

Hank Aguirre’s Mexican Industries

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*Developed
in conjunction
with*

EL CENTRAL
HISPANIC NEWS

With support from the

**Southwest Detroit
Business Association**

Henry John “Hank” Aguirre was an imposing figure on the Tiger Stadium mound. The tall, lanky southpaw would stare in at the batter facing him and get him out with a broad array of dazzling pitches.

He was in the Detroit Tigers’ bullpen as a relief pitcher in 1962 when he was pressed into the starter’s role due to an injured teammate. He took advantage of the opportunity and notched the league’s lowest ERA. Aguirre was unflappable on the mound, as he mowed down hitters and earned a spot on the MLB All-Star Game that season.

One favorite story: When he was a rookie, Hank struck out Boston Red Sox legend Ted Williams, and then asked Williams to autograph the ball. Williams, who was not known to do things like that, agreed. But the next time he faced Aguirre, Williams blasted the first pitch for a home run and told Aguirre to get the ball and he would autograph it as well.

Aguirre spent 16 seasons in the majors, pitching for four teams. He played for the Tigers from 1958 to 1967. He was considered a good teammate and a very determined player. Aguirre later served as a coach with the Chicago Cubs, serving as an effective buffer between players, the media, and mercurial manager Leo Durocher.

Launching a Minority Business

Aguirre took the same no-nonsense approach to business after he retired from baseball. He started Mexican Industries in Southwest Detroit in 1979 at the urging of Volkswagen of America executive Jack Masterson and attorney John Noonan, who saw the opportunity afforded by minority-preference automotive part sourcing and Hank’s obvious leadership skills. Aguirre took out a mortgage on his home and, with an investment from his former teammate Bill Freehan, opened shop. The company’s name referred to both the Mexicantown neighborhood that was adjacent to the ballpark and the company’s heavily Latino workforce.



**Mexican Industries Automotive Component Manufacturing Operations - 1400
Howard St.**

The company manufactured automotive textile products, including steering wheel covers, seat covers, air bags, and covers for spare tires, with most workers doing cutting and/or sewing.

Although the firm had humble beginnings, the company grew into a juggernaut, boasting 900 Detroit workers, and stood as an example of how to employ local people living in walking distance of the company and still compete with the big boys for contracts. Revenue climbed past \$150 million by the late 1980s, fueled by contracts with GM, Chrysler, Ford, and a number of their Tier One suppliers.

Honoring Hank

In 1987, the U.S. Hispanic Chamber of Commerce named Aguirre Businessman of the Year. The Chamber’s honor wasn’t just for Mexican Industries’ performance, but also for Hank’s work ethic and his commitment to the local community. He had worked for his father’s tortilla company as a teen, making deliveries on foot starting at 4:00 AM before school. After starting Mexican Industries, he sponsored baseball, basketball, and soccer leagues for employees from the company’s five buildings. When an employee was short on bill-paying money or needed a little extra cash for Christmas presents or rent, he gave advances with easy low-interest repayment plans; such payments were kept quiet to make sure employees were not embarrassed by having had to ask for the help.

At Mexican Industries, Aguirre was not content to run things from the corner office. He regularly walked the shop floors of his operations. He knew the first names of the people he stopped to chat with, remembered their children’s birthdays, and gave them Christmas ornaments made by another of his businesses.

Not surprisingly, many of his workers liked and looked up to Aguirre. Some saw him almost as a father figure, so Aguirre enjoyed a good reputation on the Southwest side and the broader Detroit community. Many of the company’s hires were residents new to the US and grateful for employment. The Michigan Minority Business Hall of Fame tribute video, [Hank Aguirre – Tall in Stature... Big in Heart](#), demonstrates the extremely high regard in which Aguirre was held in the neighborhood, region, and industry.

Like many entrepreneurs, Aguirre was convinced that *he* knew what was best for the company and its employees. So, in the early 1990s, when the UAW first tried to organize Mexican Industries’ workers, Hank made his opposition known in no uncertain terms. That no doubt played a role in the 1993-95 UAW campaign that ended in defeat for the union.



Mexican Industries Anti UAW Rally (Date Unknown) - El Central columnist and cultural activist Osvaldo Rivera has vivid memories of events similar to this one. He was struck by the level of hostility on display and how it divided family, neighbors, and friends in ways he had never witnessed before.

Stormy Weather

When Hank’s four children assumed the leadership roles after he died of cancer in 1994, the company had diversified to include new customers such as Lear, a Tier One auto supplier that manufactured seats, headliners, and in some cases full automotive interiors for Detroit’s Big Three. In 1998 they formed Aguirre Safety Technologies, a joint venture with TRW to do the cut-and-sew work for side impact airbags.

But, even as the company’s revenues climbed toward \$190 million, storm clouds began to appear on the horizon. Timely payments were rare in the early 1990s, even for many of the best-performing suppliers. The company lost some key contracts while other firms didn’t fulfill the original terms of contracts because of recurring quality deficiencies. Profit margins, always thin, shrank further and the company had to assume more debt. In the late 1990s, three different CEOs were at the helm of Mexican Industries.

Other pressures, most of them inherent to the nature of auto supplier operations, also were factors. First, the “cut-and-sew” work at Mexican Industries was very labor-intensive and in direct competition with low-wage producers in Mexico, pushing down what its customers would pay. Even after awarding contracts, automakers usually demanded yearly price cuts as a requirement for keeping the business. Second, while automakers had committed to sourcing more of their components from minority- and woman-owned enterprises, performing well was a challenge for firms whose profit margins were so thin. Joint ventures often helped them to upgrade operations to achieve more predictable quality, but profits were seldom sufficient to allow them to automate their processes enough to boost productivity.

As a consequence, most jobs at Mexican Industries – and at many other labor-intensive minority suppliers – would remain demanding, repetitive, and low-paying.



“Cut & Sew” Operations - Shop Floor Views
Left -Date Unknown
Right – 1998 (Aguirre Safety Technologies)

The Union

Five years after Hank Aguirre’s death, the company seemed to have little option but to push workers harder in the face of the challenges associated with shipping each day’s production and mounting financial pressure. The workforce, which was heavily female, seemed to have had enough. Seeking improvements in wages and working conditions, there was renewed interest in a new UAW campaign, despite the firm’s threats to shut down the company if it was unionized.

The effort was led by 26-year-old Cindy Estrada. Her father owned a bar in the neighborhood and the United Farm workers office was next door. She had been active in the United Farm Worker’s Grape boycott. Her uncle was a Latin American Council for Labor Advancement (LACLA) activist. Estrada established a strong rapport with the company’s workforce and was not afraid to challenge the firm’s reputation as a benevolent employer with a reputation for caring about its employees and the community. The campaign augmented its ranks during the campaign’s final phase by engaging Spanish language speaking officials from other UAW locals. Organizers met with workers in their homes and reached out whenever the opportunity presented itself. Estrada’s success propelled her up the ranks in the UAW’s Organizing Department, and she later became the UAW’s first Latina vice-president, retiring in 2023.



Cindy Estrada (Image courtesy of Jim West Photography)

The UAW carried all four of Mexican Industries’ production and captured 58% of the vote. The UAW brought in Ford and Visteon to try to broaden the company’s customer base and worked behind the scenes to help keep the business solvent.

The Firm’s Final Chapter

When Mexican Industries failed, some diehard anti-union people sought to blame the UAW. But even local bankers queried about the company’s closure found the idea that a mere 25-cent raise had doomed Mexican Industries not particularly credible. That raise cost the company \$676,000 a year in 2000, the only full year it was in effect; that was a pittance compared to the \$22.6 million that Mexican Industries owed its unsecured creditors at the time.

The true scope of the company’s troubles was kept from public view. Both management and the union believed that in order to save the firm and its jobs, new contracts had to landed, short-term financing had to

be secured, or a new owner found. They feared these efforts would be jeopardized if bankers and workers had a clearer view of the company's dire circumstances.

However, when it became known that the healthcare payments were being deducted from workers' paychecks, despite the benefit having already been terminated, the UAW sued. The union also alleged that the company had withheld vacation pay and that, when it closed, had failed to give its workers the legally required 60-day notice. Mexican Industries shuttered its doors for good in 2001, bringing to an end one of the nation's first major minority-owned auto suppliers.

A Neighborhood Legacy

The story is a sad one, especially for the workers who made their living at the company. But the full legacy of Mexican Industries is not only one of failure. Aguirre was a friend and mentor to numerous people in the industry. One of them was Frank Venegas, owner of Ideal Steel who had founded his company in Hamburg, Michigan, 50 miles northwest of Detroit. Aguirre felt that Ideal should have been located in Detroit and was not shy about letting Frank know that.

At Aguirre's funeral, Venegas and others decided to honor their friend's memory and made plans to develop the Hispanic Manufacturing Center (HMC) in the newly created Clark Street Technology Park. The HMCV partnership of the Ideal Group, Gonzalez Design Engineering, Munoz Machine Products and Uni Boring was established in one of the earliest Detroit Renaissance Zones in 1995. They were attracted to the former site of Cadillac Clark assembly plant, just south of Michigan Avenue, because of the tax credits offered through a partnership involving Detroit, Wayne County, the State of Michigan, and the federal government.



Celebrating the sale of the former GM Cadillac plant at Clark Street to the newly formed Hispanic Manufacturing Center (August 1996). Front row - from left, **Frank Venegas Jr.** - Ideal Steel and Builders' Supplies, Inc; **Ric Gonzalez** - Gonzalez Design Engineering and **Facundo Bravo** - Uni Boring Co. Back Row, **Harold Kutner** - GM Worldwide Purchasing; **Carmen Munoz** - Munoz Machine Products, Inc., and **William C. Brooks** - GM Corporate Relations. Celebration took place at EL Zocalo Restaurant (now Taqueria El Rey) in Mexicantown.

The life of the HMC was short-lived. However, the Ideal Group, having initially moved into one of Aguirre's buildings before centering its operations at the Technology Park, diversified its products and expanded. It has emerged as one of the most successful Latino-owned businesses in Michigan and a champion for the neighborhood.

This article has benefitted from economist Dan Luria's insights into the challenges facing auto suppliers during this period.

Click here to access the MotorCities National Heritage Area's 2021 Women's History Month Interview with [Cindy Estrada](#)