

her check worth more than \$11,000. None of the employees contacted would confirm the amount of their checks.

"It made me cry," said Reader in a shaky voice. "I think it was so generous of them. It was an amazing gesture."

Rollerblade spokesperson Deborah Autrey said, "It was a complete surprise that came out of the blue. People were laughing and crying and hugging. I have never seen people in such a stupor."

Autrey has worked at Rollerblade for four years. More than half of the employees are warehouse workers with most receiving hourly wages.

Naegele, who was chairman during the phenomenal growth of the 15-year old firm, could not be reached for comment. Two months ago he sold his 50 percent share of Rollerblade to Nordica Inc. of Italy for an undisclosed amount. He bought 50 percent of the in-line skate company in 1985, when sales were only \$500,000. Sales in 1994 were \$265 million.

In Christmas cards to employees, Naegele wrote that he had reaped great rewards from his Rollerblade investment because of the employees' hard work and that he wanted to show his thanks, Autrey said. Enclosed in the cards were the gift checks, on which the Naegeles paid federal taxes.

"That way the employees did not get hit with a double whammy. It is a tax-free gift," said Autrey.

The checks were mailed to employees' homes the week before Christmas. The first arrived on Dec. 21 to an employee who was home on maternity leave. From there word spread among the workers, and later that day it was confirmed by the company's chief executive, John Hetterick, who had only found out the day before.

When the good news reached Matt Majka, 33, the director of product marketing, he immediately phoned his wife, Kym, and asked her to open the mail. When she did, Majka heard sobs. He has been with the company for 11 years, making his check worth an estimated \$21,120.

"It was very moving," he said.

"It was very heartfelt for us. We were extremely shocked and extremely grateful for his generosity. . . . All the words he talked about for so many years—about teamwork and that we are a family—he put his words into action."

Majka and his wife have a 4-month-old baby and a 2-year-old son, and the Naegeles' gift went to start a college fund for them, he said. The couple also had a new IBM computer under the Christmas tree.

Reader said she bought bikes for her two children (and a bike baby carrier for the newest family member) and she plans to put some of the money away in savings.

Majka marveled at what the gift meant to scores of his co-workers. "There are some people who have worked in our warehouse and have been here for a long time," he said. "For some people, they have received a very substantial check, maybe half of their year's salary. It's pretty amazing." At least two employees have been there for all of the company's 15 years.

"I happened to talk to Bob [Naegele] later that night," Majka said. "I told him, 'You can't imagine the impact you have had on everyone.' He bellowed and said, 'That is just what I wanted to hear.' He said, 'This is not mine. It is a gift I had to share.'"

[From Time Magazine, Jan. 8, 1996]

THE GLOW FROM A FIRE

(By Steve Wulf)

Methuen, Massachusetts, is a small city not unlike the Bedford Falls of *It's a Wonderful Life*. Over the years, the working-class

town on the border of New Hampshire and Massachusetts has come to rely on the good heart of one man. While Aaron Feuerstein may not look much like Jimmy Stewart, he is the protagonist of a Christmas story every bit as warming as the Frank Capra movie—or the Polartec fabric made at his Malden Mills.

On the night of Dec. 11, just as Feuerstein was being thrown a surprise 70th birthday party, a boiler at Malden Mills exploded, setting off a fire that injured 27 people and destroyed three of the factory's century-old buildings. Because Malden Mills employs 2,400 people in an economically depressed area, the news was as devastating as the fire, according to Paul Coorey, the president of Local 311 of the Union of Needletrades, Industrial and Textile Employees. "I was standing there seeing the mill burn with my son, who also works there, and he looked at me and said, 'Dad, we just lost our jobs.' Years of our lives seemed gone."

When Feuerstein arrived to assess the damage to a business his grandfather had started 90 years ago, he kept himself from crying by thinking back to the passage from King Lear in which Lear promises not to weep even though his heart would "break into a hundred thousand flaws." "I was telling myself I have to be creative," Feuerstein later told the New York Times. "Maybe there's some way to get out of it." Feuerstein, who reads from both his beloved Shakespeare and the Talmud almost every night, has never been one to run away. When many other textile manufacturers in New England fled to the South and to foreign countries, Malden Mills stayed put. When a reliance on fake fur bankrupted the company for a brief period in the early '80s, Feuerstein sought out alternatives.

What brought Malden Mills out of bankruptcy was its research and development team, which came up with a revolutionary fabric that was extremely warm, extremely light, quick to dry and easy to dye. Polartec is also ecologically correct because it is made from recycled plastic bottles. Clothing made with Polartec or a fraternal brand name, Synchronia, is sold by such major outdoors clothiers as L.L. Bean, Patagonia, Eastern Mountain Sports and Eddie Bauer, and it accounts for half of Malden's \$400 million-plus in 1995 sales.

Even though the stock of a rival textile manufacturer in Tennessee, the Dyersburg Corp., rose sharply the day after the fire, L.L. Bean and many of Malden's other customers pledged their support. Another apparel company, Dakotah, sent Feuerstein a \$30,000 check. The Bank of Boston sent \$50,000, the union \$100,000, the Chamber of Commerce in the surrounding Merrimack Valley \$150,000. "The money is not for Malden Mills," says Feuerstein. "It is for the Malden Mills employees. It makes me feel wonderful. I have hundreds of letters at home from ordinary people, beautiful letters with dollar bills, \$10 bills."

The money was nothing to the workers compared to what Feuerstein gave them three days later. On the night of Dec. 14, more than 1,000 employees gathered in the gym of Central Catholic High School to learn the fate of their jobs and of the cities of Methuen and Lawrence. Feuerstein entered the gym from the back, and as he shook the snow off his coat, the murmurs turned to cheers. The factory owner, who had already given out \$275 Christmas bonuses and pledged to rebuild, walked to the podium. "I will get right to my announcement," he said. "For the next 30 days—and it might be more—all our employees will be paid their full salaries. But over and above the money, the most important thing Malden Mills can do for our workers is to get you back to

work. By Jan. 2, we will restart operations, and within 90 days we will be fully operational." What followed, after a moment of awe, was a scene of hugging and cheering that would have trumped the cinematic celebration for *Wonderful Life's* George Bailey.

True to his word, Feuerstein has continued to pay his employees in full, at a cost of some \$1.5 million a week and at an average of \$12.50 an hour—already one of the highest textile wages in the world. And even better than his word, Malden Mills was up and running last week at 80 percent of its Polartec capacity, thanks to round-the-clock salvage work and the purchase of 15 new machines. "I haven't really done anything," says Feuerstein. "I don't deserve credit. Corporate America has made it so that when you behave the way I did, it's abnormal."

Union chief Coorey begs to differ. Says he: "Thank God we got Aaron."

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, almost 4 years ago I commenced these daily reports to the Senate to make a matter of record the exact Federal debt as of close of business the previous day. +

In that report of February 27, 1992, the Federal debt stood at \$3,825,891,293,066.80, as of close of business the previous day. The point is, the Federal debt has increased by more than \$1.1 trillion—\$1,162,159,313,063.99—since February 26, 1992.

As of the close of business yesterday, Monday, January 22, the Federal debt stood at exactly \$4,988,050,606,130.79. On a per capita basis, every man, woman and child in America owes \$18,933.07 as his or her share of the Federal debt.

REPORT OF THE STATE OF THE UNION ADDRESS—MESSAGE FROM THE PRESIDENT—PM 111

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was ordered to lie on the table:

Mr. Speaker, Mr. Vice President, Members of the 104th Congress, distinguished guests, my fellow Americans all across our land.

I want to begin by saying to our men and women in uniform around the world, and especially those helping peace take root in Bosnia, and to their families. Thank you. America is very proud of you.

My duty tonight is to report on the State of the Union, not the state of our government but of our American community, and to set forth our responsibilities—in the words of our Founders—to "form a more perfect union."

The State of the Union is strong.

Our economy is the healthiest it has been in three decades. We have the lowest combined rate of unemployment and inflation in 27 years.

We have created nearly 8 million new jobs, over a million of them in basic industries like construction and automobiles. America is selling more cars than Japan for the first time since the 1970's, and for 3 years in a row, we have