Washington, DC, is open shop.

AWCI was made up of 95 percent union contractors, but we are witnessing a new phenomenon: contractors who have been union for ten, twenty, and even fifty years are either going open shop or setting up double-breasted organizations! One of our largest members—a $40 million volume contractor—took his entire operation open shop, severing all ties with the union in his state!

AWCI saw the writing on the wall nearly ten years ago. In fact, in 1976, our then-president, Vito Arsena, a 100 percent union contractor from Cleveland, Ohio, appointed a brand new AWCI committee, our Open Shop Committee. Vito was strongly criticized for taking this step, but others realized Vito was simply ahead of his time.

That committee functions not to win converts to the open shop movement but to provide educational and other services to our non-union members, providing information to those contractors who want to go open shop or double-breasted.

For five years now AWCI has sponsored seminars on “Profiting from a Double-Breasted Operation.” Criticism has been loud and long, but the association cannot sit back and allow this revolution to sweep past us, leaving us wondering what happened!

V. Computers . . .

The fifth revolution is one not unique to North America. It is the Computer Revolution, which has impacted on large and small contractors alike.

AWCI is involved here also. We have retained a computer expert, a man who knows the computer business inside-out. His time and talents are available to our members for the cost of a long distance phone call. If a member wants him on site, the member pays his expenses plus a very reasonable hourly fee to get first hand assistance either in straightening out an existing computer situation or in aiding the member in setting up an in-house program. A special section devoted to computer news has been added to First Tuesday as a regular, monthly feature.

VI. Asbestos Abatement . . .

In 1979 AWCI conducted its first seminar on the subject of asbestos abatement and encapsulation. At that time we did not realize that we were taking part in another revolution, but in today’s construction, asbestos removal and encapsulation are about the “hottest” things around!

AWCI—then as CPLIA—first got involved in the abatement of asbestos way back in 1969. At that time, many of our members were spraying asbestos fireproofing and sound insulation onto buildings as part of their plastering business. Very few people considered asbestos to be a health hazard.

Today, asbestos is totally outlawed.
Substitutions have been found, of course, which have kept the fireproofing companies in business. Now the big thing is taking asbestos out of existing buildings, and our members are involved, whether they want to be or not! Each time a contractor performs work in an existing structure, he could be disturbing asbestos insulation that was put there years ago! That means that all of our members need to know about asbestos, from the contractor who is specializing in asbestos removal to the small contractor who does occasional renovation work.

AWCI’s involvement in the asbestos field had to grow at a pace to match the growing needs of our members, so we formed a new branch of AWCI, the Asbestos Abatement Council. We started publishing a new bi-monthly magazine, Asbestos Abatement and a separate newsletter, Abatement Action. When we met to form the new Asbestos Abatement Council, three key representatives of the Environmental Protection Agency (EPA) attended our meeting. They told us there are approximately 700,000 buildings in the United States alone which will have to have asbestos removed from them. If each of these buildings has a minimum of, say, 50,000 square feet of asbestos to be removed, that comes to about 35 billion square feet. Multiply that by a minimum of $7 per foot, and the result is a brand new industry totalling more than can be figured out on a calculator!

So, those are the six revolutions we’ve seen take place in the wall and ceiling industry this past thirty years. Number seven? Who knows? But, there is one guarantee: whatever the seventh, eighth, and ninth (ad infinitum) revolutions turn out to be, AWCI will be there to keep construction growing efficiently and prosperously!