

The New York Times

Financial Desk; D

Talking Business with Lewis W. Lehr and John M. Pitblado of 3M; New Approach For the 80's

748 words

9 June 1981

The New York Times

NYTF

Late City Final Edition

English

Copyright 1981 The New York Times Company. All Rights Reserved.

It is hard to define 3M. Minnesota Mining and Manufacturing Company produces more than 45,000 different products, from suntan lotion to sandpaper, from skin staples to Scotch tape. "3M's business is not producing any one product," says Ty Govatos, who follows the company for Bache Halsey Stuart Shields. "Its business is inventing new products. For years the whole structure of the company has been designed for that purpose."

Lewis W. Lehr, 60 years old, 3M's chairman, recently completed a major revamping of the company's management and marketing approach in an effort to insure that 3M will continue to churn out new ideas during the next two decades. Mr. Lehr, and John M. Pitblado, 63, the president of 3M's United States operations, were in New York last week to explain the company's new look to the area sales staff. In an interview, they talked about some of the key issues affecting the future of 3M and other American manufacturers.

Q. In your speech to the sales staff you referred to the breakdown of monolithic structures in our society in the 1980's and 1990's. What does that mean for 3M? LEHR: "If you look at the entrepreneurship of American industry it's wonderful. On the other hand, if you look at the paternalism and discipline of Japanese companies, it's wonderful too. There are certain companies that have evolved into a blend of those industries and 3M is one of them. The explanation of why this is happening is indicative of this monolithic breakdown.

Companies like 3M have become sort of a community center for employees, as opposed to just a place to work. We have employee clubs, intramural sports, travel clubs and a choral group. This has happened because the community in which people live has become so mobile it is no longer an outlet for the individual. The schools are no longer a social center for the family. The churches have lost their drawing power as social-family centers.

With the breakdown of these traditional structures, certain companies have filled the void. They have become sort of mother institutions, but have maintained their spirit of entrepreneurship at the same time.

Q. American companies have been continually yielding ground to the Japanese. We have lost the lead in automobiles, steel and some hightechnology fields. What is behind this? LEHR: The Japanese have selected certain industries in which to become leaders and have done so. This country is not as disciplined as Japan. I think that's very good because if we were so disciplined we probably wouldn't be leaders in computers and the bio fields. But lack of discipline has created part of our problem. We have compounded that with a lack of incentives for research and the additional regulations and costs we have imposed on industry. This is what has created the problem.

Q. Growth in productivity in the United States has declined steadily in the past decade, save for a few companies like 3M which continually managed to cut its per-unit manufacturing costs. How have you escaped this national malaise? PITBLADO: Productivity is not accomplished by getting a man to dig a hole faster. Productivity is accomplished by giving him a power shovel, and power shovels cost money. 3M has continued its capital investment in the areas of productivity improvement. But look at the steel and auto industries, where we see little productivity growth. I think the newest plant Chrysler had was 16 years old. That is where our productivity problem on a national scale is not being addressed.

It takes new tools, new plants and new systems to make a man dig, instead of one shovelful, 10 yards of dirt with the same pull of the hand.

Q. What do you see as 3M's biggest area for potential growth? PITBLADO: We see a tremendous need worldwide for the increased production of food, nonpolluting herbicides and other ways of controlling the problems related to growing food and fiber without fertilizers. We think we can increase the amount of protein in sugar and grass. Who cares? Grass is the largest crop in the world and most of the world depends on it for animal food. It's a tremendous opportunity and a tremendous opportunity to do good. Thomas L. Friedman

Illustrations: Photo of John M. Pitblado

Document NYTF000020050518dd6900dzs

Search Summary

Text	
Date	All Dates
Source	Newspapers: All
Author	All Authors
Company	3M Company
Subject	All Subjects
Industry	All Industries
Region	United States
Language	English
Results Found	4,351
Timestamp	17 July 2018 11:24