A MENSCH

Told by Jeanne Wallace

The telephone had been ringing for hours in mill owner Aaron Feuerstein's kitchen when he and his wife, Louise, opened their front door and Feuerstein answered the phone. He had been quietly celebrating his seventieth birthday at a small surprise party thrown by his family. During the celebration, one of his top managers had gotten word of a fire at the mill. He told a few others, but nobody told Feuerstein. They didn't want to ruin his party. "The mill's burning, Aaron. The whole mill's on fire," said the voice on the phone. Feuerstein hung up, pale and shaking.

News of the fire raced through the mill workforce the next morning, December 12, 1995, as fast as the flames had destroyed the mill the night before. Many stood outside in the bitter cold, drawn to the devastation as though the mill were a dying member of their family.

Joseph Melo, a thirty-three-year-old machine operator, had worked in the mill since high school. His father, Manuel, had spent his life in the mill, and his stepfather, sister, and cousin had also worked there. As he stood outside that morning, looking at the damage, Joseph wanted to believe the mill would be saved and everyone would come back to work.

Meanwhile, Feuerstein calculated more than three thousand people without work in the city of Lawrence, and he shuddered at the specter of a ghost town. He vowed to rebuild the plant in the city—the twenty-sixth-poorest in the nation. In the days and months ahead, this third-

generation mill owner, driven by pride, religious conviction, and a sense of family, did something nobody in modern times had attempted: rebuild a giant textile plant in an old New England mill city. Feuerstein and his mill became a national media event as people warmed to the story of a devout Jew whose heroic generosity at Christmastime distinguished him dramatically in an era of corporate greed and downsizing. But behind the sentimental headlines, the battle for the body and soul of a new Malden Mills was a tough fight with wide-ranging implications for workers and American industry.

In the 1950s, Feuerstein stayed put while nearly every other textile mill in New England shut down or moved away. He survived recession and a bankruptcy in the early eighties. Founded in 1906 by Feuerstein's grandfather, Henry, Malden Mills had nearly gone out of business than one of its mainstay products, fake fur, went out of fashion, forcing the business into bankruptcy protection. Feuerstein battled back, restructuring the mill around two revolutionary new products, Polartec and Polarfleece. These uniquely light and warm wool-like synthetics, developed by his workers out of recycled plastic, were a hit. It was Polartec that put Malden Mills in the forefront of textile technology, generating $200 million in sales in 1995, about half the company's total.

Rebuilding the mill when he could have settled for the insurance money was certainly a noble thing to do. But what brought Feuerstein to national acclaim was his commitment to his employees while the mill was being rebuilt. Three days after the fire, in a local high-school gym, he announced that he would pay all 3,200 employees for thirty days—at a cost of $15 million, with health benefits extending two months beyond

that.

To rebuild fast, Feuerstein insisted, “We need to keep our people together.” Malden Mills’ “people” reflect the city of Lawrence. Rich in textile and labor-union history, Lawrence had become a city of vacant mill buildings and poor workers with too few jobs and too little hope. The exception was Feuerstein’s mill. It made dreams as well as cloth—providing a way for countless blue-collar workers to become part of America’s middle class. Many had limited English language skills or trade skills outside textile-making. More than 25 percent of the workers were minorities—black, Hispanic, Asian, and Native American. Many were first-generation immigrants, from twenty-one different countries. Like Joe Melo, white and unskilled, they found in Malden Mills and its average $12.50-an-hour pay (the highest in the industry)—plus overtime and benefits—a way to earn a good living and raise a family. Nobody could afford not to go back. They needed something to go back to.

“It’s the right thing to do.” That was how Feuerstein reassured his managers. “There is a need to know that corporate America could be interested in the welfare of the worker as well as the shareholder,” he said. “I consider our workers an asset, not an expense. If you close a factory because you can get work done for two dollars an hour elsewhere, you break the American Dream. It would have been unconscionable to put three thousand people on the streets and deliver a death blow to the cities of Lawrence and Methuen.”

Feuerstein’s employees repaid his loyalty with their own. “If he had the guts to rebuild,” said one, “we decided we would do whatever we could.” By the end of February the entire mill complex—the scene of

utter destruction just two months earlier—had come alive with its mission. And people across the country rallied to help. State, federal, and local licenses and zoning parted like the Red Sea.

In order to keep the business open, employees had to meet production demands with only a fraction of the pre-fire staff and equipment. “Our people became very creative,” said Feuerstein. Incredibly, they began running Polartec off the first fire-damaged machine just three days after the fire. It was only a test, but it had symbolic importance. “We’re back in business,” a manager said. Before the fire, one plant had produced 130,000 yards of the fabric a week. A few weeks after the fire, it was up to 230,000 yards in a temporary facility. And the people were committed. “They were willing to work twenty-five hours a day,” said Feuerstein. He sees this as “a direct result of the goodwill and determination of our people to show their gratitude to Malden Mills.”

Nearly five months after the fire, Feuerstein had to convince the furniture retailers in South Carolina—who accounted for 50 percent of the mill’s business—that he could deliver. He traveled there, knowing that his promise to his 3,200 workers in three states to rebuild his mill and bring everyone back to work hung in the balance.

In High Point and elsewhere in North Carolina, Feuerstein was already famous for his generosity. His picture adorned the front of many showrooms in the furniture-crazy town. He had a big reputation and a lot of friends here. He needed both when he met with his customers and asked them to stick with him now. “Absolutely,” said one company president, greeting Feuerstein like an honored relative. “Anything we need to do to make it work, we’ll do.” Another had heard all about it and

was impressed. “Anything we can do to be part of it, we will.” One company used the now-famous Malden Mills name in its marketing. “They are like ‘Made in America’ tags. People feel good about it, because of Aaron.”

In a just world, such fame and good feeling would be enough to keep Malden Mills profitable. In a perfect world, the laws of business karma would ensure the company’s growth and flourishing. As it happened, after years of rebuilding and rehiring, honors and innovation, since the fire, Aaron and his mill filed Chapter 11 in November, 2001. This is not the end of the story.

Not only does Aaron carry no regrets for the decisions he’s made so far, he affirms that Malden Mills’ market position is nonetheless “enviable” and sees this period of reorganization as a chance to write a “new chapter” of its life, to refocus and strengthen its brand. As a former employee points out, “They’ve been through bankruptcy before, in the early ’80s, which is how Polartec was born.” Like President Clinton before them in his 1996 State of the Union Address, government officials continue to publicly praise Aaron’s example. Consumers aren’t sitting around waiting for the mill to rise again, either. Since November, they’ve received thousands of letters, checks, and other expressions of solidarity—one professional car-racing team offered free title sponsorship. Such strong, all-weather friendships are enviable indeed.

In Yiddish there is a word for a decent human being: *mensch.* But Aaron downplays his own role in his company’s recovery. It is the workers, he says, who are responsible for that. “They wanted a miracle to happen, and it did. That’s all I can tell you—it did.”

To learn how Malden Mills is strengthening social services in its community, contact **ALMA** (Action for Lawrence, Methuen, Arlington), c/o Malden Mills, 46 Stafford Street, Lawrence, MA 01841. (*Alma* means “soul” in Spanish.) To communicate your support of everything Aaron Feuerstein and Malden Mills stand for, visit www.polartec.com and make the “Polartec Promise” to look for Polartec labels when you buy clothes.