

Focus...

Lafarge Corp.

A historical look at Lafarge Co. takes us back to the 1800's. Lafarge Coppee' originated back in 1833.

Lafarge, (meaning "the forge"), is a small village in southern France. It sits in the shadows of Mt. St. Victor, which is rich in limestone deposits.

The founder, Auguste Pavin deLafarge, began this company with three lime kilns. As business around the Mediterranean area grew, the company eventually became the world's largest lime producer.

Being a progressive company, it was recognized at the Paris Universal Expo in 1889-1890 for providing free benefits to workers, such as medication, hospitalization, schooling, housing, pension, and savings plans.

Lafarge expanded upon its research area and opened a laboratory in 1887. It played a large part in changing the company's focus from lime to cement products.

After WWI, headquarters were moved to Paris, and a gypsum mine was purchased in 1931.

During WWII, however, several offices and plants were destroyed; the main plant was impounded by the government after the war.

By modernizing old plants and building new

ones, the company ended up doubling production in the post-war years.

The first North American plant was started in 1958. Little by little, the company made money and decided to expand. Two other plants were built in Quebec and British Columbia.

In May 1970, resulting from merger talks between the Lafarge management team and Canada Cement Co. officers, Canada Cement Lafarge was started. It contained 11 cement plants, two grinding facilities, and an interest in several construction materials companies as well.

In 1973, Canada Cement Lafarge joined with Lone Star Industries to form Citadel Cement. In 1982, the company acquired General Portland, Inc. Within a year, the two formed Lafarge Corporation.

Today, the company has seven main business lines:

- 1) Concrete, cement, and aggregates
 - generate \$2.2 billion in sales
 - 13,000 employees, with 6,300 in North America
 - 2nd largest cement producer
 - 26 million metric tons sold
 - 50 plants located in eight countries
 - Ciments Lafarge is France's largest cement company

- 2) Bathroom Equipment
 - generates \$146 million in sales
 - 1,700 employees
 - Six plants in France and Germany, with a cooperative venture in Japan
- 3) New Materials
 - generates \$158 million in sales
 - 1,700 employees
- 4) Calcium aluminate cement
 - generates \$119 million
 - 560 employees
 - Five plants in France, U.K. and U.S.
- 5) Bioplants
 - generates \$139 million
 - 1,050 employees

- Products include hybrid field seeds (wheat, corn), plus flower and vegetable seeds

- 6) Gypsum
 - generates \$327 million
 - 1500 employees
 - Over 20 plants in France

- 7) Biochemicals
 - generates \$149 million
 - 775 employees
 - Three plants in France and the U.S., which manufacture amino acids.

After long talks of a deal between Lafarge Corporation, National Gypsum, and Lafarge Coppee', Lafarge purchased six cement distribution terminals in the eastern Great Lakes region, seven cement distribution terminals on Lakes Michigan and Superior, and the Alpena cement plant.

Administrators were looking for ways to expand the distribution network on the Great Lakes. This idea, combined with availability of terminals from National Gypsum, led to the transaction.

After Lafarge acquired the Alpena plant, it had to be reevaluated and rebuilt.

A core group of employees began the process of rebuilding. They started with hiring six (former) key employees of National Gypsum. Many repairs and modifications had to be made to the equipment.

Potential employees were screened for jobs in the meantime. New policies and procedures were needed, again building from

the bottom up.

More extensive training was now required for each job. For example, a millwright needed to be familiar with all kinds of equipment, so his skills were not so limited. More employees soon gained knowledge of overall plant operations.

Everything in the plant was shut down during the winter months, and many repairs were finished. Each kiln was taken apart and repaired. Efficiency was the key word in this process.

Two storeroom employees, Tom Gohl and Mel Farrier, say they are pleased with the company as it is now. In reference to the company before the takeover, Gohl states, "employee morale was so low, it could only go up." Farrier is pleased with many aspects of the company, one in particular is the opportunity (funded by the company) to further his education. He stated that employees needed to learn additional skills to be more flexible in their work.

A new way of thinking was the major challenge for this company.

Continually, committees and departments meet to exchange ideas and information. Employees have a chance to be heard and informed. This process can only enhance the "new way of thinking" for the future.

by Staci Radke

