

Triumph Meriden

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The Triumph Meriden Co-operative maintained motor-cycle production into the 1980s, but the factory was eventually demolished in 1983, the year of Mrs Thatcher's first re-election. Ken Fleet recounts the Co-operative's long and difficult birth in the 1970s, and how it initially flourished.

The village of Meriden lies about five miles outside Coventry, off the road to Birmingham. On March 10th, 1975, a new producers' co-operative was born there. It had been conceived nearly eighteen months previously and the labour to bring it forth had been long, at times exhilarating, but often painful and wearying. Nearly a year after its birth, the co-op is flourishing, having grown rapidly, and it seems, soundly: it appears to have a long life ahead of it. Its prospects are of great consequence, not only for the workers in Triumph, but for the whole Labour Movement. Success will give encouragement to those who believe in the possibilities of workers' control, while failure could set back their hopes.

The co-operative grew out of the struggle against an attempt by the Norton Villiers Triumph (NVT) management to close their Meriden works in pursuit of their plans to reorganise and 'rationalize' the ailing British motor-cycle industry. Towards this task the company had been given a grant of £4.8 million by Christopher Chataway, the Conservative Minister for Industrial Development, in the summer of 1973. The resistance by the workers started out as the latest in the series of factory occupations in opposition to redundancy proposals that had sprung up in many varying industries and in different parts of the country, following the inspiration of the pioneering work-in at Upper Clyde Shipbuilders in 1971. It is worth remembering, and not without significance for the subsequent developments in the NVT combine, that an earlier work-in had been proposed, soon after the outbreak of the UCS events, by some shop stewards at BSA in Birmingham,

when the collapse of that company resulted in heavy redundancies. In the event, in that earlier case, no work-in or sit-in materialised.

Dennis Poore, the Managing Director of NVT, met the Meriden trade union representatives in September 1973 and abruptly told them, without any prior notice or consultation, that the work of the Meriden factory was to be phased out over the next few months. All production would be transferred either to the old BSA factory at Small Heath, Birmingham, or to the Norton works in Wolverhampton. All 1,750 workers at Meriden were to become redundant. Poore maintained that the heavy trading losses at Meriden, which he attributed primarily to labour unrest and non-cooperation, gave him no option but to close the factory.

The stewards had no means of assessing the validity or otherwise of the figures that Poore threw at them because their company was part of a larger group within which profits and losses could be shifted from one place to another as taxation and other external considerations dictated. What they did know was that their own performance had been bedevilled by uncertainty and irregularity in supplies and finance and by an inefficient management that acted as if a combination of threats and exhortations to the work force, allied to ever more complex incentive and piecework schemes, were the only methods to ensure Meriden's economic salvation. They were conscious that when they had been 'on their own' before the enforced merger with BSA they had not experienced such problems. They were convinced that Poore wished to 'rationalize' production, concentrating on Small Heath simply because wage rates were lower there and the work force more docile; furthermore they suspected that Poore had plans to sell off the Meriden site, probably as a spares depot to one of the motor manufacturers in Coventry or Birmingham, and thus make a nice, fat capital profit for his company.

Meriden workers were extremely proud of the Triumph bike and a large number of them had worked at the factory for many years. They could not believe that the specialist quality expected by the knowledgeable enthusiasts of the Triumph bike would be achieved in Birmingham or elsewhere. They were sure that Poore was mistaken in his assessment of the market possibilities of the Triumph range and in his decision to quickly phase out the famous Bonneville 750 twin. They feared that in his hands the British motor-cycle industry would soon disappear altogether. (Provoked by one attack of Poore's, John Grattan, the Electrical and Plumbing Trade Union (EPTU) convenor, was to retort that Poore had systematically murdered every name in the British motor-cycle industry, and to demand a public enquiry into his use of public funds.)

The strength of the workers' feelings was reflected in their swift and determined response to the brutal solution NVT proposed for its problems. Led by Transport and General Workers' convenor, Denis Johnson, an embargo was immediately imposed on the movement of all bikes and plant from the works. When Mr Fawn, NVT director of manufacturing, came in early October to present a three stage plan for the closure of the works, he was immediately rebuffed and all executive management was banned from the site by the unions. Production of bikes continued until parts began to run out and insurance cover was withdrawn, when Dennis Poore announced within a few days that, in view of the workers' actions, there would be an immediate closure. This reaction only hardened the workers' determination and the brief work-in was immediately converted into a sit-in. The pickets on the gate little thought then that they would be forced to maintain their 24 hours a day, seven days a week vigil, with whole families involved, right through two winters into 1975.

Right from the outset the workforce was bought under attack by sections of the press and particularly from the *Coventry Evening Telegraph*. They were told to 'face facts' and to give up their hopeless and ill-advised struggle. Their determination was sustained, however, both by their own experience of successful trade union struggle over many years and by the active support and solidarity demonstrated both publicly and privately by other Coventry trade unionists. These demonstrations were augmented by regular mass meetings of the Meriden workpeople. An internal broadsheet helped to maintain morale from the outset, as did the defiant and imaginative posters that festooned the gates, fences and hedgerows around the works, putting the workers' assessment of Dennis Poore and his fellow executives in language that was far from polite.

The self-confidence of the Triumph workers was reinforced by the very strong bargaining counter in the bikes, finished and part-finished, spares and jigs which they held under careful guard. The value of the assets locked up amounted to several million pounds and included over 2000 finished bikes; their loss not only rendered NVT's financial position precarious but prevented Dennis Poore's development plans getting off the ground, as he had to explain, somewhat bitterly, to his shareholders.

But even these advantages might have been dissipated in the very long struggle that was to ensue if the idea of the co-operative had not been floated early enough in the struggle to take firm root quickly as an attractive goal to be fought for. The credit for this idea has been rightly given to Bill Lapworth, Divisional Organiser of the Transport and General Workers' Union, and to Leslie Huckfield, Labour Member of Parliament

for nearby Nuneaton, but the significance of the scheme is not to be found so much in its origin as in the immediate and enthusiastic response it evoked among the workforce. Co-operative arrangements had been mooted in other recent redundancy and sit-in situations, but only in two, relatively small-scale enterprises, had they previously been embraced. Nobody in recent history had really believed that the formation of a co-operative was a viable option for an enterprise on the scale of Triumph. In a situation of fierce international competition allied to a background history of sharp decline and failure, many commentators believed it to be an impossible pipedream for a company in the motor-cycle industry to think of running a viable co-operative.

As could be expected, the business columns of the press were highly sceptical of the ability of ordinary workers to manage such an ambitious project: but practically no left-wing political group gave any encouragement either. The latter were not so much concerned to look at the practical problems to be overcome as to pass on to the Triumph workers the conventional left wisdom which holds that all co-operatives, as 'islands in a hostile sea of capitalism', are bound to be swamped and drowned. Fortunately, the workers' enthusiasm for motor-cycles and their confidence in their own ability to construct them attractively and effectively, given the right conditions, were stronger than any arid dogma either of the right or the left and they were not to be deflected from their chosen path. At Meriden they were much more inclined to pay attention to the encouragement they received from the American dealers, who had absconded from the official party in London that had been flown in at NVT's expense, when they said 'We want *your* Triumph bike, the genuine article'.

Within two months, by early December 1973, the workers' representatives and unions (after long negotiations at the Department of Trade and Industry with the NVT management) had hammered out an agreement that would enable the factory to stay open until the following July and give the workers' co-operative an option to purchase at that time. The stewards left the DTI reasonably confident that the final signature of NVT was only a matter of formality. They were bitterly disappointed by the subsequent refusal of Dennis Poore to complete that formality, and by his insistence on re-opening such questions as that of the price to be paid for Triumph labour, which was supposed to have been already settled to the satisfaction of all parties concerned. Over the next few months the stewards were to become inured to Poore's propensity to 'throw yet another sheaf of papers on the table', as Felix Kean, the T&GWU clerical

convenor put it; they began to believe that Poore had no real intention of reaching agreement but was playing for time, hoping to wear down the workers and induce them to relinquish the valuable assets under their control.

The Meriden papers were waiting on the desk of the new Industry Minister, Tony Benn, when he came into office with the election of the new Labour Government on February 28th 1974. This was a heartening development for the Meriden men, aware as they were of Benn's enthusiastic commitment to industrial democracy in general, and of his sympathy for their own cause. Poore, on the other hand, knew that he was in rather a different situation now. His position was considerably more vulnerable. He continued to resist, however, and he must have found encouragement from the opposition to Benn in high places, for the minister himself seems to have had to fight determined battles with the Treasury (and within the Cabinet?) to gain the necessary sanction for the new workers' experiment to go ahead, even though the funds required were minute in comparison with the sums doled out to private industry every day almost automatically (these handouts had in fact been strongly questioned by Benn in the course of his election campaign).

Despite the delicate negotiations in which he necessarily became involved with the workers and their unions, with the NVT management and with his colleagues in government and the civil service, Tony Benn won the complete trust and confidence of the Triumph men, so much so that he is regarded as a heroic champion at Meriden where the determination 'not to let Tony down' remains an important part of their motivation today. They even released some bikes and spares at his prompting, to keep alive the market and 'show goodwill', albeit reluctantly and in a limited and controlled way.

The Industry Secretary did not win universal popularity through his support of Meriden. A crucial difficulty arose over the attitude of the Small Heath workers, who viewed the whole Meriden development with intense suspicion. Their relationship with the workers at Triumph had been somewhat distant since the merger with BSA and Triumph in 1971, following the collapse of the old BSA company and consequent redundancies, and they now became persuaded that the Meriden co-operative was a direct threat to their own jobs. It was this feeling that enabled Poore to play his shrewdest card and to attack Benn at his most sensitive point. Poore maintained, as good employer not to say industrial democrat, that he could not possibly enter any agreement with Meriden that did not have the full support of his Small Heath workers. As a

consequence Benn went to Birmingham to meet the workers in November 1974, after earlier discussions with their stewards. When he got to the meeting he was immediately faced with angry questioning and the gathering soon became very stormy. He was as convinced as the Meriden workers that their scheme was no real threat to the Small Heath men and he was shocked to find one group of workers blaming another for their problems, but he did recognise and acknowledge that the Small Heath men had genuine fears for their future. He had to make it clear that he was not in a position to guarantee their jobs as they demanded, but stressed his commitment to the revival of the British motor-cycle industry as a whole and suggested that the projected National Enterprise Board might become a suitable vehicle for promoting this development.

As it turned out, Benn was removed from his office as Industry Secretary before the National Enterprise Board was even set up. His successor, Eric Varley, refused any further aid to the motor-cycle industry when NVT ran into acute financial difficulties, partly due to problems in the American market, in the summer of 1975. As a consequence, the NVT subsidiary at Wolverhampton went into liquidation and its factory was occupied by its workers. During this remarkable sit-in they developed the model of a new bike, through which they hoped to interest a consortium in re-establishing production with the help of the local council. The Small Heath workforce was considerably slimmed and is now operating in much smaller premises. The production of Norton bikes is at a standstill despite the £4 million worth of orders the Wolverhampton workers discovered at the beginning of their sit-in.

It was in July 1974 that Tony Benn had been able to announce Government backing for the Meriden Co-operative in principle, despite public opposition from the Tory appointed Industrial Development Advisory Board. None the less, because of the subsequent difficulties over the release of necessary export credit guarantees from the government department concerned, because the Treasury dragged its heels over the final agreement, and because of the conflict over the future of Small Heath, it was not until March of the following year that the Co-operative was at last enabled to open up production. The Triumph workers were very near the end of their tether by this time. Unemployment benefit had run out for them many months previously and they had been forced to rely on the benevolence, or otherwise, of the local social security offices. As well as the material privations such dependence entailed they were, after years as reasonably well paid and self-reliant workers, forced into the humiliating position of having to supplicate for the pittances available on public relief.

Many were visited in their homes, sometimes without prior notice, by social security officers and closely cross-questioned about their means and possessions. Some were forced to seek other employment in the very last weeks of the sit-in; needless to say, they were among the first to be welcomed back as soon as vacancies became available.

The Co-op set off with 162 workers, which was soon to be increased to over 300 when they moved into production, with a target of some 800 men and women producing 24,000 machines a year. The Government provided a grant of £750,000 and on top a loan of £4.2 million for 15 years at a concessionary interest rate to be drawn on proof of need and to be used for the purchases of freehold land and buildings and plant and machinery at Meriden. The first repayment was not required until the end of 1979 and thereafter it would be due in half-yearly instalments. It was a good send-off for the new venture, but it was made clear that henceforward the Co-op would be on its own and that no further assistance from the Government could be expected.

The Co-operative was not, on the other hand, to be left entirely to do what it liked with the earnings and assets of the concern. The Secretary of State's consent was to be required for the making of substantial acquisitions or disposals and for the taking up or making of loans, as it was for payments of wages or salaries to any employee, director or official in excess of £50 per week or the payment of dividends on the company's shares. To help monitor progress a regular monthly report goes into the Government.

The legal owner of the Meriden assets is a private limited company registered as Synova Motors. The shareholders in the company are trustees for the workers in the Co-operative and are bound by the trust deed to vote as directed by a majority of the workers in general meeting. The first directors are composed of all the eight shop stewards' convenors. Two outside part-time advisers have been appointed: Bill Lapworth of the T&GWU (one of the originators of the co-operative concept) and Geoffrey Robinson, (former chief executive at Jaguar, and subsequently an industrial consultant). Robinson helped the Triumph workers to draw up their plans for the co-operative, along with advisers seconded from Tony Benn's Department, and to negotiate marketing and financial arrangements with Norton Villiers. The Government are entitled to appoint an advisory director, but have not so far taken up this option. The directors have to retire from office in rotation each year in the same way as other directors subject to the Companies' Acts, and can offer themselves for re-election. There was talk at one time of appointing an outside Chairman, but

when it came to the point the obvious choice was the leading convenor, Dennis Johnson, a quiet-spoken and modest man in his early thirties, who had splendidly risen to the demands of the struggle, and who had the complete confidence and trust of the workers.

When the go-ahead finally came there was, naturally, tremendous relief at Meriden, but there was not much time available for celebrations. Having existed in enforced idleness for a year and a half, the workpeople were anxious to exercise their muscles and skill again, to prove they were capable of achieving what they had fought for so long. And then they were determined to lose no more precious selling time, which was vital if Triumph was not to be completely ousted from the American market, where over 90 percent of the machines were sold. It had been realised from the beginning that the Japanese would make every effort to capture outlets in the United States and it had been thought that the loss of one selling season might be sufficient for Triumph to forfeit its place completely. In the event, while some dealers were inevitably lost, the majority found their attachment to Triumph bikes sufficiently strong for them to hold on until they became available again.

There was plenty of work to do initially. The finished machines, which could not all be stored properly because of the limited cover available, had to be cleaned up, part finished bikes had to be completed, all the machinery had to be completely tested and overhauled as it had been standing so long in the cold. Here the Co-operative was helped tremendously by its staunchest supporters, the Chrysler electricians, who came and did the necessary work in their own time and without payment.

Important modifications had to be made to the Bonneville so that it conformed to new American regulations. The gear shift had to be moved from the right to the left of the machine, which was quite a difficult engineering design problem, on which careful work had been done during the long months of occupation. At the same time it was decided to fit a rear disc brake. The new design was finished and all the jigs and tools adjusted to it within a matter of three months; by common consensus, even shared by Dennis Poore, this was a fine achievement.

Once production started on the new machine it became possible to expand the labour force steadily and in a controlled way and to somewhat reduce the huge file of over 1,300 applications for jobs at the new co-operative, although this was continually replenished with fresh applications. By February 1976 total numbers employed had been increased to 626, and over 300 bikes were being produced each week. The reputation of Triumph as a bike with high quality, reliability and

performance that is light in weight has been fully maintained. Early buyers visiting the Co-op had commented that beautiful show bikes had been demonstrated, but asked how the production models would compare, only to be told that these were machines available for everyday sale. The American market can still, apparently, absorb every extra bike that is produced, but dependence on that market has been reduced somewhat through expansion, particularly into Canada and Australia. Dealers in Britain are disappointed at the time they have to wait for delivery and by the limit of their 'ration', and the Co-op is certain that there is a potential demand in Europe that they have hardly begun to explore. Police forces in various areas have begun to wake up to the fact that Triumph bikes could be available to them again and a number of bikes have been prepared for trial purposes.

The Co-operative expects the demand for current models to last for some years yet, but are constantly studying changes and modifications that might be made. As well as their own design department they have regular meetings of the motor-cycle enthusiasts among the workers, where trends and possibilities are discussed and suggestions made. On a less formal basis, every effort is made to tap the skills and new enthusiasm of shop-floor workers. Experiments with different methods of work and construction are often made as a result. Discussions have been opened with Moto Guzzi, the large Italian motor-bike manufacturers, and it is hoped to make an agreement that will enable the product range to be expanded, especially to the cheaper end of the market, for smaller machines.

The marketing agreement with NVT expires in July 1977 but the Co-op is confident already that, if necessary, it could survive and indeed flourish with its own direct marketing arrangements. The workers' representatives rather resent the large cut they have to give away for each bike sold in return for very little or no work, as they see it. They are even beginning to think they might manage without the Triumph name if forced, so well-known is 'Meriden' becoming in its own right, as the constant stream of visitors and enquiries testify.

With only one exception, all workers aged 20 and over at the co-operative are paid a flat £50 a week, be they male or female (nearly one-third are women), skilled or semi-skilled, and whether their collars are white or blue. Everyone works a set 40-hour week with no overtime at present. Apart from the sense of unity provided by these remarkably egalitarian arrangements, they have the benefit of great simplicity and have enabled the company to dispense with most of the huge wages department originally required, to say nothing of the time and energy

saved on disputes over piecework rates. Directors and managers are paid exactly the same wage as everyone else, with no perks, although, as Felix Kean points out with wry good humour, the directors do enjoy the unpaid 'privilege' of working late and over weekends. The one person on a higher wage is Brenda Price, the firm's 'professional', as they rather proudly call her. She acts as company secretary and accountant and is very much part of the family, since she grew up with Triumph from the age of 14; she went into NVT with the merger, but was enticed back to Triumph by the Co-op.

The weekly wage of £50 is somewhere near the average wage earned at Meriden before the crisis but that was two-and-a-half years ago and what was quite a good rate has been completely overtaken and left behind by inflation. For this reason the expected application to the Government for permission to pay the £6 maximum permitted under the counter-inflation policy will be welcomed by the workpeople.

Clearly it cannot be high wages that attract workers to Meriden and, although in the Coventry area today a reasonably secure job is an attraction in itself, it is significant that quite a number of workers have chosen to join the Co-op, or would like to work there, despite the drop in wages this now means, which has amounted to £20 or £30 a week in the case of highly skilled workers such as welders.

Workers' horizons as far as higher individual incomes are concerned seem quite modest, for the present at any rate, and their attention is more concentrated on social benefits. There is already a generous insurance cover for anybody injured at work, holidays and sickness benefits are good, and the next goal is an establishment of a pensions fund. They look forward to drawing a modest share of the profits as a bonus eventually: there is not much danger that they will attempt to allocate a disproportionate share of the profits for their own personal consumption because they are only too well-aware of the difficulties experienced by the motor-cycle industry through the failure to re-invest in the recent past.

During the long period of struggle and waiting the Triumph workers had plenty of opportunity to discuss the way the new Co-op they dreamed of would be run and how it would differ from the past. One of the things they decided was that supervisors and foremen would be a superfluous and irritating anomaly and they would not employ anybody for this function but would have organisers and co-ordinators only, appointed by the shop steward-directors. As a consequence of this decision and other democratic and egalitarian arrangements, they have received an enthusiasm amongst the workers, with every man his own inspector, which has meant good productivity at high quality and the minimum of rectification work. Job

enlargement and rotation have become quite commonplace and flexibility of labour means that bottlenecks can be overcome quickly. These achievements are the envy of many employers who have taken a close interest in Meriden for this very reason, wondering whether they can replicate this situation in their own factories. Unfortunately for them, this happy state of affairs can only be achieved where employers are abolished and men and women are convinced they are 'working for themselves' as are the Meriden workers.

In a situation where communications are free and open in a co-operative atmosphere formal arrangements for discussion and decision making do not have overriding importance, and there is a general wish by workers to avoid meetings for the sake of it when they could be 'getting on with the job'. However, workers who wish to do so, attend a regular monthly meeting held on a Saturday morning to hear a report from their directors and raise questions and problems. Attendance at these meetings varies according to the issues to be discussed. In addition, special meetings of the whole work force are held, normally in working time, where large issues require urgent attention.

The main organ for regular representation is a 'grievance committee' composed of five elected workers' representatives, two from the machine shop, two from assembly and one from ancillary operations. Any worker who has a problem or a grievance normally takes up the matter first of all with his organiser; if it cannot be resolved he goes to personnel and from there, if he is not satisfied, has a right to meet the chairman and two directors. The final court of appeal is the grievance committee which can overrule the decision of the chairman and directors if it sees fit.

The Meriden co-operative looks remarkably well set for a good future but we cannot ignore potential threats to its success. It could be that private industrialists, when they are shown that the workers can indeed run industry better than themselves, will try to destroy it. A future Government may be hostile and would certainly be in a position to make life difficult for the enterprise. More subtly, if the concern needs the help of outside finance to expand, it may be forced or tempted to modify its democratic arrangements, as has happened in Yugoslav enterprises. Again, perhaps, over the years, a managerial elite could grow and undermine the common purpose of the workpeople.

None of those retrograde developments are inevitable but the dangers are real at least in the longer term; they could be considerably mitigated by the continuing support and interest of the Labour Movement. It is heartening that the trade unions gave positive encouragement to Meriden

and it is greatly to be hoped that they will now be much more willing to support such workers' initiatives than they have been in the recent past. This would help to ensure that Meriden and the other few workers' co-operatives would be much less isolated. But it is unlikely that many such ventures can get off the ground without sympathetic Government support. The present Government now seems to have set its face against any extension of such support. Even so, Meriden can serve as an example of what can and should be done in the public sector as well as in other co-operatives.

This was a chapter in *The New Worker Co-operatives*, edited by Ken Coates for the Institute for Workers' Control (Spokesman Books, 1976).

Notes

1. Ken Coates in *Trade Union Register 3*, Spokesman Books, 1973.
2. For popular accounts of the UCS work-in, see W. Thompson and F. Hart, *The UCS Work-in*, Lawrence and Wishart, 1972 and A. Buchan, *The Right to Work*, Calder And Boyars, 1972. For an extended analysis of the background see Robin Murray, *UCS: The Anatomy of Bankruptcy*, Spokesman Books, 1972.
3. Ken Coates, *op. cit.*
4. For a detailed diary of events see *Workers' Control Bulletin*, No. 9 February 9, 1974.
5. The full statement by Tony Benn is reproduced in *Workers' Control Bulletin*, No. 20, August 1974.

