Our present American Brakeblok Division was, on its organization in the middle twenties, originally known as American Brake Materials Corp. and is one of two of our operating divisions which was built from a Brake Shoe idea rather than from buying a going business.

In 1926, six plants primarily engaged in the production of railroad journal bearings were combined; and, shortly thereafter, Brake Shoe bought the controlling interest in this new company which was then known as National Bearing Metals Corporation.

1929 saw the market crash, and the subsequent depression had its serious impact both on industrial nursing and on Brake Shoe. Not only did many nurses lose their jobs because of companies going out of business; but, in many cases, companies able to weather the storm considered nursing a non-productive job; and, accordingly, the nurses were laid off. This will be one of the really serious problems confronting industrial management when the next depression hits. The stature of a nurse and her recognition by industry has certainly grown many, many times since the thirties; but there is a point, in a critical period, at which her indispensability must be weighed against that of other essential employees. Let us hope that time never comes; but, if it does, it will require great judgment and farsightedness. Your performance will, in great measure, affect the decision.

During the depression of the thirties, Brake Shoe battled hard to keep its head above water and was able to show a profit in each of those lean years, thereby continuing a record which today stands at 51 consecutive years of making a profit and paying a dividend. It is impossib to measure the degree of security which such a record means to all of us in Brake Shoe.

The depression also had its impact on Brake Shoe, and industry in general, in still another way. All too often, people (and corporations are nothing more than groups of people) have to be shocked into doing something they should have undertaken long ago. Thus, it was a flood of occupational disease cases--an economic by-product of a depression--that forced industry, and particularly foundries, to take immediate steps to improve working conditions. One of the many positive steps which Brake Shoe took was to initiate our X-ray program which was first installed in 1933 at the Chicago Heights plant.

We would be among the first to admit that the steps then taken by Brake Shoe and other companies were defensive. They were intended to keep the employees healthy so that they could stay on the job, and also, very importantly, to prevent employees suits for damages. In much the same way, according to history, the first army nurse, Florence Nightingale, was employed by the British to get their fighting men back to the front as soon as possible. It perhaps was several wars later before high-ranking army people realized that the Army nurse, in addition to her first-aid functions, had an immeasurable value as a morale builder. So also, it took Brake Shoe some time to learn that the nurse's value as a morale builder--with her countless opportunities to help employees and their families--far outweighed the human relations part of your job where lies your real challenge and your greatest opportunity. I can't help but wonder if the mines, the marble company, and the department store--all mentioned earlier--had a real vision almost 30 years ahead of the rest of us.

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