ESSAYONS

Autobiography of
John W. Sweetland

Published in the United States of America by
Michigan Publishing
Manufactured in the United States of America

DOI: http://dx.doi.org/10.3998/mpub.11460418

ISBN 978-1-60785-550-7 (hardcover)
ISBN 978-1-60785-560-6 (paper)
ISBN 978-1-60785-551-4 (e-book)
ISBN 978-1-60785-588-0 (open-access)

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ESSAYONS

ACKNOWLEDGMENTS

My life story has been shaped by people who have surrounded, challenged and changed me—enlarging my life and broadening the vision of what the future could hold; an impressive parade of talented men and women who have helped a thankful and fortunate person.

My life was built on the foundation of honesty, integrity and learning—fortunate gifts from parents who "set my compass" in the right position. Early practices of truth, honesty, and fair dealings have enriched and strengthened my life. My parents, teachers and myriad of friends shine like the bright lights that illuminate life's highways.

Of special note are those who helped bring *Essayons* into publication. No one has been more helpful and inspirational than the brilliant love of my life—Cordelia Sterling Bacher. Swiss born, internationally raised, a University of Virginia graduate. Cordelia championed writing the book, encouraged my persistence and edited my efforts. My thanks go to her for the loving attention and her assistance in the difficult places.

Elizabeth Dickey, a graduate of the University of Michigan and a product of the Gayle Morris Sweetland Center for Writing—both as a student and instructor—was an invaluable counselor and editor. She carefully assisted in the clarity and balance of my writing and checked every chapter. Elizabeth was the natural successor to Ethel Smith, my teacher of English and Latin at Stanton High School who challenged me by saying, “John, write in sentences that march.”

Elizabeth was recommended by Professor Anne Gere, the longtime head of the Sweetland Center for Writing. Anne Gere is “wonder woman” to me and many, many others. Her leadership has given the Sweetland Center for Writing national recognition for its excellence and innovation. Her exploration into writing in the sciences has brought a whole new perspective on STEM teaching. Her inspiration was essential to this book.

Finally, many thanks go to my friends at the University of Michigan who encouraged me in my writing and made possible the publishing of this book. Special thanks to Professor Terry McDonald, the longtime Dean of the College of Literature, Sciences and the Arts and now Director of the Bentley Library, and Professor Michael Barr, Dean of the School of Public Policy, for reading and promoting the publication of *Essayons* by Michigan Publishing Services and MAIZE Books.

All are stellar examples of Michigan’s tradition of “Leaders and Best.”

PREFACE

Essayons

The American Revolutionary War (1775–1783) established the United States as a free nation, no longer a colony of England. During that war, it was of critical importance that the Port of New York be kept open to receive necessary supplies for our military effort. Since the colonies did not have the manufacturing capacity to meet the demands of the stuff of warfare, a wide range of goods needed to be imported from Europe. Our enemy—Great Britain—controlled Boston and the other major ports along the Atlantic Coast, except New York, home to the Dutch (among others). The largest port on the Atlantic Coast, New York could supply the broadest range of imports, including necessary war materials. While the port had several fixed forts with the ability to serve the Revolutionary cause, it was essential that they remained free and operational. The newly created U.S. Brigade of Engineers was given that responsibility.

The French not only were our allies but were also rivals of the British for world superiority. The French Corps of Engineers was highly skilled and its prized engineering brigade was sent to New York to support the U.S. Revolutionary cause. Its aid was crucial—the conflict never closed the port of New York, and the required materials for victory were assured. The French demonstrated and taught the newly created U.S. engineer brigade a most important concept: *Essayons—Let Us Try!* This was the motto of the French Engineers and became a key factor in the ultimate Revolutionary victory. The French engineers' assistance and expertise were invaluable: the War of 1776 was won in large part by *Essayons*! After the war, the U.S. government formed a corps of engineers in 1778 even before the official formation of the U.S. Army. The newly formed Corps of Engineers adopted *Essayons* as its motto.

On May 4, 1954, at Fort Belvoir, Virginia, I was commissioned an officer in the U.S. Army Corps of Engineers. It was a day of great personal triumph, erasing the sense of failure that had distressed and followed me since dropping out of the University of Michigan. Failure had been replaced by the success of becoming 2nd Lt. John W. Sweetland, Corps of Engineers, United States Army. It was my *Essayons* moment—a change that gave me a new perspective and became an important element in my life.

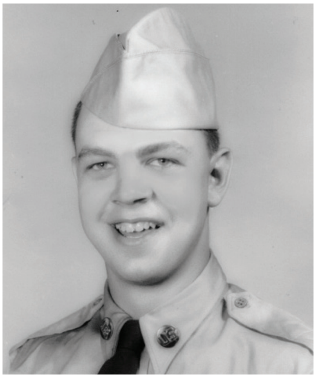
When I began my college years at Michigan, my life's plan was to earn my bachelor's degree and go on to seminary in preparation for the ministry—a fundamentalist ministry like my father's. Two years of Greek (the language of the New Testament) were required for admission to most seminaries. I suggested to my father, whose choice for me was a Christian school, that Greek would likely be much better taught at a prestigious university like Michigan than at a small Christian college. Either that argument or the grant of a Regents Alumni Scholarship made the difference to my father, and I began my studies at the University of Michigan in the fall of 1950 at the age of 17. But by the start of my third year, the pastorate goal had faded, and fundamentalism had lost its charm—I could no longer accept its basic tenets. However, there was no replacement goal—not even an idea or effort to seek a new career. History, English, and philosophy were all possible majors, but there was no consensus. I had lost my motivation for study and failed to do well even in courses that I liked!

After an A paper was followed by an exceptionally poor performance on a Shakespeare exam, Professor Eastman, one of my favorites, leveled with me—this was my second class with him, and he knew me well. He said, "John, you are wasting your time, my time and your father's money. Why don't you drop out of school?" While I did not have a response, I knew I had heard the truth.

It was my low point. I believed that I had failed and had wasted my father's precious sums. I had not advanced my career but had spent a lot on a broken dream—*not* a good place to be for a 19-year-old. While it would be a difficult dilemma for anyone, it was especially overwhelming for a small-town boy, the son of a country parson. I could not see myself struggling for another year and a half with these factors that were seemingly impossible to change. But what was the alternative? For me there was no option other than to drop out of college, await the inevitable draft and serve in the Army for two years. This dilemma came home with me at Christmas in 1952 and was not well received. My father made things worse by predicting that I'd never finish my college education.

At the end of the semester, in January 1953, I left the university; returned home to Stanton, in central Michigan; and began looking for a job to keep me occupied until the inevitable draft notice. I soon had a job at Ionia Manufacturing Company and a month later, an even better job with Gibson Refrigerator Company in Greenville. "Greetings" from Uncle Sam came in April, and a month later, I became Private Sweetland. Basic training sent me to Fort Knox, Kentucky. "You're in the Army Now"—a song from World War II—was my 20th birthday song in August 1953. My life was about to change.

It started with a posting on the bulletin board: Fort Knox would be the host for the Third Annual Army Swimming Championship in August. The commanding general of Fort Knox wanted to win—potential swimmers should apply to post headquarters. I recalled that in my freshman year at Michigan I played water polo to satisfy the requirement for an intermural sport. During one session, the instructor, also a coach for the varsity swimming team, said, "You're a very good swimmer. Why don't you come over and try out for the Michigan team?" I begged off by telling him that I was working my way through college and didn't have time. But that conversation came back to me as I pondered my response and made my decision—to go for it. I had nothing to lose. I tried out and made the Fort Knox swim team.



Private John W. Sweetland, Fort Knox, Kentucky, May 1953.

By this time, we were past the "grunt" part of basic training. Fort Knox was the armor center of the Army—i.e., tanks and other tracked vehicles. Training now advanced to learning to maneuver the M-47 tank and operate its weapons—a 90-mm turret gun and two .45-caliber machine guns. After a field lunch, the afternoons were spent mastering the mechanical features and maintenance requirements. The mornings were fun. Then at noon, the general's jeep would pick me up and take me to the Fort Knox pool complex where the swim team would have lunch and spend the afternoon training in the pool. This arrangement also exempted me from all barracks responsibilities, including kitchen police (KP), guard duty and other sundry basic trainee chores.

Fort Knox won the third Army swimming championship! I even earned a gold medal in the medley relay along with a couple of silvers. While these were very good outcomes, there was one better: the day after winning the championship, word came that I had been accepted to the Corps of Engineers Officer Candidate School at Fort Belvoir, Virginia. I had applied to the school and completed my interviews weeks earlier and had heard nothing. But now I was heading to the smallest and most prestigious of the three OC schools in the Army—infantry and artillery (including armor) being the other two, both of which were much larger and less academically challenging.

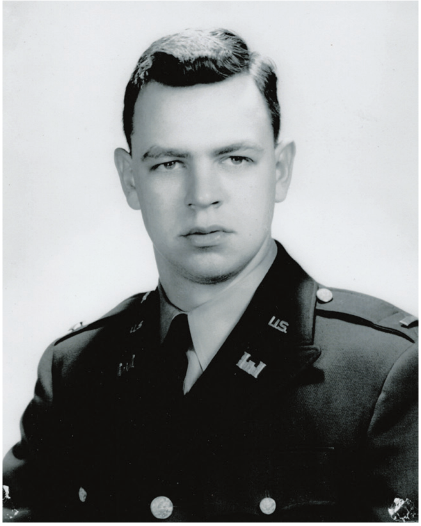
The three phases of the Engineers Officer Candidate School (TEOCS) are plebe, middle and senior—each lasted about two months. During the plebe stage, candidates are harassed at every opportunity by the middlers and especially by the seniors—not a pleasant two months. Guard duty around the TEOCS quadrangle is constant, harassment from the seniors ever present, pressure from the tactical officers always—but all are aimed at creating an environment of "no excuses."

Our class, 71B, started out with 45 students. Dropouts began early—the discipline was simply too much for some to take, and the course content was demanding—only 20 graduated. Some of the scenes were funny—if one could keep one's sense of humor. For example, on our first day, we were standing at attention soon after we made an early morning arrival at our barracks—a very nice two-story colonial brick structure. The tactical (TAC) officers—two to a class—noted we were *all* wearing uniforms with our former unit designations; we had no TEOCS replacement. Then we were each handed a package containing new insignia and OCS designations. We were dismissed with orders to "sew them on." Five minutes later, we were recalled to formation and berated for not having achieved what we were ordered to do. When we responded that we didn't have enough time, their response was, "Mister, you always have time—you just didn't use it properly!" It sounds canned, but it was something that was constantly drummed into our heads: officers don't make excuses—they produce results! No exceptions.

Our TAC officers were 1st Lt. Schwartz and 2nd Lt. Williams. Lieutenant Schwartz had been wounded and lost an eye commanding an M-47 tank company in Korea. An incendiary shell hit the turret where the commander was located. We asked him, much later in the year, "How did you feel when the inside of the turret lit up when that incendiary shell hit the tank?" His response was, "What the hell." That became our class motto, and, in a major exception to TEOCS protocol, the class of 71B rented a small but nice ballroom at a 14th Street hotel in Washington and hosted a first-class cocktail party for our two TAC officers. Special cocktail napkins had been personalized with "TEOCS—Class of 71B—What the Hell!" As far as could be determined, no class had ever done such a thing. We admired and learned much from our TAC officers. Later, serving with other officers who were graduates of classes on either side of 71B, we discovered that we were the envy of the other classes because of our TAC officers—especially 1st Lt. Schwartz.

Graduation gave me confidence that I was on my way to a new life, and my expectations and hope for the future were revived. An inward sense of a "new beginning" was deeply instilled in me by the events of that day—a sense that never died! It was my *Essayons* experience: I had tried, and I had succeeded! It was a great feeling of accomplishment—of pride—that has been part of me ever since. *Let Us Try!* became an inward and visible part of my being, something I would bring to bear on every one of my life's undertakings, including my military career, which was just beginning.

My most interesting assignment in the military was the almost three years spent with the 809th Engineer Battalion (Heavy Construction) reconstructing the Air Force base on Guam, which had been built originally by the incredible "Seabees" (the Navy's construction battalion) during World War II. My success as an officer in Guam was made possible by serving under and learning from Captain Stuart MacArthur. As his executive officer, I could see daily and firsthand what it took to provide leadership and be a successful officer.



Second Lieutenant
John W. Sweetland,
Fort Belvoir, May 1954.

Life on Guam was good. My wife, Barbara, joined me in 1955, and our son John was born in February 1956 at the U.S. Naval Hospital. The Army, the Navy and the Air Force existed peacefully on the island, but the Navy had the best officers' club—and a great hospital. The Seabees had a far better supply

Lt. Sweetland and wife, Barbara, dressed for the Naval Ball with son, John.

system for parts than the Air Force system the 809th relied upon. We developed some unique "trading arrangements"—perhaps not quite legal but certainly effective. It was, on balance, a great learning assignment. And after a brief stint back in the States at Fort Holabird in Baltimore, I returned to Michigan to complete my education.

Becoming an officer in the U.S. Army was a life-changing experience. It became and has remained to this day the lodestar of my life! After considering myself a failure for dropping out of Michigan and being drafted as a private, graduating just one year later from the Corps of Engineers Officer School and being commissioned as an officer in the U.S. Army Corps of Engineers was, in my mind, a roaring success. I had tried—and I had succeeded in my goal to become an officer rather than remain an enlisted man. And I believe the record shows that I was a good officer.

After that heady graduation day at Fort Belvoir, I have lived a life of "Let's Try!"

Let's try to be the best officer in the 809th. During my two years as commanding officer, Company C was chosen "Best Company" in the 809th every month. We were also the lead company in the air-base reconstruction process.

First Lieutenant Sweetland, Commanding Officer, Company C, 809th Engineer Battalion, "Heavy Construction," Anderson Airforce Base, Guam.

Let's try to go back to Michigan and complete my undergraduate degree. I received my bachelor's degree in economics in 1958 and then went on to earn my master's degree in 1959 with Professor Shorey Peterson as my academic advisor.

Let's try to be successful in business. I joined the Peerless division of American Cement Corporation (a major domestic producer of cement) in 1959. In 1960, I joined the corporate staff of American Cement and became assistant to the president. To that role, I added the responsibility of corporate secretary (keeping the board of directors informed and fed) and director of corporate development. This led to our first international project—a joint venture with Titan Cement in Greece for a new plant at Patras. In 1964, I was named president of the Peerless division and planned the largest capital-expansion program in the history of American Cement, financed with $25 million of City of Detroit industrial bonds in 1969, underwritten by Goldman Sachs.

Let's try to be a contributor to the community. I took a leave of absence from Peerless in 1968 to become deputy mayor of Detroit under Mayor Jerome Cavanagh (the year following the riots). It was a rich experience working with the entire Detroit community, the city staff, the corporate world and the political centers of state and national governments to repair the damage of the disastrous

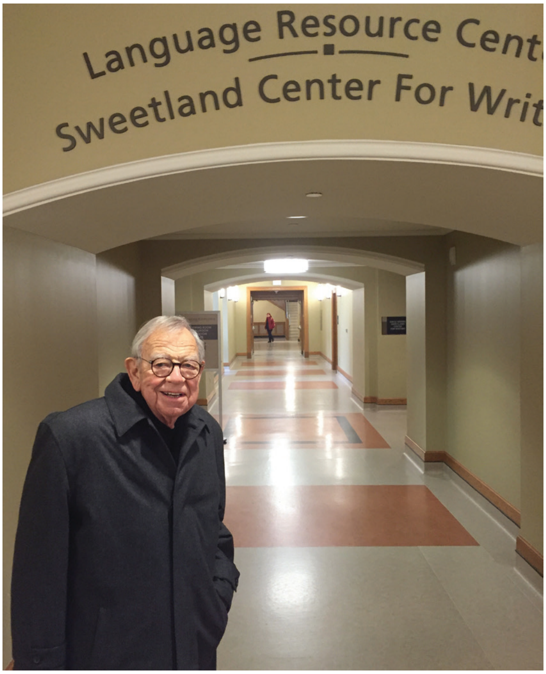
1967 riots and improving the city of Detroit for both the present and future.

Let's try to be a successful CEO. I was promoted to executive vice president of American Cement and chief operating officer in 1968. I eventually resigned when offered the position of president and CEO of American. I declined that offer for a variety of valid reasons. I would have been seen as "forcing out" my longtime mentor and leader, Jim Giles—a move I was certain would be viewed negatively by the organization I was to lead. Equally important were the low standards of personal conduct demonstrated by the new management that came with the recent merger, my lack of trust in their integrity as well as almost certain pending conflict with the present board of directors.

Let's try the financial industry. I became president of Shareholders Capital Corporation in January 1970, a manager of $3.5 billion of international mutual and investments funds as well as manager of tax-advantaged real estate products and a contractor/builder of multifamily housing.

Let's try to be successful in private equity. I created—along with my partner, Larry Ramer—Somerset Management Group, a registered NASD broker/dealer and investment-banking firm responsible for public offerings and corporate asset transactions such as mergers and acquisitions. It also had an interim-executive-management capability for institutional lenders with problem loans. This led to the development of a private-equity capability, including the creation and later sale of the largest cement-import operation in the U.S. on both the East and West Coasts. It was sold to major international buyers in 1990 in an all-cash transaction.

Let's try to give back to the nonprofit world and its key institutions. I have given time and considerable financial support to the church—especially the Episcopal Church—through serving as senior warden of All Saints, Pasadena, and being a major contributor to both All Saints, Pasadena, and All Saints, Beverly Hills. At the University of Michigan, I have been a contributor and a lecturer, creating



John W. Sweetland at the Gayle Morris Sweetland Center for Writing, 2013.

the Economics Leadership Council and endowing two chairs in economics and the Gayle Morris Sweetland Center for Writing.

University of Michigan, Ann Arbor, MI

- Established and endowed the Gayle Morris Sweetland Center for Writing.
- Served for 15 years on the Dean's Advisory Council (College of Literature, Science and the Arts).
- Created (2001) and currently serve on the Economics Leadership Council
- Endowed two chairs in economics:
    - The John W. Sweetland Chair in International Economics and the Shorey A. Peterson Chair in Industrial Organization and Corporate Finance.
- Made provisions in my estate planning for further grants to the Gayle Morris Sweetland Center for Writing and additional endowed chairs in economics, including one in the name of Gardner M. Ackley in macroeconomics.

Union Theological Seminary, New York, NY

- Member of the board of trustees, member of the executive committee
- Chairman of the finance committee, 2008–2012

Sheldon Jackson College, Sitka, AK

- Trustee, 1971–1995
- Chairman of the board of trustees, 1985–1995

Woodrow Wilson National Fellowship Foundation, Princeton, NJ

- Member, board of trustees, 1995–2003
- Chairman of the finance committee, 1999–2003

Direct Relief Foundation, Santa Barbara, CA

- Member, international advisory board, 2002–Present

All Saints Episcopal Church, Pasadena, CA

- Member of vestry, 1990–1996
- Senior warden, 1994–1996

All Saints Episcopal Church, Beverly Hills, CA

- Led the major fund-raising effort that enabled the church's educational and administrative facilities, its food-service center and the Parish Hall to be completely renovated and enlarged at a cost of $7.5 million in 2007–2009. The Parish Hall was renamed "Sweetland Hall" in my honor.

Memberships:

- Detroit Club, Detroit, MI, 1966–1985
- Detroit Athletic Club, Detroit, MI, 1964–1969
- Barton Hills Country Club, Ann Arbor, MI, 1965–1969
- Los Angeles Country Club, Los Angeles, CA, 1988–Present

All of these activities combined to create a life of service to the larger communities that have become a part of my life and that have made major contributions to the common good. They have also contributed to my deriving meaningful satisfaction from a life well-lived.

Essayons—Let Us Try!—was the lynchpin of my involvement.

CHAPTER ONE

The Past Is Prologue

There must have been something in the English air in the mid-eighteenth century, a mystery perhaps. A family from the realm decided to take a leap of faith and move to the New World. For this family, it was not to the English colonies that they traveled but rather to an outpost on the northeast edge of the North American continent: the cold, rocky landscape of Newfoundland—a place that would attract only the hardiest of settlers.

The size of Pennsylvania with 18,000 miles of coastline, Newfoundland was blessed with the richness of the sea. Located next to the Grand Banks—vast underwater plateaus that served as a breeding ground for fish—Newfoundland was known for having cod beyond anyone's imagination. And that distant family, the Sweetlands, decided to take their chances and settle in that rugged place.

In the 1700s, Newfoundland took on international geopolitical importance as England and France struggled for world supremacy. North America became the prize territory under dispute. England controlled the Eastern Seaboard territories, and France was positioned to influence the western areas through its control of the Mississippi and St. Lawrence rivers—the "highways" of the interior.

Although England had a hold on North America's eastern seaboard, France's longtime possession of the Quebec area—the north side of the St. Lawrence River—and the city of New Orleans at the mouth of the Mississippi was enough to bring about potential control over much of the eastern part of North America. In an effort to strengthen their positions in North America, both England and France appealed to their subjects at home in Europe to immigrate to the new continent.

This appeal was, to a degree, successful—but more so for the English than the French. In the case of the English, the fishermen and families of southern England and Ireland were encouraged to immigrate to Newfoundland and Nova Scotia and become the guardians of the Gulf of St. Lawrence and the St. Lawrence River (see map).

A new life in a new world was the hope of the brave settlers. For the Sweetlands, it began around 1750, when the father of the future Edward Sweetland came from England (most likely Dorset) to English Harbour on Carbonear Bay in eastern Newfoundland. His

Gulf of St. Lawrence and St. Lawrence River.

expectations and the promise of a new life with abundant opportunities were realized. Beyond that, the change was a respite from the unease and discord of mid-eighteenth-century England. Agricultural practices that discouraged the continued use of parish open fields for small farming plots had been introduced. These new practices favored larger fields to utilize newer methods of planting and cultivating. Three million acres were changed to bring that about in the 40 years between 1760 and 1800. In addition, the beginning of the Industrial Revolution encouraged larger population clusters that could support a broader range of worker skills as well as a greater concentration of workers. The shift in population from farm to city was, in itself, a cause of unease.

Edward was born in English Harbour in 1750 and married Rebecca in 1775. Edward's second son, Charles, was born in 1795 and married Jane Herold in 1825 in Harbour Grace. Charles' first son, John, was born in 1828. He married Emily Warford at St. Paul's in 1854, and their first son was my grandfather, Edgar Sweetland. Born in Harbour Grace in 1860, he was one of the fourth generation of Sweetlands to be born in the New World.

Many, if not most, of the Sweetlands followed the majority Newfoundland occupation—fishing. Charles, of the second generation, was granted four acres from the King of England to be used most likely for drying cod before packing it in salt for preservation and shipping. However, in Edgar's case, it was clear—fishing was not to be for him! He had other plans and sought other goals.

Between 1891 and 1897, the first railroad in Newfoundland was under construction. It would link the west-coast communities around St. George's Bay to the eastern communities, including St. John's, the capital and Newfoundland's largest city on the Atlantic. Edgar sought employment with the builders of the railroad and there learned to work with a variety of metals: welding, fusing, cutting, shaping, etc. He made those skills his life's work. He returned to the Harbour Grace area and was employed by a local metalworking shop in Whitbourne.

Ultimately, Edgar decided to seek a place where he could open his own shop. He chose Twillingate—in many ways a puzzling choice. Located on the far-north shore on Notre Dame Bay, Twillingate was a fishing village. He began business as a blacksmith and tinsmith and managed to become successful in that small town. In time, he even owned his own building.

Edgar was also an important part of the Twillingate community, which was considered to be one of the most active and prosperous in northeastern Newfoundland. Initiated into the local Masonic lodge in 1893, he became master of the lodge in 1904. He also belonged to St. Peter's, an Anglican church, where he discovered, in his words, "the most beautiful girl in the world" singing in the choir. Indeed, his sharp "Sweetland eye" noticed the very attractive Annie Anstey, which just goes to show you that sometimes it pays, even in church, to let the mind wander from the spiritual to the temporal.

He soon began courting Annie, whose family history and journey closely paralleled that of the Sweetlands. Both families were from Dorset, England; both arrived in Newfoundland in the mid-1700s;

Anstey Family, Twillingate, 1890 (Annie Anstey is the woman sitting third from the left).

and both Edgar and Annie were fourth-generation Newfoundlanders. The Anstey family was, and is to this day, an important part of Twillingate. There are still Ansteys in the town who are very much involved in the social and business life of that charming place.

Edgar and Annie were married at St. Peter's on June 30, 1888. Two daughters were soon born, but those early years were marked by tragedy. Their first daughter, Emily Mary, was born in January 1891 but died in 1892 at the age of only 15 months. Ethel, born in January 1894, died after only one week. Their graves are clearly marked and well attended in St. Peter's churchyard, and their tombstone reads, "They shall be mine saith the Lord in that day when I make up my jewels."

Despite such hardships, Edgar and Annie's family soon prospered in Twillingate. Edgar was not only a successful businessman but also superintendent of the Sunday school at St. Peter's, while Annie continued singing in the choir and became the church organist. And then five children were born: Edgar Jr. in 1896, Albert in 1900, Ernest in 1902, Isabelle (nicknamed Pansy) in 1903 and Harold in 1905. All of the children were baptized at St. Peter's and educated at the church school. Little else is known of their childhood in Twillingate. Although Edgar was the town's blacksmith, none of his sons remained on to learn the trade. Instead, they all moved away shortly after graduating from high school.

In 1918 my father, Albert, graduated from high school and worked the following summer in the neighboring village of Botwood. There he met a charming clerk at a store, Carrie Ball. They developed an affinity for each other that would later result in their marriage in Detroit. That marriage and Detroit were soon joined by *all* of the Sweetlands who had been born to Edgar and Annie.

In my grandfather's case, he joined our family a bit later in the 1920s. He was then in his sixties but soon found employment with Hudson Motor Car Company as a metallurgist. He worked there until the Depression threw thousands of autoworkers and others out of work in the early '30s. After that, he and Annie came to live with us in Detroit when dad bought the house at 6246 Holcomb Avenue and enlarged it with two additional bedrooms. We called Edgar and Annie "Pop" and "Gammy"—where that came from, I really don't know!

When I became old enough to appreciate Pop, we would take frequent walks together, he with his cane because of rheumatism. The talks between us were very often about his time in Newfoundland. Those stories have faded from my memory, but one recollection is very clear—the happiest day of the week was the day the *Twillingate Sun* arrived from Newfoundland by mail! Pop clearly loved his years in that place, and although he was happy to be with his children in Detroit, he missed Newfoundland. It was there, and especially in Twillingate, where he had met the love of his life, Annie. It was also where he'd established his business, owned a building, was a prominent member of the community (both in business and in church) and raised four healthy sons and a daughter after the pains of early losses. Those memories were always a part of him and his rewarding life.

The following record of the Sweetland family in North America links Edward to the current generation:

1.	Edward Sweetland	(B) 1750	(M) Rebecca
2.	Charles Sweetland	(B) 1795	(M) Jane Herold, 1825
3.	John Sweetland	(B) 1828	(M) Emily Warford, 1854
4.	Edgar Sweetland	(B) 1860	(M) Annie Anstey, 1888
5.	Albert Sweetland	(B) 1900	(M) Carrie Ball, 1923
6.	John Sweetland*	(B) 1933	(M) Barbara Roost, 1954

* First generation born in the United States.

CHAPTER TWO

Detroit

My father's decision to seek new and more promising opportunities in the United States rather than stay in Newfoundland is understandable. It is more difficult to grasp the *magnitude* of that change. Twillingate was a town of some 2,000 people in a country of about 250,000, largely of British origin with similar backgrounds. The exploding auto industry had made Detroit in the 1920s the most dynamic, fastest-growing city in America—if not the world! Detroit's population in 1900 was 285,000—only slightly larger than Newfoundland's. On Dad's arrival in 1920, it had grown to almost one million people, an addition of over 700,000 people in just 20 years. The next decade would see another 500,000 added, raising the population to 1.5 million. Detroit had grown over five times in 30 years!

The auto industry transformed Detroit. The dramatic changes in American life brought by the automobile and its manufacturing were magnified in Detroit, the center of this new and culture-changing phenomenon. The mix of people was far different from Newfoundland, with almost one-third of the population foreign-born. It was into this challenging, changing and confusing environment that Dad began his new life. Over the next 10 years, he would experience many changes. In 1923, he married his Newfoundland sweetheart, Carrie Ball. In 1926, they built their first home—always known in the family as the "Brown Shingle House"—in suburban Hazel Park. Their first child, Warren, was born in 1925 and their oldest daughter, Thelma, in 1928. The Depression slammed into Detroit in 1929–1930, and that economic disaster was accompanied by personal tragedies—Warren's death in 1929 and the foreclosure loss of their new dream home on Pinehurst Avenue in 1930.

Dad's father and mother, Edgar and Annie; his brothers, Edgar, Ernest and Harold; his sister, Isabel "Pansy"; and Mother's brother and sister, George and Rebecca Ball, all came to Detroit and were greatly aided both financially and personally in their adjustment to this new environment by Dad. To add to the difficulties of the decade, Pansy died in 1925 of tuberculosis. She was buried at Gethsemane Cemetery in Detroit.

The economic depression that enveloped the United States in 1929 was particularly painful in Detroit. It is difficult today to even imagine its impact. In the 10 years prior to 1929, Detroit was the fastest-growing city in the *world*—the growth was fueled by auto production, which rose to 4.1 million units in 1929. However, by 1932 that number had dropped to 930,000 units, which was just over 20 percent of the production level three years earlier! That degree of economic calamity, without the safeguards built into the national and local governmental systems we have today, is difficult to even contemplate.

No other city suffered like Detroit, but the Sweetland family somehow survived! My grandfather, Edgar, was laid off from his position at the Hudson Motor Car Company,* but my father, employed by the Chrysler Corporation, never had an employment interruption. On the other hand, he must have played "banker" to his family because in 1930, he lost his dream home on Pinehurst Avenue in the newly developed University of Detroit neighborhood. He returned from work one afternoon to find his wife and son Warren on the curb surrounded by

* Its production dropped 80 percent from over 300,000 cars in 1929 to 57,000 in 1932.

their furniture and personal effects. In that era, instant foreclosure and eviction for failure to pay promptly were permissible. The conditions for the eviction were never clear, but Dad, with all of his other obligations, had apparently missed a payment. Their dream-house days were over. However, the family survived and in time relocated to Holcomb Avenue on Detroit's east side where I was born some three years later.

Growing up on Holcomb Avenue was a happy experience. It was a fine working-class neighborhood with an excellent elementary school, Stephens. It was not a large home, but Dad expanded the upper level through the construction of dormers to accommodate. Within its now four bedrooms, *nine* people resided—our family of five children (Lois was born in 1937 and Paul in 1940) as well as Gammy and Pop. The major stress point was the *one bathroom* for nine people!

We had many playmates on Holcomb—Nancy England is one name I can remember. And Stephens School was excellent. Miss (or Mrs.) Cousins was the principal—a loving motherly type of whom one would never want to face as a miscreant (so the story goes—I never had the opportunity). I was told I cried my first day of kindergarten but never after that! I loved school and was double-promoted from first to second grade in the second semester. I learned marble games at recess and became reasonably proficient. Additionally, it was wartime and paper and tin-can collections were brought to school on a regular basis.

World War II began when I was six, and Pearl Harbor was bombed when I was eight. The war captivated me. My oldest cousin, Ronnie, enlisted in the Coast Guard, and he looked smashing in his uniform. By the time I was five or six, I was an avid reader and especially liked the daily newspaper, the *Detroit News*. I'll not forget Pearl Harbor day, December 7, 1941. The papers were full of the horror of that bombing and the loss of life and ships. It was hard to believe this could happen to the United States. During the war, I eagerly followed the Allies' efforts across the Pacific and in Africa and Europe.

In the summer of 1943, a big surprise came into our family life: Dad decided to buy a cottage on Cranberry Lake, a few miles north of

Rochester, then a country village. The cottage was charming, though primitive, lacking many of the conveniences we took for granted (e.g., electricity, running water, heat, indoor plumbing—including toilets, etc.), but it had a lake, a boat, a forest nearby, stars in the sky and a sense of *freedom*. We *loved* it! The nearby town of Romeo was the peach capital—delicious! And Rochester was an enchanting village. But the lake was the best, with our own rowboat and a world-class dock with a diving tower—somewhat rustic but fun! The cottage was part of an association called the Log Cabin Club, whose membership excluded those who were "of color": Jewish, non-English speaking, and other similar criteria. Though a religious, spiritual man, this did not seem wrong to our father—something that would raise substantial questions years later.

Life in Detroit ended in the summer of 1944. Dad had been studying for several years to become a credentialed minister in the Baptist Church and had completed the process in late 1943. In mid-1944 he accepted the call of the First Baptist Church of Stanton to become its pastor. Stanton was a town of around 1,000 people in central Michigan—a monumental change from Detroit!

CHAPTER THREE

Stanton

Stanton, n. *A small city in Michigan. Founded in 1860 and named after Edwin M. Stanton, secretary of war in President Lincoln's cabinet. Classified as a city in 1881. Population in 2010 census, 1,415 (in 1950, 1,123). County seat of Montcalm County.*

In 1944, my father was chosen ("called" in proper ecclesiastical terms) to become the pastor of the First Baptist Church in Stanton, Michigan, a small agricultural town near the center of the state—about 150 miles northwest of Detroit. It was a move to a much different world—from the largest city in the state (and the fourth largest in the U.S.) to a small village in a rural area of Michigan. The thought of leaving home—Detroit, as well as the cottage at Cranberry Lake—was hard for us kids to accept, especially for my older sister, Thelma. She had completed her first year at East Commerce High School in Detroit—a three-year program—in preparation for a career in accounting and was reluctant to leave.

The move was also difficult on Gammy and Pop. After living with our family for 11 years—sharing meals, church and other events—they were sad to see us leave Detroit and even sadder that they would not be with us. No one took better care of them than my parents, and no other grandchildren were as close to them as we were.

Gammy and Pop were an integral and important part of my childhood. And after we moved to Stanton, they remained a model couple for me—hardworking and loving. Even now, I can feel Pop's distant but real influence: be bold, take chances and enjoy life!

* * *

The move to Stanton was made in early October—what a change! Even the trip there was eventful. Before we left the city limits of Detroit, Dad stopped on Van Dyke Avenue, just before Outer Drive, and took the family to a classy dairy bar where I had my first banana split. It was like being in heaven! Between our limited budget and the mentality of scarcity that the Depression had created, our family was loathe to spend any money—zero—on "frivolous" things. That certainly included banana splits at dairy bars! To top off the day's exciting journey, when we arrived in Stanton, Fred Gallagher (the church's lead deacon) took us five children to Peck's Restaurant, where I had my first restaurant hamburger.

For an 11-year-old to experience his first banana split in a fancy Detroit dairy bar and his first hamburger in an actual restaurant (with real waiters!) was a *big* deal. I liked Stanton instantly! While being a preacher's kid had its disadvantages, this peek at a new world of banana splits and hamburgers was intoxicating—and of lasting significance to me.

Moving from Detroit to Stanton meant learning how to live in a different world—not better or worse, just different! It quickly became clear that the whole family would need to make adjustments. For instance, on my first day at the new school, Mother dressed me (to my absolute chagrin) in knickers. Although they were common in Detroit, you can imagine the snickers and jokes from my blue-jeaned classmates in Stanton! The knickers went into the trash bag that night.

Although behind in style, Detroit schools were ahead of the pace of Stanton's. My classroom at Stanton was a combination of the sixth and seventh grades taught by Mrs. LeClaire. Because I had completed the first half of sixth grade in Detroit the previous spring, we determined I would be repeating subjects I had already learned. For that reason, I was advanced to the seventh grade. This jump, combined with a half-grade promotion in earlier years, put me one class ahead of the other students my age; I would graduate from high school at 16.

Another big difference between life in Stanton and Detroit surfaced during the Christmas season. My father had never really "done" Christmas before. It was for him—and his Plymouth Brethren roots—a secular holiday, *not* a celebration of the birth of Christ. In 1943, my sister Thelma had insisted on a small Christmas tree, lightly decorated, but we had never had a *real* Christmas celebration.

Moving to Stanton changed all of that: in that town, Christmas was a time of celebration as well as worship. Part of that celebration was the traditional Christmas caroling that took place the Sunday evening before Christmas. After the evening service, a group of young people from the church, generally teenagers, would tour the town, stopping at various homes to sing the Yuletide carols. The frostiness in the air and the welcome response of the townspeople were part of the magic of the evening. This was completely new to me, as well as to my sisters Thelma and Grace—and we *loved* it!

We experienced caroling for the first time during the Christmas of 1944. But the following year brought a dramatic and thrilling surprise: the veterans of World War II had returned home! Those deep, mature male voices added a resonance to the carols that we didn't realize had been missing. We now had among the chorus Elton and Ray Hart, their cousin Clare, and Gene Thurber from the Navy. It was a totally different experience! It brought home the reality that the war was over. There was "Peace on Earth" in the most meaningful way. Good will toward men would surely follow!

* * *

In time, we all adjusted to life in Stanton—all of us except for Thelma. She was never happy in Stanton and above all else wanted to finish her business training in Detroit. She suffered through the 1944–1945 Stanton school year but returned to Detroit in the summer of 1945, living with Uncle George and Aunt Dora on Detroit's west side. Her business-education training was completed in the spring of 1946, and upon graduation, she accepted an accounting position at Ernst & Ernst—one of the premier audit firms in the country. She went on to have a long and successful career in accounting and office management.

The four remaining children—Gracie, me, Lois and Paul—adapted to Stanton and in many ways came to love it. Lois and Paul were young with few memories of Detroit or Cranberry Lake, while Gracie and I were both socially adaptable and formed close relationships that lasted beyond the Stanton years. Two personal relationships stand out to me: those with Leota Howell and Leonard Campbell. Leota and Gracie became solid friends within the first few weeks of our arrival in Stanton. The Howells were members of the church and active in the community. Her father, Leon, was a deacon. Leota herself was exceptionally gifted and self-taught in music. She could replay a tune upon hearing it once or twice! She would go on to marry Leonard, a fellow church member who would also become my good friend.

Leonard had the unique distinction of being the only Stanton resident drafted into the U.S. Army as a senior in high school. Apparently a bit older than his classmates, his draft registration number came up in early 1945, four months before his graduation. Protests were made in vain—the war effort was peaking and every "body" was needed. I remember the night the church bid Leonard safekeeping. He served in combat in Okinawa near the end of the war and returned to Stanton in 1947. He married Leota, and they enjoyed a lifetime together in Stanton—happy times, children and good fortune. Leota and Leonard were some of my best friends and remained so throughout my life. My last visit with Leota was lunch at nearby Clifford Lake after Leonard's death in 2009. They are now buried, side by side, at Stanton's Forest Hill Cemetery.

Another constant friend was Lyman Porter. The Porters were also members of the church, and in time, they bought the house next to the parsonage. One year ahead of me in school, Lyman and I were like brothers: we both played the trumpet, bought our first car together (a 1929 Model A Ford) and were close companions. His parents were Eddie and Ella—Eddie was an employee of the Montcalm County Road Commission. He was a man of many moods, changing often and quickly.

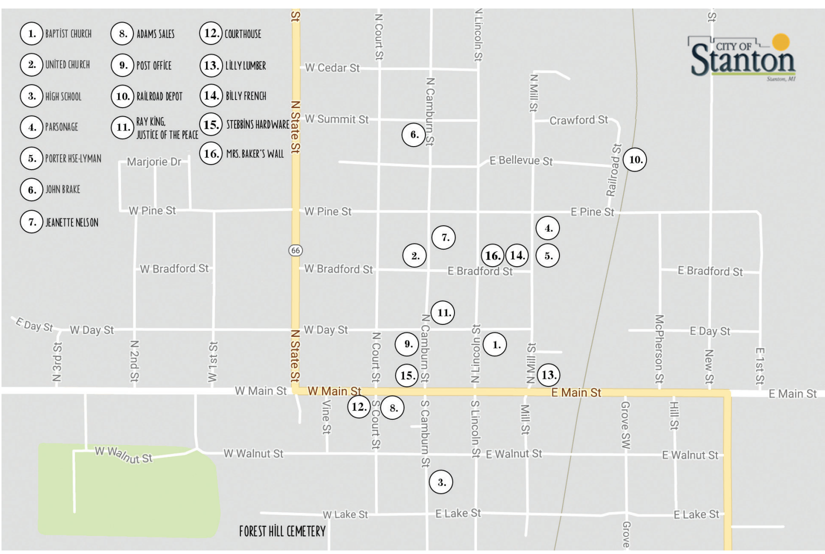
Lyman and I had many adventures together, but one stands out as a classic: it all began with Mary Lou Towle, the spinster daughter of the county registrar of deeds. Her father was a strange duck and everyone in town knew it. Mary Lou had apparently inherited at least some of his weirdness, but she made friends with my father shortly upon his arrival in Stanton because he was the new Baptist preacher. To keep her favor, he volunteered me to run some errands for her on a cold December day in 1944. Being the preacher's kid in a small town—and the *Baptist* preacher's kid to boot—was not always an easy task. Mary Lou's "errands" had me running from one end of Stanton to the other in a biting winter wind. Even worse: my four-hour trek was rewarded with 15 cents. I was *not* happy!

Mary Lou drove an old Hudson painted a pale and ugly green. Lyman and I called it the Green Hornet. One evening, she was visiting the Frenches, our neighbors just across Mill Street from the parsonage and the Porter home. Billy French was an odd sort. He kept to himself, and no one knew how he made a living. However, he bought a new Cadillac every year—the only one in town! One night while Lyman and I were sitting on the front upstairs deck of his family's home watching the scene across the street of Billy French and his wife entertaining Mary Lou, the thought of revenge came into my mind. The 15-cent-errand caper had been about five years earlier, but the memory was still fresh.

I turned to Lyman and said, "Why don't we hide her car?" Lyman liked the idea, and it took hold. We quietly opened Mary Lou's car door (no one in Stanton locked their cars), put the Green Hornet into neutral and pushed it down the slight incline of Mill Street to the corner of Main Street—right into Ned Lilly's lumberyard (see map of Stanton). Ned never locked the gates, so we were able to push Mary Lou's car to the very back of the yard and close the gate behind us. Then we returned to our porch roof to watch the ensuing scene. When the dinner party ended, it was an absolute kick! No one could figure out what had happened to Mary Lou's car. Car theft was *not* a problem in Stanton, so what could possibly have happened to it? Billy took Mary Lou home. She had no idea where her car was until the next morning when Ned Lilly called to ask why she'd parked her car in his lumberyard. No one ever figured out how all of this happened!

But that wasn't my only hijinks. In my junior year of high school, Mrs. Baker decided to build a new house on Bradford Street just west of Billy French's home. Some of us, including my friend Paul Bigelow, did not think that was a good idea. When the concrete blocks for the basement walls were delivered, we managed one night to arrange them across Bradford—blocking the street—as a symbol of our protest.

The next day I was called out of class to the principal's office. The principal was "Coach" Orval Corner—called "coach" because, for



years before becoming principal, he was the school's football, basketball and baseball coach. In the office with Coach Corner was my friend Paul Bigelow, as well as Elton Sampson, the county sheriff. I knew Elton well. He was a good friend, the uncle of my buddy, Dave Hansen.

Coach Corner explained that Sheriff Sampson had just informed him that a concrete-block wall had been erected across Bradford Street the previous night. The sheriff didn't know exactly how to deal with it, and Coach had suggested that perhaps Paul Bigelow and John Sweetland would be happy to help by taking down the wall and restacking the concrete blocks. Paul had already agreed to this idea, and they wanted to be assured that I would as well. I told them that they had come up with a great idea and that it would be done before sundown. Everyone was happy, and the meeting was over!

As we got older, a group of us who lived in town hung around the steps of the United Church (at the intersection of Camburn and Bradford Streets) on many evenings to chat and plot our next moves—including, in addition to Lyman and me, my sister Gracie, Jeanette Nelson, Jack Lynch, Paul Bigelow and assorted others. Seeking darkness rather than light, we would throw stones at the single streetlight hanging over the intersection. We usually accomplished our goal.

Ray King, justice of the peace in Stanton, lived one block south of the United Church. His home was also the local office for the issuance of vehicle license plates. Every time a new Ford was sold—beginning in the summer of 1948—I would be the one to pick up and install the new license plate. Ray King and I got to know each other quite well that way.

All was fine between Ray and me until one Sunday in 1952. The previous night, with little to do and accompanied by some equally bored buddies, I thought a smart thing would be to follow the night watchman, Henry Butterworth, by car on his nightly rounds. Now, Henry was not the brightest light in the town chandelier, but he didn't take too kindly to the "help" we were giving him. We continued to follow him as he entered the alley behind Stebbins Hardware. He stopped his car midway down that narrow alley, and who should pull up behind us (pinning us in) but the deputy sheriff, Don Taylor.

I knew all of the people in the sheriff's office because the courthouse was across the street from Adams Sales (the Ford dealer) where I worked, and we serviced and washed their cars. Well, Don Taylor was not friendly that night—he issued a ticket for interfering with a police officer. Knowing I was in college, he told me Ray King would see me the next day.

After church on Sunday, I walked the one block to Ray King's home/office. He was his usual kind self, but he made no bones about his disappointment in my behavior; he thought more highly of me than of one who would pull such a trick and show disrespect for the law—the "peace." He described his role as justice of the peace. There was no fine or punishment other than his stern disapproval, and that was not taken lightly. I've never since been tempted to interfere in the conduct of a police officer on duty!

* * *

We had many adventures during those years—and even some outside of Stanton. Stanton, although the center of our lives, had a way of feeling cut off from the rest of the world. Passenger trains that were once the only way to the outside world had been missing for many years, and the railroad tracks behind the parsonage were little used. Perhaps a freight train or two would come through in a given day, but it was nothing like the old days when the farm and wood products of the fertile Montcalm County soil were sent daily to Grand Rapids and points beyond. The depot, just two blocks from the parsonage, was still there but no longer used.

Then an incredible announcement came: a passenger train would be used to carry schoolchildren from the towns along its route to the Barnum & Bailey Circus in Grand Rapids! Special funding from an unnamed source would make that available to junior high and high school students at a minimal cost. The circus! Grand Rapids! And a train ride! An almost unbelievable event in 1947!

But would my siblings and I be allowed to go? The question of what entertainment was "proper" for Christians was very tenuous, at best. Movies were out; dancing was the work of Satan—the list went on and on. Would a circus be considered part of the "forbidden fruit"? To our relief, our father, pastor of the First Baptist Church and the hard-nosed enforcer of right and wrong, thought that the circus, while borderline, was okay—our souls were not likely to be soiled by this kind of entertainment.

Along with most of our classmates in the seventh grade and up, we boarded the Pere Marquette passenger train one fine morning in May and headed to Grand Rapids and the Barnum & Bailey Circus. It was quite a day! Hardly anyone had ever been on a train—what an experience! And to be in the "big city" without our parents was, in itself, very exciting. But the crème de la crème was the circus itself. In the new civic auditorium (now a giant circus ring), the show went on! The animals performed amazing acts, and the clowns were outrageous but *very* funny. Every hour seemed to unveil another eye-opening event—the spectacle was beyond description. We were enthralled!

In that era before television, before the number of variety shows in later years, the postwar years (1946–1950) were years of innocence. The world of small-town America was one of simple pleasures. We had survived the trauma of World War II; our parents had survived the Great Depression of the '30s. Radio was the only link to the larger world, and that was limited outside the metropolitan areas because of inadequate transmission and low-powered radios. Television was in its infancy, and programming for rural areas was far from effective. The circus was a one-day excursion into a world we had hardly known. The trained-animal acts, the joyful reveling of the clowns, the air of surprise—all of this was new to us—and it was wonderful!

When we returned to our trains in the early evening, it was hard to constrain even the quiet ones among us from expressing our surprise, our joy, our appreciation of what we had done and what we had experienced that day. From the train to the circus to the excitement of all of that "newness," it was difficult for many of us to not show the joy of surprise, the thrill of learning and the satisfaction of experiencing the life abundant! It was more than a train ride, more than a circus, more than an event of pleasure. It was an opening to a broader, richer and more diverse world than the one we had imagined. It was not Stanton—not even close. It was a glimpse into each of our futures. Somehow, I think we all felt that things would be different in our lives, that we were entering a different era. Trains and circuses take us out of our ordinary world and to the land of dreams that come true.

A couple of years later, I'd go on another memorable adventure away from Stanton—our high school class graduation trip. I don't know who made the arrangements, but they were first class and a very welcome surprise. First, the school bus took us to Detroit. At the foot of Woodward Avenue where it meets the Detroit River, we boarded a Great Lakes steamship bound for Toronto. After a stop at Boblo Island Amusement Park (the *best* go-carts anywhere!), we sailed on through Lake Erie to the Welland Canal, where locks compensate for the vertical variance between Lake Erie and Lake Ontario. This is also the area of Niagara Falls. We were then bused to Toronto for a day-long stay, after which we returned to the ship to make our way back to Detroit. It was a three-day trip and a great, *great* time. I remember the lobby of the Royal York Hotel in Toronto—I thought I was at the entrance to heaven! Quite a trip for a group from a town of a thousand people and a real eye-opener for me.

* * *

But life in Stanton wasn't all fun and games. As soon as we arrived there from Detroit, I was tasked with a home-improvement job. The parsonage where we would be living—and which we quickly dubbed

"Noah's Ark"—had been built in the 1800s, and the roof had been hastily redone in anticipation of our moving in. My first job was to pick up and burn the old wood shingles, nails and all, that had been left scattered around.

Early on, I learned the importance of hard work, and that attitude is key for advancement even if you're just picking potatoes. With its sandy soil, Montcalm County is great potato-growing land, and Stanton is no exception. Each year, the potato harvest was massive and required lots of extra hands. But where were those extra helpers going to come from? In the 1940s, it was the schoolchildren. For two weeks in September and October, school was closed for "potato-picking vacation," whether you actually picked potatoes or not! And there were tidy sums of money to be made for those who did. When we moved to Stanton in 1944, we arrived too late for the potato-harvest season, but in 1945, I picked potatoes along with many of my classmates.

The first season I tried picking potatoes, I didn't like it and stopped doing it. But the following year, I was a teenager and wanted a radio for my bedroom. A preacher's salary didn't cover such frivolities, so I had to earn the money myself: picking potatoes was the way! I had learned the prior year that the key to having a successful season was picking the right farmer. I wanted to work for the Sacketts, who were recognized as being one of the best farming families. I was fortunate enough to be chosen by them and worked extra hard on my first day. At the end of that day, Pete Sackett came to me and said I didn't have to bring my lunch the following day because I was being promoted to the "house crew." This group of workers drove the tractors and wagons that picked up the potato-filled crates from the field and brought them to the sorting house. I not only drove the tractor but was also invited to have lunch (they called it dinner) with the family and other chosen hires in the farmhouse. Wow, that was big stuff. My first important promotion! It was a *major* thing to not bring your lunch. At the morning pick-up stop where all of the student pickers were waiting, not to be carrying lunch was a sign that you had graduated to "management." It was a status symbol!

I learned much about farming in those years and a lot, in particular, from Nels Jorgensen. Nels was my Sunday-school teacher and one of the most memorable members of the church in Stanton. He was also the father of my friend Howard (class of '49) and my introduction to life on a well-managed, picture-perfect farm.

Stanton was heavily influenced by its Danish descendants. The Homestead Act was passed in 1862, and over the next decades some 1.5 million families were given over 10 percent of the entire landmass of the United States. Michigan was one of the states that benefitted from the Homestead Act, and the area around Stanton was heavily Danish. In fact, Gowen, now a hamlet, was the center of Danish activity in Montcalm County in the late-nineteenth and early-twentieth centuries. Gowen was also where Nels had been born in the late 1800s.

Early in his youth, Nels bought an abandoned farm just northeast of Stanton in Frost Township. That part of Michigan had originally been covered by white-pine forests, and his farm covering 160 acres had only been partially cleared of tree stumps. In other words, the trees had already been harvested, but the stumps were left in the ground. When Nels bought the farm, he also "bought" the need of pulling out the stumps—a huge task. There were no mechanized methods, only horsepower! And even after the stumps were removed, the question still remained: What to do with them? The answer was to line the fields with "stump fences." Many are still in place today, 130-plus years since the forests were cut down.

I was invited to the Jorgensen farm on many occasions, but the highlight was when I got to be part of a "threshing crew." When oats and wheat are harvested, threshing is the process that separates the grain from the chaff. The grain is then stored in secure, dry places, while the stalks are blown into haystacks (really "strawstacks"), which are then used for barn maintenance and ultimately as fertilizer (manure) spread throughout the fields.

A threshing machine is a large, complicated and expensive piece of machinery—too expensive for an individual small-to-medium-sized farm to own. Instead, a threshing machine was usually owned by someone who rented it out to farmers for a day or so to process the year's crop. The threshing machine would go from farm to farm, and the various farm owners (and helpers) moved with the machine over a given area. The staffing requirement for a threshing crew is large because the tractors that bring the grain to be threshed must also be manned. It is a most interesting and very American feeling to be part of a neighborhood threshing day. All work together for a common good, and then tomorrow, today's threshing host will be just another worker on a different farm.

The growth of oats and wheat is an important part of the dairy-farm life, and the Jorgensen threshing was quite large because their herd of Holsteins was larger than most. Perhaps six or seven other local farmers joined the crew as the machine moved from farm to farm. Whole families were involved—not just the men—because feeding the crew was a major task!

Nels created a farm of beauty and prosperity. His home, barn, fields, crops, as well as his accomplishments, were recognized by all. But his life went beyond the farm. He was a deacon in the church, taught the boys' (12 and up) Sunday-school class and was considered a friend by all who came his way. Much revered, he took an interest in me, as well as others in his class. We all respected and loved him.

* * *

In the fall of 1946, I was a freshman in high school. I played trumpet in the high school band and truly loved it. But I soon outgrew the hand-me-down trumpet I had been given and decided I needed to have a new, first-class instrument. The cost, however, was about $100—a sum that was difficult to fit into a preacher's budget! I knew I would have to earn at least part of the money myself.

In the summer of 1948, I tried hard to get a job that would pay at least 50 percent of the cost of a new trumpet—and, as I said, a good one! I summoned up my courage and approached Eldon "Bus"

Adams, a former infantry officer in the U.S. Army who had, a year or so earlier, opened the first Ford dealership in Stanton.

I asked him for a job—anything he had in mind. Surprisingly, he said yes! I did anything that was needed, washing cars and showroom windows, cleaning parts bins, keeping the shop tidy. I was willing to do anything and everything!

Ultimately, I saved up enough to buy my new trumpet. It was a dandy! I paid for it every month with my father's help. But by getting that job with Bus, I ended up receiving much more than a trumpet. That job lasted through high school and my first two summers during college. And far beyond that, it resulted in a lifelong relationship with Bus Adams.

* * *

Despite the unrest in the world during the late 1930s, the United States had been ill-prepared for World War II. The attack by the Japanese on Pearl Harbor on December 7, 1941, shocked most of the nation, except for one small slice of America that had been thinking about the future, the National Guard. The National Guard was a part-time effort to develop a ready military capability within a civilian population. The Michigan-Wisconsin joint effort attracted some of Stanton's more adventurous youths. When World War II began, these National Guard units were quickly mobilized, and the Michigan-Wisconsin Guard forces were made part of the 32nd Infantry Division—the Red Arrow division.

The 32nd Division was sent to Australia in early 1942 and was the first group of American ground troops engaged against the Japanese in the South Pacific. At the outset, it was an uneven battle—the trained Japanese armed forces arrayed in fortified positions against the waterborne invasion forces of the undertrained recent civilians. The odds were against the Allied forces in those early days of the South Pacific war, and causalities were high. The dead were buried in military cemeteries on those fateful but ultimately conquered islands.

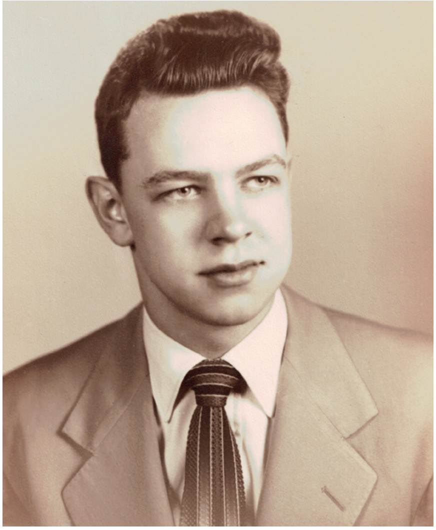
After the war, the families of the fallen were given their choice of leaving their beloveds in the military cemeteries on the islands or bringing the bodies home for reburial in the U.S. In the 1947–1948 period, some Stanton-area families elected the latter option. Military burials were carried out by the Michigan National Guard at Forest Hill Cemetery in Stanton for three or four fallen soldiers. At these moving and solemn ceremonies, I, as leading trumpet player in the Stanton High School band, was asked to play “Taps.” It was an emotional and moving experience—one I shall never forget.

The Stanton High School band would lead the Memorial Day parade during my years in Stanton, and the parade would always end at Forest Hill Cemetery. I would play “Taps” as we honored our fallen veterans of past wars. During those moments, I would always recall the privilege of playing for the reburial of the fallen victims of World War II.

That epic war over 70 years in the past is now but a distant memory. It’s not even in the history, let alone on the minds, of most Americans. But for the people who lived through those key years and witnessed the sacrifice of the best of our youth, the horrors of that war will never be forgotten. Those horrors include the brutality of the Japanese, the unforgiveable behavior of the Germans during the Holocaust of the Jews and the totality of destruction in the atomic bombings of Hiroshima and Nagasaki.

* * *

The people of Stanton suffered other losses. A polio epidemic in the mid-1940s claimed two of my schoolmates; Bob Hillis and Virginia Nickerson (both class of ’48) died from that terrible disease. John Brake, a classmate (’50) and my good friend, was struck by polio and brought home for recovery in an iron lung—the only one I ever saw.



John W. Sweetland
high school graduation, class of 1950.

I remember many times being in the Brake home with John in his iron lung in the middle of the living room surrounded by his friends. It was touch and go. We didn't know if he would make it.

But John did make it—and made the most of his life. He graduated in 1951, a year behind his original class, received his B.A. degree from Michigan State University in 1955 and his Ph.D. from North Carolina State University. He held professorships at North Carolina State and Michigan State and completed his teaching career as the W. I. Myers Professor of Agricultural Finance at Cornell University.

* * *

The class of 1950 was a successful one, with I believe more college-bound graduates than any previous year. Some years later, my classmate Shirley Martin turned up in Sarasota, Florida. She was a school teacher there, having graduated from Central Michigan (then a college, now a university). She married Larry Sutherland from Stanton, also a college graduate, who went on to be the IRS agent covering our National Portland Cement Company operation in Florida decades later—a small world! Fred Linton, who would graduate from Michigan State and become an Air Force pilot, would later work for me at Shareholders Capital Corporation.

The success of our class could in part have been due to the efforts of Mrs. Ethel Smith. There was no better teacher of life and literature than Mrs. Smith. As my English and Latin teacher, she helped me learn to write intelligently and also said that the University of Michigan was the *only* school I should attend—advice I would take to heart.

Upon graduation, I was awarded the Valedictorian Award as the top student in the class. Asked to make the valedictorian speech, I chose the topic *Esse Quam Videri*—"to be, rather than to seem" (see valedictorian speech). I believe, in many ways, that simple motto formed the basis for not only my valedictorian speech but also my life these 67 years since that graduation date.

John W. Sweetland
Class of 1950

Valedictorian Speech
Esse Quam Videri

Parents and friends:

While scanning Latin mottos one day, I chanced upon the motto adopted by the State of North Carolina: "Esse Quam Videri." Translated: "To Be, Rather Than To Seem." Knowing that the members of our class would soon be graduating and trying to fill their niche in the world as useful citizens, I wondered if each one of us might not profit by following this precept in our lives: Esse Quam Videri—To Be, Rather Than To Seem.

Someone has said Character is what we *are*; Reputation is what people *think* we are. Perhaps we could apply the same interpretation to this motto. "To Be" is what we are; "To Seem" is what people think we are, or at least it is the impression we have given other people, whether true or false.

If we are to *be* rather than to *seem*, we must first of all be true to ourselves. Secondly, we must be sincere with our fellow men; and lastly, true to our Maker.

If we are to be true to ourselves, we must have respect for ourselves. We must develop self-reliance and a sense of responsibility. Only we ourselves know our true inner selves. We are all born with a different type personality. We seem to be endowed with certain characteristics peculiar to our own individuality. If we are to succeed, we must develop these personalities to the best of our abilities. We may admire someone very much for his fine manners, his good English or his accomplishments and wish to be like him. That, it seems to me, is alright, but quite different from aping one in his peculiarities or mannerisms which would not fit our personalities at all. In my opinion, we should try and be our own natural selves. It is only as we *are* that we are going to succeed in this world. Whether we take up business, farming, teaching, medicine, ministry or any other profession, the world respects a sincere man or woman. If we are to be rather than to seem, we must follow our own aims and make the best of our own personalities. A good front does not last long; eventually our real self is revealed. Therefore it would seem that we should strive to do our work well and thoroughly and not superficially.

Secondly, we must be sincere with our fellow men. When Benjamin Franklin was striving toward moral perfection, he listed sincerity as one of the virtues he should like to possess. He interpreted sincerity this way, "use no hurtful deceit, think innocently and justly; and if you speak, speak accordingly." He strove diligently to acquire this habit and in later years he attributed to sincerity and justice the confidence which he had gained from his country; that confidence being shown by high positions conferred upon him. The world, as I said before, respects a sincere person and only as we are sincere are they going to respect us. Emerson has said, "A friend is someone with whom we may be sincere." May we, in turn, be a sincere friend.

Lastly, we must be true and sincere in respect to God. We may deceive man, but we cannot deceive God. Although we may be true to ourselves, our fellow men and women, we still have a higher power to whom we are responsible. In the writings of Solomon, the wisest man, we find these two short verses: "Trust in the Lord with all thine heart and lean not unto thy own understandings. In all thy ways acknowledge him and he shall direct thy paths."

May we follow these paths so well that you who have contributed in any way toward making this graduation possible may feel amply awarded for what you have done for us. In conclusion, we the Class of 1950 wish to extend our sincere thanks to the citizens of this community for their support of our school, our activities and our social functions; and to the PTA whose work solved many of our needs. Our gratitude goes out to the school board for their part in making our school a success. We would not forget our teachers for their sincere efforts in guiding and training us well. Our very deepest appreciation goes to our parents who, while we were little and entirely unaware of the importance of an education, insisted on our attendance at school and thus assured us of some measure of success as high school graduates. As the time for separation from our school approaches, we realize we are leaving with regret and what we once thought dull and dreary school days have suddenly become days filled with fond memories. And thus we bid you and our alma mater, Stanton High, a fond farewell.

FINIS-FINIS

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Seventy years later I still have so many fond memories of Stanton: swimming in Derby, Dickerson and Clifford Lakes; climbing "Nob Hill"; the football and basketball games at Edmore, Lakeville, Carson City, Greenville and other schools; the thrill of sub-zero (-20° F) days with bright sunlight; apple cider at Gates Cider Mill; roller skating at Crystal Lake; and being a member of an old-fashioned, steam-driven grain-threshing crew at the Jorgensen farm.

Stanton "Hobo" Band.

* * *

My time in Stanton was coming to a close, but I would be leaving with a first-class high school education and excellent employment experience. Between Ethel Smith's encouragement of my academic success and Bus Adams' first-rate introduction to the world of business and ethics, I felt ready to take on the world. The caring influence of my first two mentors left indelible imprints on my heart and mind. I was blessed beyond words to have found the two of them early in my life, and their impact on me—and on who I would become—was priceless. To each of them I owe a deep and lasting sense of gratitude for their wisdom and guidance. With their help, I was ready to start a new chapter.

CHAPTER FOUR

Michigan I

The Alternate Universe of My Youth (1950–53)

When I left Stanton to enroll as a freshman at the University of Michigan, I experienced the chasm between the world of a small town made smaller by the fundamentalist beliefs of my father and the Baptist Church and that of a first-rank research university. The clash between the alternate universe of my youth and the reality of a world where science and the liberal arts provide a broad and insightful reception to intellectual understanding was troubling but, in the end, rewarding.

This conflict came alive in my first class on the first day of my freshman year—English I, Composition. The textbook was *Man against Myth* by Barrows Dunham, a graduate of Princeton and a professor at the University of Pennsylvania. The book's theme centered on the necessity to challenge the myths that we accept and carry in order to grow intellectually. I had brought many "myths" with me to college. All religions contain myths, often called "mysteries," and Christian fundamentalism has its share, most of which are held deeply.

Looking back on my father's life and the changes that occurred during the 1930s, I believe the combination of that economic depression, the death of his son Warren and the loss of the dream home on Pinehurst Avenue to foreclosure created a crisis of confidence in him. This was magnified by a sense of responsibility for his parents and brothers and sister who had followed him in the move from Newfoundland to Detroit. I believe he longed for a sense of comfort and relief, and he and Mother sought peace in religion, not in their childhood faiths—Anglican (Episcopal) and Methodist, respectively—but in a relationship with the Plymouth Brethren believers. For reasons personal to them, they found comfort and strength in that group.

The Plymouth Brethren was formed by a group of believers that came out of the Church of England in the 1800s. Its leader, John Nelson Darby, an ordained priest, had left the established church to create his version of the early church as described in New Testament writings. Formed in Plymouth, England, it envisioned a church without the "trappings" of the Anglican Church or the even less liturgical Protestant faiths. Theirs was a simple faith—meeting in "halls," not churches, and led by lay leaders who conducted simple worship practices, not ordained clergy. Dad was soon the leader of a newly formed Plymouth Brethren group that met on the east side of Detroit—the Houston Avenue Gospel Hall.

An important aspect of Darby's theology was the concept of the "Rapture" or "end times"—the actual ascent of those on earth who were "saved"—a definition he and his followers were quick to define. This was a significant change from traditional Christian teachings set out in the Nicene Creed in 325 CE and held as a mystery by the church over the subsequent 15 centuries: "He will come again in glory to judge the living and the dead, and His kingdom will have no end."*

Darby first appeared in the U.S. after the Civil War, a period of great angst following the enormous slaughter that took place in both the North and the South. In those uncertain times, his apocalyptic message took root. With the help of a neotheologian,

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* Episcopal Church. *The Book of Common Prayer and Administration of the Sacraments and Other Rites and Ceremonies of the Church*. According to the Use of the Episcopal Church. New York: Oxford University Press, 1990.

Cyrus Scofield,** the Plymouth Brethren adopted fundamentalist dispensationalism—a guide to the last days based on a strange interpretation of the Revelation of John and the book of Daniel. By the 1930s, small groups in Detroit were adherents, and both black and white "gospel halls" appeared. Dad became an active participant, and when his next daughter came along in October 1930, she was aptly named Grace. Dad's mission on Detroit's east side, the Houston Avenue Gospel Hall, stayed in place until the early 1940s. At that time the members, at his suggestion, voted to become the Calvary Community Church—an independent nondenominational church—and move to Warren, a Detroit suburb. The theology stayed the same (fundamentalist and dispensational), but it was no longer considered to be Plymouth Brethren.

Four principal elements distinguish this theology and differentiate it from mainline Christianity:

- First, an intense focus on apocalyptic thought with an emphasis on the last days, coupled with personal salvation to ensure participation in the Rapture and the joys of heaven, as compared to the miseries of earth.
- Second, the necessity to be a separate people—apart and distinct from the "world." This manifested itself in personal habits known

** Cyrus Scofield was a leading figure in the premillennial dispensational version of fundamentalism. He was not a theologian by training but was the most financially successful member of the movement. Through Oxford Press, the Scofield Reference Edition of the King James Bible, printed on India paper and leather bound, was sold at a substantial premium to other Bibles. Considering that the Bible is, year after year, the bestselling book—some 25 million sold annually—and that evangelicals (or fundamentalists) are the most active of all groups of Bible readers (and purchasers), one can see that Scofield held a winning hand. It is not difficult to see why Oxford was interested in publishing this edition. It is a prime example of "target marketing." From 1917, when it was introduced, to 1921, it's been reported that Oxford paid commissions to Cyrus Scofield that averaged $150,000 annually (in 2015 valuation). He was a member of New York's Century Club, a private club for wealthy businessmen, merchants and professionals. The club is the oldest and most exclusive of its kind in New York. Its building on 43rd Street in midtown Manhattan was designed by the famous architectural firm of McKim, Mead and White and is a New York City landmark. One can say of Cyrus Scofield, "He came to do good and ended up doing very well."

as the "Big 5": no smoking, no alcoholic beverages, no dancing, no movies and no card playing. Divorce and women preachers were not allowed. Jewelry and a host of similar "worldly pleasures" were also out, as were personal or business relationships with people other than the "saved."

- Third, a robust anti-intellectualism that targeted science, history and mainstream theology—or really anything that would challenge an inerrant and verbally inspired Bible. The Scofield Bible was the first among very few to carry Bishop James Ussher's (1581–1656) date of Creation: 4004 BCE.[***] As a result, fundamentalists rejected the theory of evolution and other discoveries of modern science.
- Fourth, a severe bias against the Roman Catholic Church. Part of this grew out of the post-Reformation period, intensified by the politics of the Thirty Years' War, which was fought between Protestants and Catholics and engulfed much of Europe in the first half of the seventeenth century.

Fundamentalism was crystallized by the publication of *The Fundamentals*, published from 1910 to 1915, affirming among other doctrines the verbal inspiration of inerrant scriptures, the virgin birth of Christ, his sacrificial atonement, his physical resurrection and his second coming. The dispensational element was reinforced by the sect's Bible—the Scofield Reference Edition of the King James Bible, which in its footnotes spelled out the timing and the significance of the "last days."

This religious ideology had an enormous impact on me. From the earliest days, my family was "different." We didn't go to church,

[***] Bishop James Ussher (1581–1656) was an Anglican cleric from Northern Ireland who had written widely on church history matters. His writings had given him a standing on historical dates that led to wide acceptance of his belief that the world was created, just as it now exists, in seven 24-hour days in 4004 BCE. Because of his reputation, this became an acceptable date in many circles and has continued into modern times. The Scofield Bible, the book of choice for the fundamentalist sect, contains those dates. Combined with a simplistic view of the second coming of Christ called "premillennial dispensationalism," it became the accepted belief of my father's people.

we went to the gospel hall.**** We didn't have a radio—at age eight, I learned of the attack on Pearl Harbor at evening Sunday service from those in the congregation worldlier than us. We didn't celebrate Easter or Christmas, nor did we have any holiday decorations until my oldest sister, Thelma, insisted on that. We *never* went to movies—my first movie adventure would happen in college. We could not dance; we didn't go to the junior-senior prom. My lack of dance skills made life difficult as a freshman at Michigan, where mixer-dances were the best way to meet my 3,000 classmates.

These factors were not limiting to my childhood—we had a good and loving family. But as I matured, I became more questioning. However, given the anti-intellectualism of the sect's mentality, such questions were not easily raised, and if raised, they were airily dismissed with remarks like, "Someday all of this will become clear when Jesus comes!"

As a result, the essence of a thinking university did not come easily to my 17-year-old mind. I took a principles of mathematics class to satisfy my distribution requirements—taught by Professor George Piranian, a brilliant academic mathematician. Professor Piranian and I never understood each other. For example, he illustrated the theory of mathematics by saying 1+1=2, but it could equal something different if we assigned a different value to 1. In my mind, 1 *is* 1—then and always. My mind was simply not that adept, and I received the only D I got at Michigan—and academic probation.

Even my Greek studies, the main reason for going to Michigan, suffered. No one knew this better than my Greek professor, O. M. Pearl. He could sense my diminishing interest in the language, especially in the second year when we studied Koine Greek, the language of the New Testament. At the end of the semester, students would leave postcards behind, and the professor would mail the

**** I'm reminded here of Garrison Keillor's words in his book, *Lake Woebegone Days*. He was raised in the Brethren movement in Minnesota, and his descriptions are colorful, especially his desire to be like the Lutherans with their processions, choirs, robes and music.

grades of the final exam and the course. At the conclusion of my second semester, the card from Professor Pearl read the following:

Final exam	D - - -
Final grade	C - - -

Plusses and minuses were not calculated into the overall grade-point average. Knowing Professor Pearl over that two-year period, I believe what he was saying through that postcard and the additional "minuses" was kind—he knew where my head was: "I know you flunked your final exam but here's your C for the course. You didn't earn it, but there's no point in punishing the process of goal changing—good luck!" I will always be grateful for his understanding!

It became increasingly difficult to keep the changing view of my future from my father. Course after course found my interest further from seminary. But to where? That I did not know. The gap between the fundamentalist universe and the real world began to widen. As I studied geology and went on digs in the Michigan quarries to discover fossils from millions of years past, I kept thinking that the 6,000-year-old creation myth was exactly that: a myth. A myth that I intellectually rejected but that my father still believed in. And he was, to a small degree, making sacrifices for my education. I did have a scholarship that offset tuition, and I held a part-time job. But my parents were still out of pocket for a portion of my college expenses—and they did not have large pockets!

By the first semester of my junior year, the tide had shifted considerably. I now lived in a fraternity house (Psi Upsilon, one of the classiest of the "Greek" houses) as a member. I no longer attended the fundamentalist Church of the Open Door (my father's recommendation), but the First Presbyterian Church, which was to me a vast intellectual and spiritual improvement. I took Professor Russel Hussey's class in evolutionary geology—a well-attended and most informative lesson in that field.

Professor Hussey was in his final years at Michigan. He had a well-established national reputation as a scholar, an entertaining scholar and an entertaining scholar who loved athletes—and the pretty girls the athletes attracted. As a result, his main class was held in the Natural Science Auditorium, the largest classroom on campus. His well-established specialty was the *eohippus*—the horse. He had photographic images of various species of eohippus skeletons from past archeological digs around the world accumulated over many years from primitive times when they were the size of small dogs through their various permutations over time to work horses or, alternatively, race horses and those in-between. The Natural Science Auditorium was always filled for his classes. He was a magical combination of educator and entertainer—his "performances" were not to be missed. Nor were the "M" jackets and sorority pins! But the class was an educational accomplishment, illustrated by his photographic skeletal reconstructions and illuminated by his lectures. It was the most enjoyable and informative class in its field.

When I completed his course, I was at an intellectual and spiritual crossroads. Either Professor Hussey was the greatest con artist of all time and the University of Michigan was a co-conspirator in this criminal act or Professor Hussey had discovered and proven the role of evolution in animal life, which was shared by all forms of life, including human beings, and the standing of the University of Michigan—one of the world's best—gave validation to his findings.

I believed the latter. My response was to drop out of school midway through my junior year and regroup to finish at some later date—at Michigan. This would relieve any guilt I might have for taking money from my father under false pretenses, but more importantly, it would give me time and space to rethink my life and my goals. I knew the Korean War was being fought and was about to enter its fourth bloody year. My draft deferment would be ended, and I would soon be Private Sweetland. But I had no other choice—I would take the risk and hope for the best. I was now in the real world—and ready for it! The fundamentalism of my youth and all that implied was gone—forever! Now I was free to grow intellectually and spiritually without the constraints of the past. My mind was evolving, much against my father's wishes and my youthful beliefs. I no longer felt comfortable pretending I would go on to seminary, my original goal. I no longer felt comfortable in the world of fundamentalist religious thought. I no longer believed in my father's faith nor did I want to take any more financial support from his meager savings. After two and a half years of average academic work, I left Michigan—and was soon drafted.

The decision to leave that phase of my life ended my years in the alternate universe of my youth. By the time I returned to complete my Michigan education, that world had long passed. But the world of Ann Arbor and the University, a world of constantly evolving concepts, ideas and discoveries, continued. I came to love and admire that university because now I was a different student. And a far different adult—one who was happy in the imperfect world of reality. I saw what life could be if I allowed myself to grow, to change and to bring about "new creation." I saw what life was like in a world that demands I give back—and not just take.

Now in my 85th year, it has become much clearer to me how the educational experiences at Michigan changed my life. I consider my Army experience (basic training as a private in the armored corps at Fort Knox, the Corps of Engineers Officer School at Fort Belvoir and the three years on Guam as an officer with important responsibilities in rebuilding a World War II air base) an extension of my learning years in Ann Arbor. It also served well as a preface to my returning to Michigan to complete my undergraduate degree and earn a graduate degree. A career in business, rising to the top of both a major industrial corporation and a large international financial corporation and then on to success in private-equity ventures, took me further and further from the limited and narrow boundaries of my youth and away from the alternate universe in which I had been raised. The broader world of business, of political life, of active involvement with the University of Michigan, as well as other educational and social institutions, including the Episcopal Church has been an enriching journey. In the words of Saint Paul, all things have become new!

CHAPTER FIVE

U.S. Army (1953-57)

Leaving the University of Michigan in early 1953 was an invitation to be drafted into the U.S. Army for the Korean War. The war, which had begun the month I graduated from high school (June 1950), was still producing casualties at depressing numbers for both sides, and no end was in sight. I returned to Stanton and waited for my draft notice to arrive. Knowing it would come, but with its date uncertain, I decided to look for a job.

I was employed as a laborer by Ionia Manufacturing packing Nash Rambler seat cushions into shipping boxes. I was apparently the only worker on the line that could get all five pieces—front cushion, left front back, right front back, rear seat cushion and rear seat back—of the same color in the same box. I was named "lead" and given a raise of 25 cents an hour.

Edna Frisbey, a charming friend of my older sister, chanced upon me one evening and told me I was wasting my time at Ionia Manufacturing. Workers at Gibson Refrigerator in the neighboring town of Greenville had much better jobs at higher pay. She volunteered to take me with her to introduce me to the right people. Since she was most attractive and persuasive, I agreed!

Gibson was a longtime national manufacturer of quality refrigerators and freezers. In the previous two years, it had also negotiated contracts for aerospace, artillery and refrigeration products to be supplied to the armed services for the Korean conflict. I was introduced to the senior engineer of Gibson's aircraft division, which held contracts for subassemblies with Chance Vought on a Navy jet fighter and Fairchild on a transport plane. He was looking for someone who could "cost out" the changes that are made from time to time (in fact, often) in subsequent production units. He noted that I had two and a half years at the University of Michigan. Could I add, subtract, multiply and divide? I said I could do all four! I was hired with the lofty title of "Aircraft Change-Cost Analysis Engineer" and at a reasonable salary. It was a good job, and Edna picked me up and brought me home every day. Her help in getting me to a place where I had earned a job and a title worked wonders for me.

But that was not to last. In May, I received the infamous "Greetings," and two weeks later I was sworn into the U.S. Army and packed off to Fort Knox, Kentucky, for basic training in armor.

* * *

I was impressed by the efficiency of military training. While few systems are perfect, the military has developed a training process that can be carried out by less-than-perfect teachers to less-than-willing students with results above the ordinary. My basic training was augmented by my tryout and acceptance to the post swimming team. Fort Knox would be the host for the 1953 Third Annual Army Swimming Championship. The commanding general wanted to win this event and called for volunteers. I applied, tried out and made the team. Every day at noon, my basic training ended. The general's jeep picked me up at my training venue and took me to the post swimming pool. There we would have lunch and spend the afternoon in training sessions. At the end of the day, the jeep would return me to my barracks. All "extra" duties, such as KP, guard duty and others were suspended for team

The symbol of the Corps of Engineers is a fort in castle form. It symbolizes the role of the Corps of Engineers in protecting New York Harbor during the Revolutionary War and honors the relationship between the Corps and the engineering profession. The castle is a rendition of a building at the U.S. Military Academy in West Point, New York.

members. The best part, however, was winning the Army championship for the general and a gold medal for me in the medley relay.

Soon after this special event, I received notice that I had been accepted to the Corps of Engineers Officer School at Fort Belvoir, the smallest and most academically demanding of the U.S. Army officer schools. (The others were the infantry school at Fort Benning, Georgia, and the artillery/armor school at Fort Sill, Oklahoma.)

The Engineers Officer Candidate School (TEOCS) was an extraordinary learning exercise. The results achieved in six months of class and field experiences were exceptional. I rarely learned as much, or as fully and quickly, in any other part of my life. I graduated in May 1954 near the top of my class and at 20 years old was commissioned a second lieutenant in the U. S. Army Corps of Engineers.

The guidance of some senior officers could be most rewarding. Captain Robinson, my first postgraduate commanding officer in the

48th Engineer (Topographic) Battalion at Fort Sheridan, Illinois, had served in the U.S. Army in World War II and was recalled during the Korean conflict in 1951. He was well-versed in duties and responsibilities and suggested that as a young officer, I would learn more from a high-level court martial that was being held at post headquarters than I would learn as a platoon leader. He was right—the trial was very unusual and most educational!

Major Harry Fleming, a former U.S. Army prisoner of war in Korea, was on trial for collaborating with the enemy—the first of such trials since the Civil War. Fleming had been assigned as an advisor to a Korean Infantry regiment. In late 1950, his troops had been captured as a result of General MacArthur's ill-advised dash through North Korea to the Yalu River earlier that year, a maneuver that brought the Chinese army into the war. The American and Korean troops were overwhelmed, captured and either slaughtered by the Chinese army or imprisoned by the North Koreans. The war was extended another two and a half years.

As the senior-ranking prisoner, Fleming was duty-bound to look after his fellow POWs. They needed food, water and medical attention—all in short supply from their North Korean captors. He tried hard under demanding circumstances, doing all he could to feed and bring medical aid to his men—his fellow captives. For reasons unknown, a complaint was brought against him after their release claiming he had given the enemy information in exchange for food and medical supplies—information that was unlawful to share under the military code.

The trial at Fort Sheridan was difficult to watch. All of the members of the trial court were senior to the then lieutenant colonel Fleming, but few had experienced combat—and none against the Chinese army. They returned a guilty verdict—a verdict I found hard to accept. The trial impressed upon me the importance of being an officer and the responsibilities the position carried. I was happy to learn some years later that Fleming's guilty verdict was overturned by Judge Homer Ferguson of Michigan in the

U.S. Court of Military Affairs (USCMA). But I haven't forgotten that trial, nor what I considered to be the absence of humility and understanding by the members of the jury who had never experienced the conflicting pressures Colonel Fleming had lived through nor the responsibility an officer has for his men—even after they'd become prisoners.

My next assignment was far different and much more interesting. It involved the major task of rebuilding an airfield on Guam in the Marianas Islands. The base, now the U.S. Air Force Strategic Air Command's major Pacific air base, was built in 1944 by the Seabees (the Navy's construction battalions) in a matter of weeks and served as the principal base for the newly arrived B-29 Superfortress bomber in late 1944. From North Field (as it was known then—now Andersen Air Force Base), B-29s took off by the hundreds to bomb Japan, culminating in the atomic bombing of Hiroshima and Nagasaki in August 1945 that ended World War II. Guam and the Marianas Islands were of great strategic importance in the final days of the Pacific phase of World War II, and they continue to play an important strategic role in our Pacific strategy today.

My assignment was to a SCARWAF unit—Special Category Army Reassigned with Air Force. But we called it Squirrels, Cats and Rats without a Future! At the start of the Korean War in 1950, the Air Force wanted its own engineer force to build forward airfields. A compromise was struck, giving the Air Force control over certain U.S. Army Corps of Engineers units—battalions that specialized in forward airfield construction and maintenance. Ultimately, there were 20 or so such battalions organized as an engineer brigade under the command of the Air Force. After the Korean War ended in 1953, the brigade was reduced to 10 battalions, two of which were sent to Guam, the 809th and the 822nd.

When I (along with three or four of my OCS classmates) arrived in Tokyo in December 1954, we were given a choice of Korea, Okinawa or Guam as the next location for a period of 18 months. After talking with Barbara (we had been married upon my graduation from

1955. Corps of Engineers. 822 Engineering Aviation Battalion. John's first duty as the transportation platoon leader.

officer's school in June 1954), Guam was selected as the most likely place we could be together. I arrived on Guam on December 7, 1954—Pearl Harbor Day—and Barbara arrived in May 1955.

My initial assignment was to the 822nd EAB (Engineer Aviation Battalion), Company C. We had limited, "make-work" assignments. I was transportation platoon leader: 28 trucks, all dead-lined because the gauges (fuel, temp, electrical, pressure, etc.) had been stolen while the trucks were "under guard" awaiting shipment from Korea to Guam. Company C's assignment included Northwest Field—a twin-runway B-29 base to the north of North Field. It was deactivated after World War II, but the runways and taxiways were kept clear for emergency landings. Ten years after the war, it was in surprisingly good shape!

In the fall of 1955, Captain Stuart MacArthur arrived to command Company C. That same year, orders from Brigade deactivated the 809th Engineer Battalion, changed the 822nd to the 809th and reassigned the old 809th duty assignment to the new 809th. Our Company moved to the existing 809th facilities—barracks, mess hall, maintenance facilities and construction projects. Captain Mac remained commanding officer and I was executive officer, and Company C had the lead role in the reconstruction of the North runway! The heavy bombers seldom used that runway—it was slightly shorter and had a troublesome dip at the takeoff end (also the initial landing area). This made for interesting landings for heavy planes, dropping them into an upturned "in your face" landing. On the other hand, the fighter pilots loved it! A more difficult task of making the North runway fully operational for heavier aircraft was a massive coral outcropping rising some 15 to 20 feet on the north side of the runway. That formation posed a major risk for landings should they, for whatever reason, go out of control. The removal of this massive formation was complicated by the combination of extremely dense and hard coral rock surrounded by soft coral. Blasting to loosen the rock and break up the dense formations was not always effective because the soft rock absorbed much of the blast, leaving the hard rock in place. It was a difficult quandary to solve in the time we were given and with the equipment we had. The North runway became limited to lighter aircraft—fighter jets and weather and renaissance aircraft.

During World War II, the rapid destruction of Japanese factories and workers' housing under General Curtis LeMay's use of incendiary bombing in place of precision facilities destruction made limited use of the North runway a reasonable option. Later revisions of Anderson Air Force Base would correct this fault, but its limited use during the 1950s had no major military effect.

As time went by, I became fascinated with Guam's history and its role in World War II, especially toward the end of the Pacific War and the surrender of Japan. The fighting in the Pacific sector from early 1942 until mid-1944 had not been focused on the Japanese homeland but on Japanese forces throughout the South Pacific. The only exception was a much publicized but rather harmless raid by General Doolittle's B-25 bombers in 1942. As a result, Japanese industry had produced war materiel without difficulty except for the limited displacement of supplies and materiel from territories that were freed from Japanese control by Allied troops.

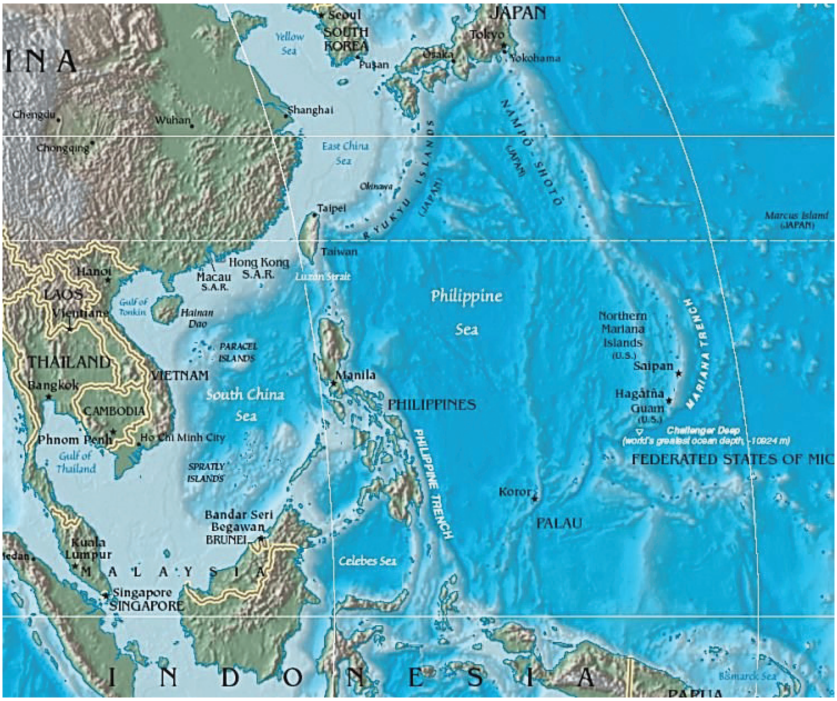
But in 1944 the focus changed dramatically. Japanese control over territories outside the homeland had been eliminated or sharply diminished. Now the Japanese Islands, the homeland, were to come under attack. The American public, as well as the military, was more than ready.

The only choice given the Japanese government was *unconditional surrender*. The Marianas were the key to the last battle for the soul of Japan and ultimate victory. They lie approximately 1,500 miles south of Japan, 1,000 miles east of the Philippines and about 1,000 miles north of New Guinea. In a word, all by themselves! (See attached map.) The war in the Philippines was winding down but with Japan's troops still very much in the battle. U.S. troop buildup was growing, and talk of an invasion of Japan was beginning.

War plans began to take a definitive course in June 1944. At a conference in Cairo in late 1943, President Roosevelt, Prime Minister Churchill and Chiang Kai-shek each gave their consent to a mission that would advance the fight against Japan's homeland. Admiral Chester W. Nimitz was named senior military commander. Boeing was working to put its B-29 Superfortress into full production. It met all of the criteria set out for the task. It could fly at over 32,000 feet, carry 200 bombs or the equivalent in its hold and had a flight time of five hours and thirty minutes or 3,700 miles—more than adequate for the 3,000-mile round trip from Guam to Tokyo.

On July 21, 1944, Guam was invaded by U.S. Marines with Navy and Army support. It was a quick victory. The U.S. Navy Seabees arrived almost simultaneously, and even during combat, construction started on North Field and Northwest Field, two runways in Taipan and one at Saipan.

The first raid on Japan from these newly constructed airfields on Guam was on November 29, 1944, only four months after the invasion. And it wasn't a token performance—111 B-29s led by General Emmett O'Donnell took off.



Among the senior command, there was a recognition that a more aggressive effort was needed to bring the war to an end. The B-29 (an awesome weapon) had just been introduced, capable of making the round trip from Guam to Japan without refueling and able to carry a massive weapons load. The plane needed equally talented mission management. General Curtis LeMay, an aggressive warrior, took command of the 20th Air Force in January 1945 and introduced a stepped-up bombing of Japan. Concluding that accurate precision bombing of individual facilities was made nearly impossible by the trade winds over Japan that distorted accurate targeting, he switched strategy and weapons to the recently developed "napalm bomb" that produced instant firestorms. Japan's major cities consisted largely of factories surrounded by workers' homes, and most of the industrial capacity of Japan was within the 10 largest cities. This combination of target and weaponry could produce intense firestorms and destroy industrial production and workers' homes at the same time.

The terror began on March 9th when Tokyo was attacked by 346 B-29s dropping 1,665 tons of incendiary explosives. Destroying factories, homes, businesses and shops and leveling over 16 acres; the bombs killed 84,000 people and injured 41,000. For the first time, the people of Japan could *feel* the war. Two nights later on March 11th, the citizens of Nagoya would have the same experience, as 310 B-29s dropped destruction on their city with similar results. On March 13th the destruction continued—Osaka, then Kobe on the 16th and Nagoya again on the 18th. Japan's back was broken. The war would be lost in just a matter of time.

The atomic bombings of Hiroshima and Nagasaki in August 1945 brought about Japan's unconditional surrender—Japan's citizens had finally felt the effect of the war they began with the attack on Pearl Harbor in 1941. Their major cities had been destroyed and thousands of their prime young men killed in battle—the amount of damage to Japan's urban areas was greater than all German cities destroyed by both the British and American air forces. The citizens of Japan had paid a terrible price for their role in World War II.

It's hard today to recall the United States' underlying hatred of the people and government of Japan. Europe was one thing—World War I was not that distant and Germany had been the main foe to them then as now. But Japan was a "new enemy," one with *very* bad press. The sneak attack on Pearl Harbor stuck in the craw of most Americans. The photos of sinking battleships on fire in Pearl Harbor and the wounded sailors and soldiers were ever present wartime reminders of the attack by the "treacherous Japanese."

One of the most popular WWII songs was "Let's Remember Pearl Harbor":

Let's REMEMBER PEARL HARBOR
As we go to meet the foe.
Let's REMEMBER PEARL HARBOR
As we did the Alamo.
We will always remember how they died for Liberty.

1957, Bachelor Officers Dinner at Sweetland home on Anderson Air Force Base, Guam.

Let's REMEMBER PEARL HARBOR
And go on to victory.

Captain Colin Kelly, the first American Air Force pilot to lose his life by being shot down during the Pearl Harbor attack, was also celebrated in song.

The war's end seemed to require the exclamation points of Hiroshima and Nagasaki in August. If so, they were delivered—and World War II was over. T. S. Eliot's poem, "The Hollow Men," is a fitting symbol of Japan's attempt at world domination. It did not end for them with a bang. The bang was owned by the U.S. and its allies. The whimper was reserved—and its tagline read, "Made in Japan."

* * *

Our family left Guam and returned to the States in May 1957. I was to report to the U.S. Army Military Intelligence Center at Fort

Mistah Kurtz—he dead.
A penny for the Old Guy

I
We are the hollow men
We are the stuffed men
Leaning together
Headpiece filled with straw. Alas!
Our dried voices, when
We whisper together
Are quiet and meaningless
As wind in dry grass
or rats' feet over broken glass
In our dry cellar

Shape without form, shade without colour,
Paralysed force, gesture without motion;

Those who have crossed
With direct eyes, to death's other kingdom
Remember us—if at all—not as lost
Violent souls, but only
As the hollow men
The stuffed men.

II
Eyes I dare not meet in dreams
In death's dream kingdom
These do not appear:
There, the eyes are
Sunlight on a broken column
There, is a tree swinging
And voices are
In the wind's singing
More distant and more solemn
Than a fading star.

Let me be no nearer
In death's dream kingdom
Let me also wear
Such deliberate disguises
Rat's coat, crowskin, crossed staves
In a field
Behaving as the wind behaves
No nearer—

Not that final meeting
In the twilight kingdom

III
This is the dead land
This is cactus land
Here the stone images
Are raised, here they receive
The supplication of a dead man's hand
Under the twinkle of a fading star.

Is it like this
In death's other kingdom
Waking alone
At the hour when we are
Trembling with tenderness
Lips that would kiss
Form prayers to broken stone.

IV
The eyes are not here
There are no eyes here
In this valley of dying stars
In this hollow valley
This broken jaw of our lost kingdoms

In this last of meeting places
We grope together
And avoid speech
Gathered on this beach of this tumid river

Sightless, unless
The eyes reappear
As the perpetual star
Multifoliate rose
Of death's twilight kingdom
The hope only
Of empty men.

V
Here we go round the prickly pear
Prickly pear prickly pear
Here we go round the prickly pear
At five o'clock in the morning.

Between the idea
And the reality
Between the motion
And the act
Falls the Shadow
    For Thine is the Kingdom

Between the conception
And the creation
Between the emotion
And the response
Falls the Shadow
    Life is very long

Between the desire
And the spasm
Between the potency
And the existence
Between the essence
And the descent
Falls the Shadow
    For Thine is the Kingdom

For Thine is
Life is
For Thine is the

This is the way the world ends
This is the way the world ends
This is the way the world ends
Not with a bang but with a whimper.

THE HOLLOW MEN
T. S. ELIOT

Holabird in Baltimore, Maryland, for a very secretive and special project. A small group of select military officers were assigned to the CIA to be trained to interpret highly classified aerial photography of Russia that might contain military or other suspicious sites for the president of the United States—an "Open Skies" program. This had been the subject of extensive secret negotiations between President Dwight Eisenhower and Premier Nikita Khrushchev.

Unfortunately, the Soviet's downing of pilot Gary Powers in his up-until-then secret "U2," an experimental plane believed to fly higher than any other aircraft and above the range of any ground fire, ended the Open Skies discussions. It also ended my planned assignment. In any event, I would not have been involved long term. As soon as I arrived at Fort Holabird, I requested release from my position as an active-duty reserve officer so I could return to college. However, in retrospect, working with the CIA could have been an interesting assignment.

While on Guam, I had taken my first steps at returning to Michigan to complete my education. In my first two and a half years at the University, I had not decided on an undergraduate major. Indeed, my inability to choose was a reason for dropping out. But I had not given much thought in the interim to what major I might select if, and when, I returned to school. Providentially, a notice on the 809th battalion bulletin board reported that the Territorial College of Guam would be offering a class in introductory economics at Andersen Air Force Base. The Ohio State University would be the academic sponsor, and the Territorial College of Guam faculty would teach the classes. With little to lose, I signed up! Our class of 12 or so was taught by a young naval officer, a graduate of Amherst College. An excellent teacher, I found the class and my classmates most interesting. A second semester was offered, and I signed up for that as well.

Eureka! I found an academic subject I *really* liked! I determined that when I returned to the University of Michigan, I would major in economics—a decision I have never regretted. The credits were accepted by Michigan, and my Michigan transcript lists the credits from the "Territorial College of Guam."

Looking back on my two and a half years on Guam, it was a period of significant growth and movement on my part, as well as an exciting, adventurous learning experience. It was my first chance at being the leader, and there is little question it had a major bearing on my subsequent life in the business world. Responsibilities on Guam repeated themselves over the coming years. It was the best assignment and the best experience one could have hoped for in the military.

My final summer as an officer in the U.S. Army Corps of Engineers passed uneventfully, awaiting my return to the University of Michigan and the completion of my education in September. My four-plus years in the military were over. I had grown up! I now had the confidence, the maturity and the desire to complete my education and get on with life. I was ready! *Essayons!*

CHAPTER SIX

Michigan II (1957-59)

My return to the University of Michigan in the fall of 1957 was filled with surprises, changes and unexpected events. But before classes would begin, my first priority was to find a *job*. While the G.I. Bill would help, it would not be enough to keep a family—soon to be four—alive and well. Barbara could not work, as she would soon have two children to care for—Peter was born October 1957 at University Hospital in Ann Arbor. It was up to me!

I had been promised many attractive job possibilities when I returned to Ann Arbor. However, the collapse of the U.S. auto industry at the end of 1956 and into 1957 was devastating to Michigan business. Auto production was concentrated in Michigan during that era, so the impact of an almost 25-percent drop in industry sales was felt in every corner of the state in *all* businesses. The many opportunities I had been led to believe would be available simply disappeared.

On the Saturday morning before classes were to begin, I was returning from two more unsuccessful job interviews when I noticed some construction equipment—asphalt-paving machinery—on Stadium Boulevard. Ann Arbor Construction Company was the contracting company. I returned to our motel, called the company and asked to speak to the president. Barry Ratliff answered.

I said, "I'm John Sweetland, an ex–first lieutenant in the Army Corp of Engineers. I've come back to Michigan to complete my education after rebuilding an air base on Guam, and I need a job." His response was, "Come down here—I want to take a look at you!"

On Monday, I was hired by Ann Arbor Construction to sell ready-mix concrete and building materials to contractors in the Ann Arbor area. It was a great job with good pay and flexible hours. But most importantly, and in ways I could never have dreamed, it fit my academic program to a "T" and led to my master's degree thesis, my postgraduate employment—indeed my career! It was the most profitable phone call I could have ever made!

Having settled how I would pay for my entry back into academia, I began the process of returning to the University. I received an exceptional reception from those who were there to help me—thorough and friendly. During my first two and a half years, I had not been an outstanding student, perhaps even a bit below average because of the conflicts noted earlier. But all seemed pleased to have me back and eager to make my re-entry as soon as possible.

No one was more gracious and helpful than my advisor, Harvey Brazer, a full professor of economics. He understood where I was academically and emotionally—his intuitive senses were good and helpful beyond my expectations. Later in his career, it was no surprise when President Kennedy personally asked him to come to Washington to write and guide passage of his federal tax legislation, including the innovative and productive investment-tax program.

Professor Brazer listened to my goal of majoring in economics and entering the business world, as well as to my past and present situations. He then suggested we get together in a day or two. Upon my return, he laid out a proposed program, encompassing the economic classes he recommended. They included Advanced Macro and Micro, Labor, Money and Credit, and Statistics. He also strongly recommended courses from the business school that were also economic credits: Accounting and Business Law. Among his "must take" recommendations were Professor Shorey Peterson's classes in both Competition and Monopoly and Corporations and Finance. Because of my business interest, this two-course sequence would greatly aid my understanding of that world. It was wise counsel and in retrospect perfectly fit the needs of my career.

Despite the need to work a minimum 25 hours per week and be a husband and father to two children, classwork went well. At the end of the two-semester sequence, I was only short an accounting class that I completed in summer school. My undergraduate education was complete. I had earned my B.A. degree in economics at Michigan.

Late in the semester, I decided to continue at Michigan for my graduate degree,* but I had not applied for graduate-school admission. The Horace Rackham School of Graduate Studies is the graduate school for the social and natural sciences and humanities—a completely separate school from the undergraduate College of Literature, Science and the Arts. I shared with Shorey Peterson my desire to study for my master's degree, as well as my concern that my four-year GPA would not be high enough to qualify for admission. His response was, "Let's go talk with Gardner."

Gardner Ackley was chair of the Economics Department. Highly regarded nationally, he would later serve as chairman of the President's Council of Economic Advisers during the Lyndon B. Johnson administration. Shorey's introduction of me and the reason for our meeting was classic: "Gardner, if you were to look at Mr. Sweetland's overall academic record at Michigan, you would not be impressed. But since returning from his military services, he has been my student in two classes this year. I am confident he can do graduate work." Gardner said, "Fine." With that, I was in graduate school—no application, no interview, no waiting for a decision.

* I noted that graduates with an M.B.A. degree were being offered higher salaries than the B.B.A. graduates. I thought maybe a M.A. in economics might receive a similar edge. That turned out to be true!

My thesis grew out of my work at Ann Arbor Construction and my fascination with the steel industry's pricing system covered in Shorey's Competition and Monopoly class. This system, known as "Pittsburgh Plus," priced all delivered steel in the U.S. at the Pittsburgh U.S. Steel plant price (originally Carnegie Steel) plus freight from Pittsburgh to the actual destination. It was clearly uncompetitive—proven to keep prices and aggressive competitors in line. The Justice Department twice brought an antitrust action against the steel industry, charging that the pricing system was an illegal restraint of trade. Twice the Supreme Court ruled in favor of the steel industry. But in 1948, the Supreme Court ruled in favor of the Federal Trade Commission's lawsuit against the cement industry, charging that its use of a basing-point system—very similar to that of the steel industry's—was an illegal restraint of trade. It is interesting to note that U.S. Steel's Universal Atlas Cement subsidiary was the largest producer of cement in the U.S. at that time.

The steel industry's basing-point pricing system was covered by Professor Peterson in Competition and Monopoly during the fall semester. The spring of 1958 saw price increases, of the same amount and on the same day, by Ann Arbor Construction's cement suppliers. I was intrigued but said nothing. We raised our ready-mixed-concrete and cement prices in response to those cement price increases.

When thinking further about a subject for my master's thesis, I discussed with Professor Peterson what I had discovered: the similarity between what the Supreme Court had upheld to be illegal in 1948 and what seemed to be the same practice some 10 years later. He asked how I would approach the analysis of this issue. What would be the emphasis of my thesis? I responded by proposing personal interviews with the executives of the cement companies to ascertain what corporate thinking led to the simultaneous price increases. He then asked how I would get those executives to respond. My answer was that the president of Ann Arbor Construction, Barry Ratliff, a Michigan Engineering School graduate, was willing to be helpful in making that request if necessary. Professor Peterson thought this was an excellent basis for a thesis.

My letter requesting a meeting to discuss my thesis was met with positive responses from Peerless and Huron Cement, the two largest suppliers to the Michigan market as well as to Ann Arbor Construction. The third largest supplier, Dundee Cement, declined. Dundee was owned by Holderbank, a large international manufacturer headquartered in Zurich, Switzerland. Their newly constructed cement plant south of Ann Arbor represented Holderbank's first plant in the U.S., although they had been established in Canada for many years.

To ensure responses from at least three companies, I contacted the chairman of Medusa Cement, headquartered in Cleveland, with a production plant in Ohio near the Michigan border. Medusa was a somewhat smaller supplier to Ann Arbor Construction Company. The chairman, Ellery Sedgwick Jr., responded to my letter by inviting me to lunch with him and Medusa's president, Robert Fort, in Cleveland. Arrangements would be made for a tour of the plant at a later date. We maintained a friendship for many years after our lunch!

In all, extensive interviews were completed with one chairman (Medusa), two presidents (Peerless and Medusa) and the sales vice presidents of three companies (Peerless, Huron and Medusa). The presidents and chairman were aware of the Cement Institute case; the sales vice presidents barely so. The sales VPs were somewhat evasive on the details of the timing of the price increases. Their reluctance to talk more freely was very similar among all three, but no evidence of direct collusion came from these interviews. There was, however, a consistently stated belief that in an industry like cement, no lasting competitive advantage could be gained through price competition. Competition in other ways—service, technical assistance and relationships—was highlighted and acknowledged to be important. Price competition, among all the respondents, was seen as destructive with no lasting benefits.

In retrospect and after spending 10 years in the cement industry, many of which were in top executive positions in one of the largest U.S. producers, I believe that the information gathered from my thesis interviews was accurate. The industry during the post–World War II period was operating at near capacity and slowly adding new production capacity. Construction activity, especially housing, was at high levels and cement consumption was growing. Under President Eisenhower's guidance, the Federal Highway Administration's program to create the new interstate system was adopted in 1956 and was in the early stages of substantially increasing national cement demand. Prices were rising at a rate that negated any significant and outright price collusion. This had not necessarily been true in the past, and patterns of similar behavior (or conscious parallelism) on the part of competitive companies was the norm but not necessarily due to collusive behavior.

While the thesis was the high point of my graduate program, another lasting impact was made by Professor Kenneth Boulding in his class on general systems. He was in the early stages of developing what would become a major contribution to academic knowledge—all disciplines have at their core a general system. The thinking behind general systems is (although somewhat oversimplified) if you understand biological growth, you can understand more fully economic growth. Kenneth's last decades were devoted to this concept.

He was perceptive beyond measure with a prolific vocabulary. The State of Michigan was going through very tough economic times, leading to payless paydays in late 1958 and early 1959 for all state employees. (University of Michigan employees were exempt because of the University's unique status under the state constitution.) Governor G. Mennen Williams, often referred to as "Soapy" because of his family's long-established business (soaps and toiletries), was unfairly blamed. Boulding's comment on the situation was, "Soapy has exhausted his repertoire." The range of Boulding's thinking and vocabulary was almost beyond belief. In later years, he would be my neighbor on Bedford Road in Ann Arbor.

An episode toward the end of my undergraduate years illustrates the quality and heart of the economics faculty at Michigan. The course was Money and Credit, and the professor was Warren Smith. The first semester of a two-semester course had gone well, but approaching the final exam for the second semester, things did not look so good! I had written two miserable midterms and was facing a C at *best* for the final grade. I met with Professor Smith to explain my regrets for not doing better and stressing my concern that my performance could damage my hoped-for acceptance into graduate school. He listened to my story and responded, "You certainly have a sad tale, Mr. Sweetland! I'll tell you what I will do. I'll give you whatever grade you receive on your final exam. But I won't give you an A." I wrote an A- final paper and received a B, thanked Professor Smith for his kindness and went on to graduate school. Warren Smith's response was typical of my experience with the faculty of the Department of Economics—skilled, fair and understanding.

Shorey Peterson, to me, embodied the ideal professor: professional but understanding, eager to teach those who had an appetite for learning and willing to spend the time with "seekers" and somewhat impatient with "coasters." He had an interesting combination of simplicity and complexity. He was superbly organized.

Shorey was the star of my undergraduate studies, and in graduate school, he was the guiding hand during my research even down to the writing component. The A that I received on my thesis was cherished. When I left Ann Arbor in the summer of 1959, I not only had my master's degree but also the confidence that I was ready to take on the business world. Beyond that, I took with me a lifelong relationship with Shorey Peterson.

In the summer of 1959, I joined the Peerless Division of American Cement Corporation in Detroit. The preceding two years had been packed with learning and excitement. They were vastly different from my earlier two and a half years at Michigan. But, then again, *I* was different! Different in many ways and open to the adventure of learning.

Between the Corps of Engineers and the University of Michigan, I now had the will and the academic credentials to tackle almost anything. It was a great feeling! I left Ann Arbor prepared for what might come. Again—*Essayons!*

CHAPTER SEVEN-A

A Primer on Cement

As a Corps of Engineer officer and later as an employee of Ann Arbor Construction and Peerless Cement, I learned much about a major element of construction: cement. It is not a simple product; it's not just dug out of the ground nor is it mined. Cement is manufactured, and that process requires sophisticated and expensive capital equipment as well as trained technical personnel.

Cement is manufactured from minerals containing the required chemical compounds. Calcium carbonate, most commonly found in limestone, is the largest ingredient. Shale, clay or alumina provide the other materials, and this is all ground together in large mills containing hundreds of steel balls referred to as "raw mills." These mills are powered by electric motors running into the thousands of horsepower. The raw materials are ground to a fine powder—one so fine that it will pass through a very fine sieve.

This powder, or slurry in the case of wet process, is then calcined (burned) in a kiln. Kilns have varied in size and concept over the years. In earlier times, they were generally vertical. Throughout most of the twentieth century, they were horizontal—huge cylinders, often 8 to 17 feet in diameter and up to 500 feet long. The powder or slurry is fed into the cooler end of the kiln where the temperature might be 600°–800° F. It then traverses the kiln to the "burning" or "calcining" zone, where temperatures rise to 2,800° F.* The chemical nature of the raw feed is changed, and the product that exits the kiln is called clinker—a hard rock-like substance ranging in size from a pea to an orange, which can be handled after it cools.

Clinker is then ground with gypsum in finish mills—similar in size and horsepower to the raw mills—into a fine powder, or finished cement. The mills are equipped with recirculating systems with separation devices to ensure the cement is ground to its specified level. The finished cement is stored in silos and sold in bulk or packaged in sacks.

There are a variety of commonly used cements. Among them are the following:

- Type I: Used generally.
- Type II: A moderate-sulfate-resistant cement important when concrete is cast against soil that has moderate sulfate levels.
- Type III: More finely ground with a higher silica ratio. Used when faster setting and higher strengths are required. Widely used in prestressed concrete products, such as beams and support structures.
- Masonry cement / Mortar: Used in concrete-block and brick construction—a blend of Portland cement (discussed below) and lime, or ground limestone.
- Other types: There are many "special" cements for specific purposes.

Cement consumption in the United States is currently about 100 million tons per year. Annual value at the initial sales level (manufacturer to concrete producer) is about $100 billion annually. Imports represent above 10 percent of annual consumption.

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* This is also the "magic" temperature that changes iron ore to iron and silica sand to glass.

Prior to the Industrial Revolution, cement was limited to small deposits of natural rock that, when ground, would harden with water. This rare natural cement was used by the Romans in their bridges and aqueducts, some of which are standing almost 2,000 years later. The last natural cement company in the U.S. was in upstate New York and went out of business in the 1950s. In the 1800s, Joseph Aspdin, a brick layer in England, developed—in his kitchen—a process of mixing finely ground limestone and clay and burning the mixture into a powder, creating hydraulic cement, one that hardens with the addition of water. When added to aggregates, it becomes concrete. He was a pioneer in the development of cement and received a patent in 1824.

Aspdin's product was superior to the natural cements found in some quarries. He named it Portland Cement because the color of the finished product reminded him of the color of the natural rock formations of his home, the Isle of Portland off the British coast. Cement companies included the name Portland in their titles and in their advertising to let it be known that *their* product was manufactured and of higher and more consistent quality than natural cements. Portland cement became the mainstay of the cement industry, preferred because of its performance and consistency.

Every generation seeks to improve the quality and manufacturing process of cement. It is not a static industry. Technology has played an important role in reducing pollution, increasing fuel productivity and improving the quality of the product. As a result, it is more widely used each decade.

A modern cement-manufacturing facility in the United States constructed today would produce at least one million tons annually, contain highly technical heat-saving calcining equipment and use computer-controlled production techniques and other innovations. Its cost? Approximately $150 million.

Cement usage in the U.S. in 2003 (the most recent year in government statistics) was 112,400,000 metric tons. The usage breakdown is as follows:

		Total metric tons
Ready-mix concrete	74.2%	79,884,000
Concrete products	13.8%	14,864,000
Contractors	6.4%	6,866,000
Dealers	3.3%	3,650,000
Oil-well cement	1.4%	1,456,000
Government	0.9%	980,000
	100%	107,700,000

In addition, 4.7 million tons of masonry cement was also sold, bringing the total of all cement to 112,400,000 metric tons. Total value: $150 billion.

CHAPTER SEVEN

American Cement Corporation

The Early Years

On January 1, 1959, three regional U.S. cement producers came together to form American Cement Corporation—a merger that, conceptually, had a sound basis. The corporation's increased size and geographic scope would likely improve access to capital markets for common-stock liquidity and shareholder value as well as operational and expansion borrowings. It would also increase the attraction for top managerial talent. All three companies were profitable with excellent balance sheets, headed by competent but aging chief executives, who were backed with proven heirs apparent. It was a unique combination. *Rock Products* magazine, the industry's leading publication, said it succinctly in the title of a lead article: "American Cement's Merger: Will it Change the Course of the Industry?"

* * *

It all began in sunny Southern California. The post–World War II building boom hit the area with a wave of new housing, offices, factories and highways—every kind of construction! World War II had popularized Los Angeles and made it known to millions of Americans trapped in the cold northern climates. Riverside Cement Company was one of the two original producers of cement in the area; its Crestmore plant had begun operations in 1903. But now it was cash poor, saddled with an aging high-cost plant that had operated at capacity throughout the two world wars. Expansion, although desirable, was out of the question. The reason? The first claim on all earnings and cash was to the company's dominant shareholder, the Henshaw Investment Company. Henshaw had enabled Riverside to survive the Depression years of the 1930s by purchasing a substantial issue of cumulative-preferred stock with dividends that had first claim on earnings. Dividend arrearages had accumulated during the '30s and had been held in abeyance during the war years to finance the wartime effort. But now current dividends were being paid, and repayments of the well-past-due arrearages were almost complete. The repayment of arrearages, as well as current dividends, was determined by the Henshaw-controlled board of directors. The Henshaws lived off those dividends and had the first claim on earnings and cash. These claims sharply diminished available funds for capital improvements, including expansion of the company's production capacity or other areas of growth.

In light of these restrictions on growth, Garner Beckett, president of Riverside Cement, took a most interesting path. In 1948, he recruited a top graduate—a "Baker Scholar"—from the Harvard Graduate School of Business. This graduating class, made up of many World War II veterans, has long been regarded as one of the school's very best, and John Kinard became Beckett's hope for the future. Appointed as president when Beckett was named chairman, Kinard attracted another Harvard Business School graduate, David Honey, as vice president of manufacturing. Kinard completed his senior management team in 1957 with a third HBS graduate, Lawrence Ramer, as vice president of marketing. The new management of Riverside, chosen and heavily motivated by Kinard, sketched out a vision of the future, an ambitious program that include the following:

- A new cement plant in Arizona, the timing of which would depend on the successful award of an upcoming bid by the U.S. government for cement requirements of the to-be-constructed Glen Canyon Dam. This would enable Riverside to compete fully with its principal competitor, California Portland Cement Company, which (similar to Riverside) had two plants in California but a third plant in Arizona.
- A white-cement plant, the first of its kind in the West, probably at Crestmore.
- An enlargement and modernization of its Oro Grande plant.
- The ultimate replacement of the original (1903) Crestmore plant based on the likely continuation of the existing mine for raw material.
- A new cement plant in Hawaii.
- Acquisitions of ready-mix-concrete and aggregate operations in Southern California.

The fully executed, estimated cost of this program was never disclosed or even perhaps calculated. While some parts of the program were implemented, the total program would have required capital spending in the range of $100-$150 million over the following 10 years. If the issue of the preferred-dividend arrearages could be resolved, Riverside could accomplish a portion of this "wish list." But to accomplish the entirety, another route would be required—most likely a merger with another company (or companies) to broaden and increase the equity base and expand debt capacity to enable the financing of these ambitious projects.

Given the disparity between the dreams of expansion and the reality of shareholder (i.e., Henshaw) demands, the outlines of a Riverside plan evolved into building a company that would provide a stronger equity capital base that could also enable added borrowings. Candidates that fit a certain "mold" would enable continued management control by Riverside within the Henshaw concept:

- Size: preferably smaller than Riverside.
- Recently modernized plants—i.e., cash-flow providers, not "needers."

- Geographic location: Midwest, East or South.
- Balance sheet: little or no debt with solid equity.

With this plan in mind, Garner Beckett, respected within the industry, took on the task. Through renewing old industry relationships and developing new ones, he happened upon a workable combination: by mid-1958, Riverside would merge with two longtime publicly traded cement companies, one in the East and the other in the Midwest—both competitive in their markets. More importantly, both had strong balance sheets, had limited debt and had recently completed expansions and modernizations of their production capacity. By the fall of 1958, word leaked out that Riverside, Hercules and Peerless were talking merger.

The story was true, but the reality that hit on January 1, 1959, was quite different from the future planned by Riverside management. It would not be in control of the newly formed company, and John Kinard would not be CEO. Don McBride, the "old man" at Hercules, was named president and CEO. The title of chairman, a powerless office, would be held by Garnet Beckett. The remaining "old man," Walter Russell, head of Peerless, would retire. Jim Giles and Robert Morrison, then the current VPs of Hercules and Peerless respectively, would move up to the presidencies of both companies. Kinard would continue as president of Riverside.

American Cement Corporation honored the successful Riverside bid on the Arizona dam project—an agreement that had been reached prior to the merger. Decisions on a white-cement plant and a new plant in Hawaii were delayed. And soon a pattern began to emerge: ideas that Riverside brought into the merger were often carried out, but in most cases, Riverside's management was not involved. The management of Riverside, while pleased with the adoption of its plans, was disappointed not to have managerial control over the new corporation and its decisions.

The concept of Phoenix Cement Company and the Hawaiian cement operation were both created by Riverside. The bid for the cement supply for the Glen Canyon Dam and the engineering for both the Arizona and Hawaii plants were created by Riverside. However, Riverside was not involved in the management of either operation. The Glen Canyon bid was granted to American Cement and its new operating division, the Phoenix Cement Company. The senior management of Phoenix was headed by Ray Adams, president, and Frank Steadman, vice president of sales. Both came from senior management positions at Peerless. Hawaiian Cement was established as a joint venture between American Cement and the Cyprus Mines Corporation. Again, no Riverside managers were involved beyond the plant design. This venture was undertaken even though Kaiser Cement had pre-empted Hawaiian Cement's plan to be the only producer in Hawaii by divesting equipment planned for another stateside location to Hawaii. The two plants would share a market that could be easily supplied by a single plant, diminishing, if not eliminating, future profitability.

These two major projects cost some $25–$30 million and enlarged the scope of the new American Cement Corporation. Both had been initiated and developed by Riverside but were to be operated by management from the other corporate partners. This was an early but highly telling signal of the damage that the "triumvirate virus" would wreak on the new corporation.

It is well-known that a triumvirate—a three-party combination—is the least stable form of government. Rocket scientist J. L. Langland aptly described it as "essentially the daily governing body of the Abyss." This insight is an excellent starting place when analyzing the sources that gave life to the vision of American Cement and those incorporated in the essence of its operations. It was also a major factor in its demise in just over a decade. From the outset, the corporate symbol of American Cement should have been the triumvirate, which, true to its very name, created the probability that the vote on any given issue would be two-to-one. It may be made public as three-to-zero but underlying the reported outcome is likely a two-to-one split before public polish.

American Cement, from its inception, was a classic triumvirate. Whatever similarities existed between the three companies, major differences also existed. The corporate history and soul of Hercules and Peerless were at heart eastern and similar. Riverside was geographically and historically vastly different. First and foremost was the innate conservatism of the eastern United States as opposed to the more "adventurous" atmosphere west of the Rockies. All three companies had experienced financial difficulties and had emerged with one strong shareholder. In the case of Riverside, it was the family-owned Henshaw Investment Company of San Francisco. With Peerless, it was Ferdinand Menefee, an engineering professor at the University of Michigan and a savvy investor who installed his protégé student, Walter Russell, as president of Peerless after he had achieved effective control from bankruptcy. At Hercules, it was the Wolf family of the prestigious Philadelphia law firm Wolf, Block, Schorr and Solis-Cohen that achieved dominating influence, if not control of the company.

These factions were represented on the board of directors at American Cement. However, Riverside's directors were never able to effect control. Although Garner Beckett, the longtime head of Riverside's management, was elected chairman of the board, the role was designed as and functioned as a powerless corporate player. Power was centered in the president and CEO—always a non-Riverside man. "Control" was exercised by the triumvirate virus.

* * *

American Cement encountered difficulties from its inception. A major shock came only a few months after the merger with the untimely and sudden death of Don MacBride, the former head of Hercules who had been elected president and CEO of American Cement. Walter Russell was called away from retirement and elected president and CEO with the understanding that he wished only to serve for little more than one year—he would expect a new president and CEO to be elected by the May 1960 annual meeting. Walter would work out of his Detroit office with visits to corporate headquarters in Philadelphia. The search for a new president was limited to the three operating company presidents: John Kinard (Riverside), Bob Morrison (Peerless) and Jim Giles (Hercules).

A national, industry-wide marketing/operational issue arose in the first year of American's formation. The Department of Justice filed a complaint against the acquisition of a major ready-mix-concrete company by its cement-company supplier, alleging an illegal acquisition in restraint of trade (called a Sector 7 case). Shortly after, the Federal Trade Commission, the Department of Justice's equal in antitrust matters, ruled in favor of a similar transaction. Since American Cement was now a national corporation operating from coast to coast, what position should guide its actions on such possible "vertical" transactions? In other words, should American Cement's companies acquire their largest customers—mainly ready-mix-concrete companies that purchased some 70 percent of cement production nationally? The question had many facets: corporate strategy, marketing implications, financial and legal challenges.

A committee was formed to recommend to the president and board of directors a corporate policy on such vertical-integration matters. The committee, made up of a member from each operating company and the corporate staff, would be chaired by a senior corporate officer and would meet at corporate headquarters in Philadelphia in October 1959.

I had joined Peerless that June upon completion of my economics graduate degree from the University of Michigan. I was the no. 2 man in a two-man market and economic research office. Since Peerless was somewhat puzzled as to what to do with me, this corporate committee seemed to be a solution—I would be the Peerless representative! The other members were all graduates of Harvard Business School: Larry Ramer (Riverside), Don Rogers (Phoenix), Mike Park (Hercules) and Dan Strickler (corporate staff). The committee was chaired by Lyle Hensen, a senior vice president of American Cement and previously the chief engineer of Peerless. He was a most able and fair senior officer—an excellent choice for such a talented group. He encouraged our efforts to think deeply about our mission and to weigh a broad range of consequences. Henson was also blessed with a lively sense of humor!

During our corporate deliberations over vertical integration, our committee discussed at some length the acquisition of ready-mix companies by cement producers. I had mixed emotions about this because I had experience with ready-mix concrete from working at Ann Arbor Construction Company. Between that job and my current time with a cement-manufacturing company, I sensed the vast gap between capital-intensive manufacturing operations and much different but shorter-run-decision businesses, like concrete. My industrial organization and economics education were right on target for this subject.

While I enjoyed the time the group spent together, our spirited discussions over the issues at hand and other matters *du jour*, the best part was becoming friends with everyone—especially Mike Park and Larry Ramer. In later years, Barbara and I had a great time with Mike and his wife, Kay, in Mexico following a corporate meeting in Puerto Vallarta in 1963, and Mike was to come to my aid years later on corporate matters in Los Angeles.

But my fondest memories of Philadelphia were the many evenings Larry and I spent together. Dan Strickler and Mike lived in the Philadelphia area and went home for dinner. Don Rogers was Mormon and went back to his hotel room each evening. Larry and I wandered the streets of downtown Philadelphia seeking a decent restaurant other than Bookbinder's! Often, we would end up at a small bar just off Rittenhouse Square, where the only music played was Frank Sinatra and Eydie Gormé. We talked for hours!

We became very well acquainted with each other—vastly different but strangely alike! He was Jewish and from New Jersey, while I was a Protestant and a Midwesterner. His father was a pharmacist with his own store in Hackensack, New Jersey. Mine was a Baptist minister in the small town of Stanton, Michigan. Larry was Lafayette and Harvard Business School—I was a Michigan undergrad and graduate. He had served in the Army—two years as an enlisted man. I served four years as an officer. We were both married, but I was ahead on number of children! We would attack problems from different perspectives but amazingly arrive at compatible conclusions. Our evaluations of others were remarkably alike, and neither of us suffered fools gladly!

After the intellectual stimulation of serving on the Vertical Integration Committee, I wondered how I would fare going back to Peerless full time. But that was not to be. Jim Giles, who had since been named president of American Cement, asked if I would join him as "assistant to the president," and I accepted before I realized what a hardship it would be on my family. Barbara was about to have our third child, and taking that job meant *two* moves in *two* years—the first to Philadelphia where American Cement was headquartered and a year later to Los Angeles where the permanent headquarters would be. But Barbara, as always, was up for the game. Our son Tim was born in Royal Oak, Michigan, on June 21, 1960, and we moved to Springfield, Pennsylvania, over Labor Day weekend. The next summer we moved to Whittier, California.

The chance of becoming assistant to the president in one's first year of employment in a major U.S. corporation is most unusual. Being Jim Giles' assistant was an exciting, interesting and intellectually challenging assignment—he was extremely bright and intelligent. War clouds were already forming when he graduated from Texas A&M in June 1941, placing him immediately on active duty as a second lieutenant in the U.S. Army. In 1943, he was assigned to General Dwight Eisenhower's staff for the planning of the Normandy Invasion. This would be the largest and most complex military operation *ever* undertaken and was a smashing success! The planning required multinational branches of the Armed Forces—Army, Air Force, Navy—and a myriad of activities, both military and civilian, including transport, supply, medical and information—all of which proved the necessity and validity of *planning*. The overwhelming success of that invasion and the importance of planning stuck in Jim Giles' mind, and he planted it in mine. The phrase "Chance favors the prepared mind" may have originated with Louis Pasteur, but I learned it from Jim. It has been proven over and over that it's one of the inviolate rules of life!

Working for Jim Giles, with his rich educational background and breadth of experience, was the opportunity of a lifetime. Theodore Levitt, in his classic *Marketing Myopia*, used a unique phrase, "the visceral feel of entrepreneurial greatness," to describe the internal feelings of success in the world of business. And there was a very similar feel to my selection and early experience as Jim Giles' assistant. One day in New York was especially memorable. Still new to his role as president of American Cement, Jim was to meet Dick Paget for lunch, and he wanted me to join them. Dick was president of Cresap, McCormick and Paget, at that time, probably the leading management consulting firm in the U.S. These firms came into prominence during World War II for their creative strategies in improving the output and productivity of American industry, and their reputation carried over into the postwar conversion with their subsequent expansion into the international arena. The firm and Dick Paget were elevated to almost "hero status" in the postwar era.

The lunch was at a club in Midtown on the top floor of a highrise office building overlooking Manhattan and the East River. The participants were as eye opening as the setting. I had a difficult time realizing that *I* was there with people who were extremely talented and had accomplished great things in the world of international business. As the conversations became more and more interesting, I could not stop thinking, *How did I get here?* It was a world I never dreamed existed: the crème de la crème of American executive talent in this magical, mystic setting of a private "top of the city" club—and I was part of it! I have never forgotten that day nor the visceral feeling of being there. I was part of it all. Life is not made up of continuous mystical moments—they are rare! So, as such, they deserve to be honored and treasured for what they are.

While nominally I was assistant to the president, additional duties kept being added to what "assistant to" really meant. After a year in Philadelphia, we were to move to Los Angeles into the new American Cement building on Wilshire Boulevard just west of downtown Los Angeles. One day, Jim Giles mentioned to me that when we arrived in Los Angeles, he would add corporate secretary to my duties. That role, as one wag put it, is "responsible for feeding the board of directors information as well as their lunch." The corporate secretary is often an attorney, responsible for coordinating all legal activities. Although I wasn't a lawyer, this became my responsibility upon my arrival in Los Angeles. I became well acquainted and good friends with many of the attorneys at O'Melveny & Myers, Los Angeles' leading law firm and our excellent corporate counsel.

In early 1962, President Kennedy announced that the State Department's Aid for International Development funds, which, up until then had only been used by governmental agencies, would be made available to U.S. industries to encourage investigation of foreign investment opportunities. These funds would offset the exploration cost of such investments, and upon application, USAID funds would be granted. I drafted American Cement's application to investigate opportunities for new cement plants in Pakistan, Brazil and Greece—all applicable countries under USAID rules. Our application was accepted, and I hired Ted Haner, an economist, to lead the research team that would visit each country and analyze the potential investment opportunities presented.

Following our research team's visits to the three countries and its analysis of market demand, raw material and utility sources, as well as other factors, Greece was chosen. Pakistan was considered too risky because its recent separation from India was not entirely peaceful—the risks to human lives as well as capital were high. Brazil had attracted European cement manufacturers that would vigorously resist new entries, especially those backed by the United States. Greece was under the threat of Soviet expansion—Bulgaria to the north was already a pawn of the USSR. The United States government was most eager to see American investments in Greece strengthen the U.S.'s tenuous hold on that nation's loyalties.

Titan Cement, a Greek producer with one single kiln plant near Athens, expressed an active interest in joining American Cement's plan to build a new plant near the port city of Patras in western Greece. That part of relatively underdeveloped Greece appeared to be an attractive area for potential growth and a growing market for cement. The port of Patras would also provide access for export to other areas of demand. Under my supervision, a joint-venture agreement was negotiated and approved by the board of directors of both companies. Engineering was completed by American Cement's personnel with assistance from Titan's group, and financing was negotiated by me and American's vice president of finance. Construction went smoothly, and the plant was dedicated in 1968.

I was not in Patras for its dedication because Jim had assigned me to become the new president of Peerless Cement in June 1964, just five years after I had joined Peerless from graduate school. This meant a return to Michigan now with four children—David was

Glen Canyon Dam. John with his three sons, John, Peter and Tim.

born in December 1963 at Presbyterian Intercommunity Hospital in Whittier, California. We were headed back to Ann Arbor, where we would live for five years during my time as president of Peerless and my leave of absence in 1968 to serve as deputy mayor of Detroit following the destructive riots of 1967.

CHAPTER EIGHT

Peerless Cement

In the late summer of 1964, we moved to Michigan and bought a house in Ann Arbor while I prepared to take on my new role as president of Peerless Cement by early 1965. Becoming the head of an operating company of substantial size and history at age 31 was a dream come true. Except it *wasn't* a dream; it was a hard reality—Peerless was not doing well. Its longtime president, Bob Morrison, had left, and an aging trio of vice presidents headed by the former VP of operations was managing the company. Peerless was also experiencing sharply declining sales with earnings falling 75 percent in the previous two years.

My first months as president were spent studying the organization and preparing to take responsibility for operations by getting to know the key people, assessing the sales and production capabilities and determining future capital needs. Those first months were a most valuable period for my understanding of the problems and opportunities I would be assuming, as well as the abilities of the players.

It didn't take me long to realize the need to restore a competitive spirit within Peerless. Its major competitor was Huron Cement, the leading producer in the Great Lakes area. It had a large plant in Alpena (in Michigan's northern lower peninsula) and waterborne distribution that stretched east to Buffalo and west to Chicago. Huron and Peerless were the dominant factors in southern Michigan, the largest part of the Michigan market, with probably a 60-percent share between them. Three or four other producers were also competitors, but Huron was the biggest and best equipped. Peerless had three operating plants, but all were old (two dating back to the 1920s) with small wet kilns and no room for expansion.

The original Peerless Cement Company had been founded in Michigan in the late 1800s. Its source of raw materials included marl, a form of limestone, found in the "muck" in some of Michigan's inland lakes. The marl was excavated by a dragline crane and allowed to dry, then calcined with clay, shale or other materials. The original plant had vertical kilns.

In the 1920s, Peerless was acquired by a group that financed a new plant on the Detroit River near the huge Ford Motor Company River Rouge plant—one of the largest industrial plants in the world at the time. While principally an automobile manufacturing and assembly plant, it was Henry Ford's dream of a self-contained manufacturing empire with its own steel plant, gas plant and wood-finishing plant—and even its own cement plant.

The proposed "new" Peerless plant would source its limestone requirement from quarries in the northern part of Michigan's lower peninsula. Other materials, principally clay, contained the silica and other chemical requirements for Portland Cement. The Jefferson plant was designed to be state of the art with three rotary kilns, an electrical generator plant that used the exhaust kiln gasses for fuel and an efficient unloading system to handle the shiploads of limestone and coal for the kiln operation. For its era, it was a pioneer plant and efficient by the standards of that time.

Also in the 1920s, an unrelated organization constructed a cement plant on railroad property at Port Huron, Michigan, about 60 miles northeast of Detroit. Located at the entrance of the Detroit River (the south end of Lake Huron), the plant was also able to receive waterborne limestone and coal. This company had the exotic name of Egyptian Portland Cement Company and in the late 1920s, it merged with Peerless in an attempt to stave off the coming market crash.

The Great Depression of 1929 hit both Detroit and Michigan hard. Despite the merger, both Peerless and Egyptian went bankrupt. But from the ashes of bankruptcy, a young professor of engineering mechanics at the University of Michigan, Ferdinand Menefee, put together an investment group that would control Peerless when it emerged from bankruptcy. He installed one of his most promising students and graduates, Walter Russell, as president.

Together, Menefee and Russell created a viable new Peerless. The company was managed with competent technical employees, and a relatively new and rare compensation program was introduced that became the foundational base of its employee loyalty and morale: the Adjusted Compensation Program.

Each year, under the Adjusted Compensation Program, a portion of the operating earnings were set aside for employees—*all* employees! A system of distribution was designed for each group (salaried and hourly), and funds were dispensed under this system based solely on the individual's salary or total annual wages. There was no discretion for performance—good *or* bad! An employee's compensation from the president to the lowest-paid hourly employee was "adjusted" by this annual bounty.

In time, these amounts became a significant percentage of the annual compensation. The year I first joined Peerless, 1959, was not one of the best—earnings had declined substantially from a year or so earlier. But my adjusted compensation for the first six months I was an employee, having joined in June, was about 25 percent of my salary. That was a welcomed bonus! And *every* employee of Peerless received such a treat!

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Taken together, the history of Peerless, the adjusted-compensation impact on salaried and hourly personnel policy and the conservative nature of its past and present made Peerless a different and perhaps difficult organization to change. But with earnings on the decline, something had to give. I knew this would be a tall order. And, in any event, change would only come if brought about in understandable ways over time. It would be unlikely to bring about "instant conversion"!

For my effectiveness as president over time, the best course of action would be to go carefully—wait for the aging group of vice presidents to retire, which would likely take a year. That interval proved invaluable because I was able to develop more fully an understanding of the culture of Peerless as well as learn the individual talents of those who made up its salaried core. One by one, the three aging managers retired, first the VP of operations, then the VP of sales and finally the VP of finance. For each retirement, I hosted a celebratory dinner that included the key executive employees. An appropriate (and valued) farewell gift was given to each retiring officer with our best wishes. All three entered retirement in an honorable manner with accolades from their former employees. For my part, it was only right to respect their service and thank them for their efforts. The Peerless organization seemed pleased that it was carried out this way. It strengthened the organization's morale and raised employees' spirits.

An early, and perhaps the most important, task in my tenure as president was the choice of a new senior sales executive to replace the retiring longtime vice president. I looked to this person to change the nature and the intensity of the sales effort. My choice of the new VP of sales was a surprise because the leading and more experienced individual sales managers were not selected. Instead, I chose a person who was on the fringe of sales—part sales, part technical cement/concrete engineer. Why? I considered him the most intelligent and dedicated executive on our staff.

Jack Irmscher was an engineering graduate from Purdue University. He served as an officer in the U.S. naval construction battalions, the Seabees, responsible for many seemingly impossible feats during World War II, including airfield construction and other major engineering efforts. Jack was a superb engineer and knew concrete and its capabilities better than anyone else in Peerless. His appointment as vice president of sales was coupled with the promotion of the two leading and proven salesmen as regional sales managers. A third top salesman was selected to head masonry-cement sales, and Jack Irmscher's understudy was appointed technical-service engineer.

With Jack's help, the sales department was changed from a line-sales organizational structure to one that was separated into four groups. There were two general sales groups—one headed by Herb Hohl and the other by Bernie Ramsey. Both men were experienced, successful sales managers. Masonry-cement sales was headed by Jack Powell with two salesmen and a technical advisor. The third group—the concrete products area—was to be Jim Tellan's responsibility. His experience in working with Jack Irmscher on the intricate process of structural prestressed concrete and various other special concrete products was invaluable. From a flat general sales organization, Peerless's sales efforts were now aimed at general sales, headed by two experienced pros, as well as two specialty sales groups—for masonry cement and high-early-strength cement, both premium products for profitability.

Why so profitable? Masonry cement is used for mortar in brick and concrete-block construction, and Michigan was a strong state for brick usage in residential, commercial and industrial construction. Masonry cement is a premium profit product in that it sells for the same dollar amount per pound as conventional (Type I) cement. But masonry cement is two-thirds Type I cement and one-third interground limestone. It is produced via the finish mill process—two-thirds cement clinker and one-third limestone. Therefore, the profit, per ton of masonry cement, is substantially greater by roughly 33 percent.

High-early-strength cement (Type III) is priced at a premium over Type I cement. It is more finely ground with a somewhat higher silica ratio in the clinker formula. However, Peerless's source of raw material for clinker production included reasonably high silica ratios, making for an excellent high-early-strength product. These two highly profitable products, properly marketed, added greatly to Peerless's profitability.

* * *

It was not an easy task, but moving into 1965, I felt we had an organization in place and a new spirit within Peerless that would enable us to take on the competition without fear or failure. What I didn't know was that Huron Cement vigorously resisted my appointment. I was only 31 years old and probably suspect because of my youth; the competitor's senior executives were in their late fifties or early sixties. I also did not know how resistance to my appointment would evidence itself—at least not until I experienced my first "afternoon with Charlie."

Charlie Adams was the president of Huron Cement. He called me one day and said he would like to meet with me at the Detroit Club—that old bastion of corporate Detroit. In a scene right out of the *New Yorker*, we met in plush leather chairs around a small table, and Charlie proceeded in his words to "educate me on the cement industry in Michigan." He urged me not to be rash, as he suspected I might be because of my age. I assured Charlie that I had the best intentions to restore Peerless to what it had been, a major competitor in Michigan, and that I hoped he would understand that. I also assured him that Peerless would act in a positive way toward the industry. That seemed to satisfy him. However, over the next few months, he would call me up periodically and suggest that we meet at the Detroit Club for another one of his afternoon sermons.

The most competitive part of the Michigan cement-consuming industry was the paving sector. It represented a large portion of the demand in southeastern Michigan and throughout the Midwest. Peerless had recently ignored that important market segment despite having had a major position prior to the late ’50s. A key to Peerless’s participation then was the Denton Company. In 1958, Bob Morrison—then president of Peerless—decided that he would not keep our largest paving customer, Denton, competitive when price competition came into the market for the first time in the postwar era. The Denton Company chose to go elsewhere. From having almost 100 percent of their business, we were down to essentially zero.

Jack Irmscher and I made a major effort to court Lee Denton, the son of the president. Lee was a flexible, very intelligent man about my age, and we got on well. He wanted to do business with Peerless, and we were eager to do business with him. A key issue came up with a sizeable multilane highway project in Zone 1, about 10 miles from our Port Huron plant—the lowest freight-transport zone from the plant. We worked every angle to hold the cement price while giving Denton other incentives to do business with us on that project. We felt we had accomplished our goal.

Despite that, Huron Cement cut the price at the last minute, and Denton gave them the business. Shortly after that, Charlie Adams called for another afternoon session at the Detroit Club. He again reiterated his desire to see Peerless not engage in adverse pricing practices for the industry, especially in light of a major multistate highway contract letting that was coming up in a week or so. I assured him we would always act in Peerless’s best interest, keeping in mind the interest of the industry as a whole.

Then I turned to him and said, “Charlie, we’ve had several sessions here at the Detroit Club. You’ve tried to impress upon me the importance of maintaining market stability. But Charlie, you came into our Zone 1 in Port Huron and cut the price on a project on which we had been working diligently. I have come to the conclusion, Charlie, that you are a *lying son of a bitch*. This is the last time I will come over to the Detroit Club or anyplace else to talk with you.”

He was shocked at my response, but he pushed it off. Then he said, “What is Peerless going to do at the upcoming highway letting?”

I replied, “Charlie, that is none of your damn business. But I can assure you that we will act in Peerless’s best interest, and you can accept whatever we do as evidence of my interest in protecting Peerless.” With that, I gave Jack Irmscher instructions to go to the letting in Lansing the next week and take whatever business he wanted that was consistent with our production capabilities. And he did. I never heard from Charlie Adams again.

* * *

A second key goal during my time as president was to prepare for an increase in production capacity through the new plant that would replace the three aging facilities. This required a study of broadening the present Peerless market area to include parts of Ohio, Indiana and other possible adjacent markets.

Two of the three operating plants were old—Jefferson Avenue (Detroit) and Port Huron dated back to the 1920s. All three were located on water and received their limestone requirements from U.S. Steel’s massive quarry in the northern part of Michigan’s lower peninsula. It was one of the purest limestone deposits in the United States and perhaps the world. The supplementing minerals were obtained from clay deposits located near the producing plant.

The kilns were wet process, requiring more fuel per ton of production than dry processing, but they produced high-quality clinker by industry standards. Jefferson Avenue, the oldest plant, had its own power generation built into the calcining process, using kiln exhaust heat to power the generator. An arrangement with Detroit Edison accepted any power we could not use as a credit against purchased power. The newest plant, built in 1956, was on Brennan Avenue in Detroit close to the Jefferson plant. Despite the age of the plants, they had been well-maintained over the years by a staff of skilled and well-educated engineers, all graduates of chemical engineering from leading schools. And although the product produced was first-rate by industry standards, the cost per ton was in the upper range of industry standards. In short: good quality but high cost.

The Great Lakes Operating Plan was developed internally. The marketing study included an analysis of our present market with geographic extensions into northern Ohio and Indiana with rail and water distribution to storage facilities in the highly populated cities of Cleveland, Columbus and Indianapolis and to the existing distribution facilities in Grand Rapids, Michigan, and Fort Wayne, Indiana. This market-research effort was directed by Robert Fritz of the Tuolumne Group in California and staffed by the younger members of our sales force. The engineering study and recommendations were led by Elbert Kaiser and included input from Peerless, American and outside engineers. Elbert was manager of the Port Huron plant and a chemical-engineering graduate from the University of Michigan. His father had served in times past as Peerless's VP of operations.

The Great Lakes Operating Plan was presented to and approved by the board of directors of American Cement with the full support of Jim Giles. Detailed engineering contracts were negotiated and financing was completed through an industrial revenue bond, sponsored by the City of Detroit.* Herein lies an interesting story. The United Auto Workers was headed by Walter Reuther—one of the most able labor leaders in the nation. A man of high intelligence with a fierce sense of the power of unions made him not only the leader of the largest union in the state but also a powerful force within the Democratic party at state and federal levels. The UAW had come out against industrial revenue bonds because they had been widely used by southern states to lure Michigan companies (especially auto-parts suppliers) to southern

* Financing the Great Lakes Operating Plan through industrial revenue bonds was my idea. Tax-exempt IRBs can only be issued by a tax-exempt public agency—a city, county, state or other authority that has federal tax-free status. The interest paid to bond holdings is exempt from federal income taxes (and most state taxes as well). Because of this tax-exempt feature, the interest rates on tax-exempt IRBs are lower, benefitting the company behind the offering. The issuing authority (in this case, the City of Detroit) bears no credit risk in the event of default nor any liability. The bonds are priced solely on the credit standing of the benefitting entity—in this case, American Cement Corporation.

locations, enabling the companies to achieve more modern facilities at a lower cost of financing along with lower wages for southern, non-union workers.

To negate any potential resistance, I called Walter Reuther and asked for a meeting with him. To my surprise, he invited me to Solidarity House, headquarters of the UAW on East Jefferson Boulevard in Detroit. There, with his chief economist, I told the story of Peerless—how it wanted to invest in the city and had purchased a major piece of property on the Rouge River for the location of an expanded, modern production facility. The city's help in providing financing (risk-free to the city) through industrial revenue bonds might well encourage other industries and other projects that would go a long way toward diversifying Detroit from the automobile industry. Walter listened intently but withheld any comment other than, "Peerless has done its homework." The issue took on a political flavor courtesy of the *Detroit Free Press*. (The *Detroit News*, the other major newspaper, ignored the subject.)

I was not in a position to advocate the issue before the common council, the governing body of the city, because of my appointment as deputy mayor of Detroit, which had begun in April of 1968. Although my status as deputy mayor was known by all, the *Detroit Free Press* attempted to make an issue of it, but to no avail. The UAW chief economist stood before the council and noted that the UAW had been against the use of industrial revenue bonds because they had been used to entice companies to leave Michigan. But in the case of Peerless Cement, the UAW completely supported the decision to issue City of Detroit industrial revenue bonds because (a) they were not an obligation of the city and (b) they would keep Peerless, its employees and its source of cement in the City of Detroit. With that unexpected endorsement, the critics were silenced and the issue was adopted. The City of Detroit authorized $25 million of industrial revenue bonds, which were then underwritten and sold by Goldman Sachs.

A month or so after the issue had passed the common council and before the bonds were sold, the U.S. Congress adopted a limit of $10 million for industrial revenue bonds unless 100 percent of the proceeds were to be used for control of air pollution, water and other environmental risks. A call to Senator Philip Hart brought assurance that the issue would be dealt with—I should not worry. He was right—it was!

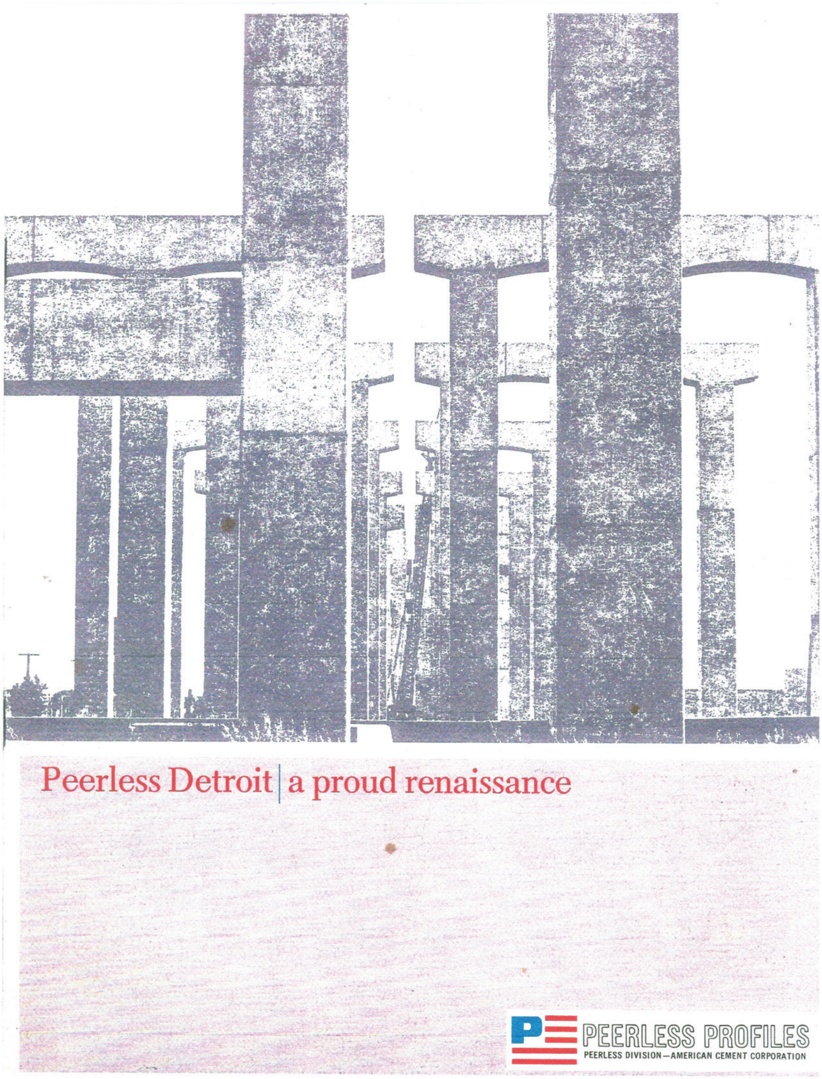
* * *

After my service as deputy mayor, I did not return to Peerless other than to announce that Jack Irmscher, who had served so ably as vice president of sales and had been the senior manager during my absence, would be succeeding me as head of Peerless. I had been asked by Jim Giles—and then elected by the board of directors at its November meeting—to serve as executive vice president and chief operating officer of American Cement. It had been a great five-year run.

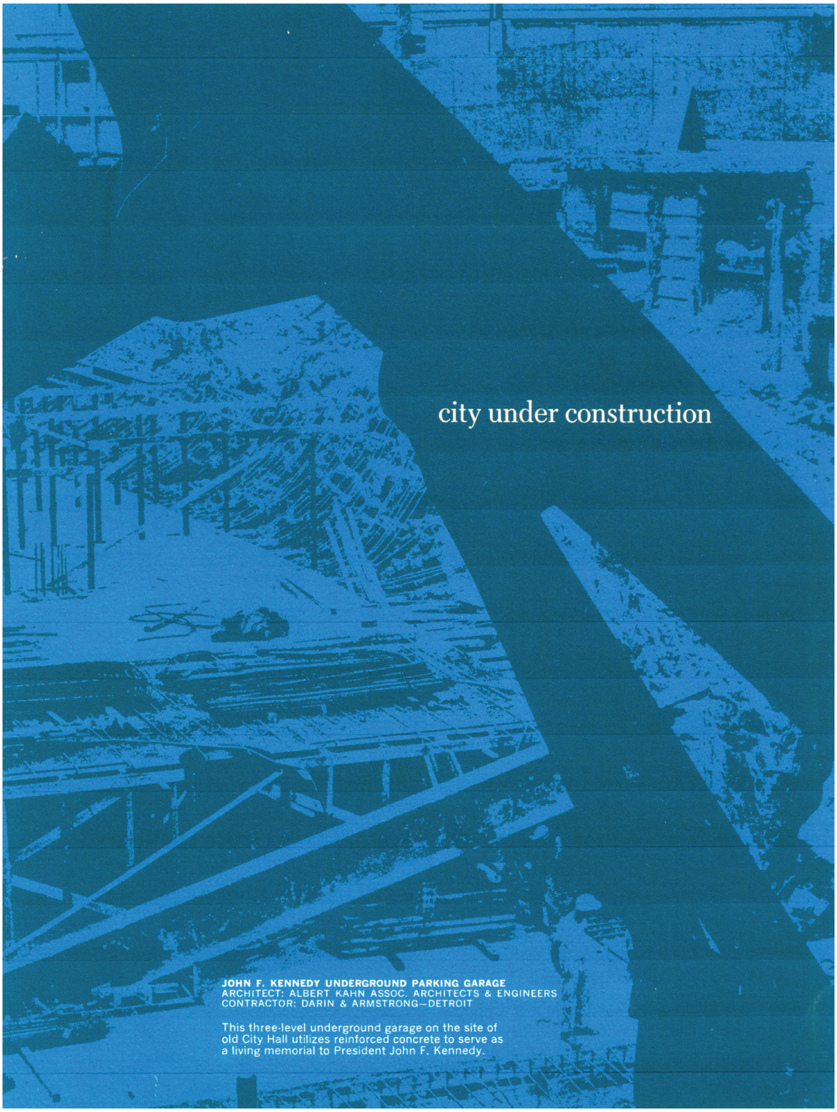
Looking back at the results of what the management team put together at Peerless during those five years was rewarding:

- Sales rose from 600,000 tons annually to just over one million tons—from $8 million to $14 million.
- Profits rose from $1 million to $5 million.
- Plans were developed, approved and financed to build a "new Peerless" over five years with a large modern plant (to replace the three existing plants) and expanded distribution facilities.
- The organization was energized and prepared for the next phase—a larger plant capacity in wider markets.

Peerless was a wonderful experience for me—and for its people, as so many of them told me before I left.



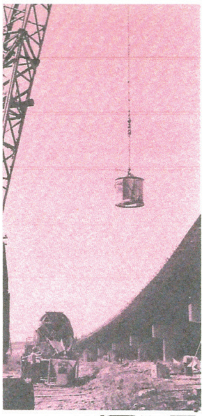
Peerless brochure.



Peerless brochure.

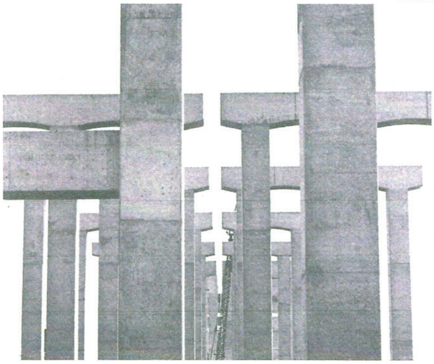
Plans, patience, people, products . . . those are elements that contribute to a proud renaissance . . . the rebirth of a great city.

Detroit was among the first of the ten largest American cities to write a Master Plan. It wasn't done overnight. It required years of patient effort on the part of experts and devoted citizens. It had to take time . . . because the plan sought to guide the development of land use, provide for education and recreation, and map out traffic routes to serve a remade city. It had to deal with slum clearance, public housing, and civic and cultural centers.



practical men . . . and prophets

The planners had to be practical men, and they had to be prophets, too. They were projecting their ideas twenty-five years into the future . . . making up a design for living for an expanded population of unknown numbers.



CONCRETE ABUTMENTS AND PIERS FOR ROUGE RIVER BRIDGE—DETROIT
Bridge is part of extension of I-75 through Detroit (Fisher Freeway).
CONTRACTOR: JUTTON-KELLY COMPANY—DEARBORN (PIERS AND ABUTMENTS ONLY).
125 piers—88,000 bbls. Peerless Type I-A Cement

Eight-lane bridge, when completed, will be 1.8 miles long, with individual spans of 300 feet. Rises 100 feet above the Rouge River. Total estimated cost over $21,000,000.
Longest, highest, and most costly bridge let by the Michigan State Highway Department.

In 1950 the Master Plan was completed, published, and approved. It turned out to be more than a plan for the physical rejuvenation of the city. It turned out to be a plan that would enrich the lives of all the citizens . . . add to their comfort, convenience, contentment, and safety. It turned out to be a plan that could make every Detroiter proud of his citizenship.

patience . . .

Now the element of patience had to come into the picture. It doesn't take long to lay a concrete strip for a freeway, but it does take time to acquire land, demolish buildings, and do all the other things

Peerless brochure.

that must precede the placing of concrete. Detroiters could see the signs of progress, and so they were patient. When the cement trucks and concrete mixers moved in, they knew they wouldn't have to wait much longer . . . and they gladly accepted each new section of freeway as it was opened up for use.

As the new Civic Center developed, the same attitude prevailed. When the Woodward waterfront was cleared for improvement, that was evidence of progress . . . and the people felt they could be patient. Day by day . . . even as they watched . . . dreams were translated into realities. As each new and handsome building was completed and dedicated to the service of the public, patience blossomed into pride . . . a warm and encompassing civic pride.

a crisis develops

In the case of the first inner city residential development, the story was not the same. Patience was strained to the breaking point.

A vast arėa of slum dwellings had been demolished and cleared by the wreckers and bulldozers . . . and the slum residents had been moved to better housing accommodations. Then . . . the land lay idle. There was a freeze on construction during the period of the war, but even after that . . . nothing happened.

Every summer the weed crop was more luxuriant, and sometimes seemed to threaten to move into neighboring downtown Detroit, and eventually take over the whole city. People who had to look at it every day said the wasteland was worse than the slums.

At the time, Detroit was the subject of unfavorable publicity. Newspaper and magazine articles called Michigan a bankrupt state, and said Detroit was floundering in the quicksand of deficit financing. Private developers were in no hurry to invest in Detroit. No one wanted to be the first.

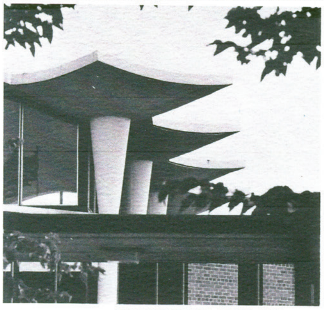
"scrap the program"

Outspoken critics wanted to scrap the Urban Renewal Program . . . do anything to restore some sign of life to the wasteland that was so near to downtown Detroit. It was a time for patience . . . official patience. The Master Plan was not a short-range expedient to change the appearance of a district . . . it was a long-range plan to revitalize a great city. Patience prevailed . . . and the program was not scrapped.

Eventually, a high-rise apartment building was started . . . and finished. Still, there was no stampede to invest in the present Detroit . . . or the Detroit of the future.

OAKLAND UNIVERSITY
ARCHITECT: O'DELL, HEWLETT & LUCKENBACH—BIRMINGHAM, MICHIGAN
CONTRACTOR: SCHURRER CONSTRUCTION CO.—PONTIAC
PRE-CAST PANELS: MICHIGAN STRUCTURAL CONCRETE CORP.—AUBURN HEIGHTS

Another typical example of modern concrete construction techniques, using the advantages of pre-cast exposed-aggregate panels produced with Peerless High Early Strength Cement.



STUDENT CENTER—HENRY FORD COMMUNITY COLLEGE
ARCHITECT: EBERLE M. SMITH ASSOCIATES—DETROIT
CONTRACTOR: BRYANT & DETWILER—DETROIT

Unique roof design achieved by cast-in-place hyperbolic thin shell concrete. Illustrates modern trend toward more imaginative uses of concrete's inherent flexibility and versatility.

a city under construction

Today, Detroit is a city under construction. Detroit needs Peerless . . . and Peerless will respond. Just as it has helped the city to grow in the past, Peerless will help Detroit to grow in the future . . . and what a future!

During the past few years, the amount of money spent for construction has grown steadily. This year, for the first time in the history of the Detroit area, expenditures will surpass $1,000,000,000 . . . more than a billion dollars for new construction alone.

much remains to be done

According to the Master Plan, much work remains to be done. The construction program approaches completion in the Gratiot Development and Lafayette Park, but that will not mean the end of activity in that area.

In neighboring Elmwood Park, construction is just about to begin. When it is finished, there will be housing for 6,000 families . . . together with schools, churches, recreational facilities, and commercial buildings.

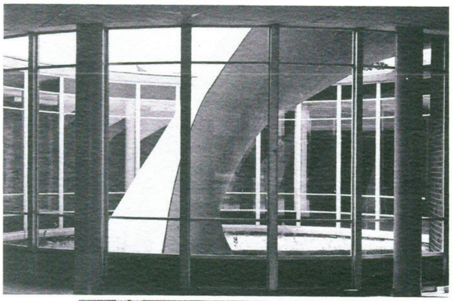
In Central Business District No. 3, construction will soon begin on an unusual and attractive religious temple. The remainder of the narrow strip will be devoted to commercial and institutional uses.

Land in the West Side Industrial Development is rapidly being claimed and built up for small plant and warehousing operations. The most impressive building under construction at present is the new Detroit Trade Center, which will be the central point for commercial activity in the Detroit area.

Major buildings already are scheduled for construction in Central Business District No. 1 . . . including a $33 million office center for local branches of the Federal government. This is just one of many buildings that will eventually utilize the 59 acres of the former "Skid Row" section.

Central Business District No. 5 is in the heart of downtown Detroit. When it is cleared for use, it will undoubtedly call forth the best efforts of architects, builders, and suppliers.

Peerless brochure.



JOHN GLENN SENIOR HIGH SCHOOL
ARCHITECT: JAHR-ANDERSON ASSOCIATES—DEARBORN
CONTRACTOR: DARIN & ARMSTRONG, INC.—DETROIT

Peerless Mortar was selected for the masonry work on this modern Detroit suburban high school named in honor of one of the nation's first space-age heroes.

AMELIA EARHART JUNIOR HIGH SCHOOL
ARCHITECT: MEATHE, KESSLER & ASSOCIATES—DETROIT
CONTRACTOR: ALFRED A. SMITH COMPANY—DETROIT
PRE-CAST PANELS: DECLERK INDUSTRIES—CENTERLINE, MICHIGAN

Unusual design concept utilizes and takes full advantage of concrete's versatility—from the massive, monolithic walls of the service buildings to the textured beauty of the aggregate exterior panels of the classroom buildings.

Peerless brochure.

PONTCHARTRAIN HOTEL
ARCHITECT: KING & LEWIS—DETROIT
CURTIS & DAVIS—NEW YORK & NEW ORLEANS
CONTRACTORS: (SUBSTRUCTURE)—BARTON MALOW CO.—DETROIT
(SUPERSTRUCTURE)—A. J. ETKIN CONSTRUCTION CO.—OAK PARK
(MASON CONTRACTOR)—MacFARLANE CONSTRUCTION CO.—DETROIT

25 story—425 room—hotel is first new one built in Detroit in 38 years. Features a drive-in lobby, pedestrian tunnel to Cobo Hall, 200-car garage, indoor swimming pool. V-shaped windows specially designed to provide a view of both the Detroit River and downtown Detroit from every room.

McGREGOR MEMORIAL COMMUNITY CONFERENCE CENTER—WAYNE STATE UNIVERSITY
ARCHITECT: MINORU YAMASAKI & ASSOCIATES—BIRMINGHAM
CONTRACTOR: DARIN & ARMSTRONG, INC.—DETROIT

Symbolic of the advancing trends in concrete usage is this widely publicized structure where poured-in-place concrete produces an unusual and attractive serrated roof and ceiling design

WESTLAND SHOPPING CENTER
ARCHITECTS: VICTOR GRUEN & ASSOC.—BEVERLY HILLS, CALIF.
LOUIS REDSTONE ASSOC. ARCHITECTS, INC.—DETROIT
CONTRACTOR: DARIN & ARMSTRONG, INC.—DETROIT

Recently opened $10,000,000 shopping center in suburban Detroit is third project of this type sponsored by the J. L. Hudson Company, and is a significant indicator of the sponsor's confidence in the continued growth and prosperity of the sprawling metropolitan Detroit market. Nearly 50,000 barrels of cement were used in the construction of the center, exclusive of the parking area.

HEADQUARTERS OFFICE OF MACCABEES MUTUAL, INC.
ARCHITECT: HARLEY, ELLINGTON, COWIN & STIRTON ASSOCIATES—DETROIT
CONTRACTOR: BRYANT & DETWILER—DETROIT

A truly impressive example of the use of exposed aggregate panels, precast at the plant of Aggregate Surfaces Company, in Dearborn.

WATER FILTRATION PLANT
CONTRACTOR: BARTON-MALOW COMPANY—DETROIT

Capable of processing 160,000,000 gallons of water daily, the Allen Park Filtration Plant is a vital link in the lifeline of community services for Detroit area residents. Helping to safeguard this precious water supply are the more than 100,000 cubic yards of rugged, durable concrete used in its construction.

It is fitting that this first edition of Peerless Profiles should deal with Detroit, and the rebirth of that great city. Peerless and Detroit have been partners in progress since 1897, and we look forward to a continuing and long association with the talented architects, engineers, and builders of the Detroit area.

Peerless Profiles is a new publication sponsored by Peerless Division, American Cement Corporation, as a compliment to our many customers and friends. As the title indicates, it will be devoted to profiles of the vast and unusual construction projects in the area served by Peerless, and of the people who work on those projects.

We trust you like this edition of Peerless Profiles well enough to look forward to the next.

Cordially,

JW Sweetland

John W. Sweetland

Peerless brochure.

CHAPTER NINE

City of Detroit Deputy Mayor (1968)

Beginning with the Watts riots in Los Angeles in 1965, cities across the United States were hit by a rolling tide of urban riots. Detroit was no exception to this national phenomenon. In the summer of 1967, the city erupted into violence when a raid by overzealous cops on a well-known speakeasy on 12th Street, a predominantly middle-income, African-American neighborhood, started blazes that caused injuries and deaths that ranked among the worst in the country. It took units from Michigan's National Guard, as well as two infantry divisions from the U.S. Army, to quell the violence. Damage was extensive and widespread.

Detroit's mayor, Jerome Cavanagh, asked officials to use only U.S. Army troops to subdue the riots—they were highly skilled and well disciplined. However, national officials declined his request in favor of using Michigan's National Guard forces. Poorly trained and inadequately led, they added to the confusion and to the ultimate damage—both in lives and property destruction on a massive scale.

After the riots, the leaders of Detroit's business, legal and educational communities formed an urban coalition, "New Detroit," to determine how it could contribute to the betterment of the city and its citizens. The New Detroit coalition was committed to providing human and financial resources to repair the damage—both physical and personal—resulting from the riots. To assist in implementing these efforts, the coalition recommended that a representative, approved by New Detroit, be added to the mayor's office with the consent of the mayor.

Two leading members of New Detroit—Joseph Hudson, head of the largest retailer in Detroit (the J. L. Hudson stores) and William Rae Keast, president of Wayne State University (a major research university located near downtown Detroit)—invited me to join them for lunch in the spring of 1968. At lunch, they asked that I take a leave of absence from my position as president of Peerless Cement Company and serve as deputy mayor under Mayor Cavanagh to help ensure that the efforts of Detroit's business community would help the city recover from the riots and would be used to its best advantage. With support from my wife, Barbara, and Jim Giles, I accepted their proposal.

Jerome Cavanagh (Jerry to everyone) and I were friends. I had met him through my cousin Barbara Jacoby and had worked with Al Jacoby, her brother-in-law and a political consultant, on the mayor's re-election campaign a year earlier. Through this relationship, the mayor and I had become well acquainted. We knew, respected and liked each other. With his hearty endorsement, I agreed to serve as Detroit's deputy mayor, a position I would hold from April through November of 1968.

* * *

To put some time between leaving Peerless temporarily and taking up my anticipated civil tasks, the family went to Florida in April for a two-week vacation—a chance to shed the effects of a typical Michigan winter. While there, tragedy struck. Our youngest son, David—four years old—drowned in a swimming pool accident. We were saddened and grief stricken. When Barbara and I and our three other sons (John, Peter and Tim) returned to Ann Arbor, our friends and family gathered around us and gave us great support. Ernie Campbell, our minister at First Presbyterian Church in Ann Arbor, was a great counselor and had a moving and meaningful service of remembrance. Mayor Cavanagh and our friends were most compassionate, but the pain and anguish were so real and formidable that it was very difficult to see the light through the darkness.

David Sweetland
(son who died in a swimming pool accident at the age of 5).

We thought it wise to get away from the familiar surroundings of Ann Arbor and go—somewhere! We settled in Washington, D.C., as a place to get our minds and bodies back in gear for the times ahead without our Davey. The trip to D.C. was memorable in many ways.

Mayor Cavanagh had asked the boys if there was a Washington figure they would like to meet, and John responded, "Bobby Kennedy." Kennedy had just announced that he was in the race for the presidential election that fall. Senator Phil Hart from Michigan contacted Bobby Kennedy for us, but he had scheduled an Indiana campaign commitment on the day we'd requested, and other days and times just didn't work. But Senator Hart said that Teddy Kennedy would be pleased to substitute. The boys agreed that this was acceptable.

On our first day in Washington, we met in Senator Hart's office and Teddy Kennedy (Senator Edward Kennedy) came and spent about an hour or more with the boys and us. He was great! As

Senator Kennedy was leaving, Senator Hart suggested he take a picture of him with our family. Teddy turned it around—why didn't *he* take a picture of the family with Senator Hart—after all, Hart was our Michigan senator! Teddy took Barbara's camera and snapped a photo, but the flash didn't work. Teddy took the flash cube out, licked it, put it back on the camera and *presto*—it worked! Barbara remarked, "Now I believe in the Kennedy magic!"

That afternoon and early evening we visited the Washington Monument. One must climb the monument—quite a feat! We were about halfway up when the announcement came that the monument was being closed early and we were to turn around and exit. We followed the instructions, which also included returning to our hotel, the Sheraton Park, atop a hill in the Cathedral section of Washington.

The reason for the closing of the monument and our return to the hotel was the murder of Dr. Martin Luther King Jr. in Memphis, Tennessee. It was feared by federal officials that it might lead to violence, and indeed it did, creating a riot experience in Washington, D.C.—that spring, it was their turn. We had left Michigan to prepare for dealing with the consequences of Detroit's 1967 riot, but now here we were in the midst of Washington's 1968 similar event.

It would turn out to be another destructive scene. The next day Barbara and the two older boys, John and Peter, explored the Smithsonian Museum while Tim and I visited Mount Vernon. I was to pick them up at 4:30 p.m. at the Smithsonian, but something told me to be there earlier. About 3:30 p.m., I pulled up in front of the museum and Barbara and the boys were just walking toward the car—President Johnson had closed Washington's offices! My early arrival, while unanticipated, was precisely "on time." It took three hours in the worst traffic jam I've ever seen to get back to our hotel.

Because the hotel was on the highest point in D.C. and we were on the top floor, we had a bird's-eye view of the fires that broke out all over Washington that night. The next morning, we left—a day or two earlier than planned. It was a strange, almost eerie experience to see Army guards surrounding the Jefferson Monument as we crossed over the Potomac River on the 14th Street Bridge. It was certainly a most memorable time! The balance of the trip seemed serene after that experience.

* * *

It was a busy summer and a great learning experience. And a warm, personal relationship developed between Mayor Cavanagh and me. He was a charismatic man, Irish to the roots and filled with that effervescent Irish charm! He was also *very* intelligent—smart both intellectually and in the ways of the world. And he was a great guide to the daily happenings of a major U.S. city.

One of the early pleasures of being deputy mayor was meeting and working with Motown's Berry Gordy and his charming and most accomplished sister, Esther Edwards. I wanted input on how to develop a theme and communications program for what the mayor's office (together with others in city government) would be doing, and I had been told enlisting Motown's help would be of great assistance. The warm and welcome response I received was not only appreciated but also typical of the overall reaction from the Detroit business community. Both Esther and Berry were extremely interested in doing what they could for Detroit—and for Jerry Cavanagh. After all, they *were* Motown! They came up with a brilliant theme—and the music to match.

Their suggestion? "Detroit Is Happening." And the tune? An instrumental recording of the Supremes' current hit, "The Happening." Interspersed throughout the song were various voiceover messages that would change from time to time depending on the events. The recording featured Willie Horton, the all-star outfielder for the Detroit Tigers, saying in his unique voice, "Detroit Is Happening!" J. P. McCarthy, the leading announcer at WJR, Detroit's most popular radio station, became the "voice" of Motown's offerings!

The task of helping lead a major city came to me in a very real way. Because the mayor and I were close, I probably saw more of the "inside" than many civic employees. The story of Detroit General Hospital is an excellent example of this.

One morning in late summer, the mayor's office received a call from a *Detroit Free Press* reporter. The mayor was not in, so I took the call. "Does the mayor have any idea of what's going on at Detroit General Hospital?" the reporter asked. I replied that the hospital was not part of the mayor's responsibility—it reported to another agency. "Well, isn't he the mayor of the people of Detroit? Doesn't he care about how they are being treated?" I begged off on that, but when the mayor returned, he suggested I go over to Detroit General and take a look at what was really happening.

I could not believe my eyes! The emergency room was jammed: bodies on stretchers lined the hallways, patients had not been attended to for hours, doctors and nurses were overwhelmed and distressed and new patients were arriving with no place to put them. It was a horror show—a scene from some foreign land—not from a major American city! I caught up with both the chief of emergency medicine and the general manager of the hospital and asked, "What is going on?" I learned that Governor George Romney had stopped all admissions to the state mental hospitals. There was nowhere these unfortunate people could go. They needed help—Detroit General could not simply release them.

Michigan's admittance policy to the state-operated mental-health system required patients to first enter a "catchment hospital" before being transferred, usually in a few hours or so, to a state mental-health facility. There were two catchment hospitals in Wayne County (Detroit's location): Detroit General and Wayne County General on the far western edge of the county about 30 miles from Detroit. This system had worked well for years. But the governor's decision, which blocked the transfer out, had not stopped incoming patients! This had gone on for four days, and Detroit General's emergency room facilities were simply unable to handle the overload. On the other hand, Wayne County General had no similar problem.

His Big Job: Accentuating Positive to Keep City 'Cool'

BY DAVID COOPER
City-County Bureau Chief

"A few years ago it was nice when business people were socially aware," says John Sweetland. "But today, it's an absolute necessity."

Sweetland, the 35-year-old president of Peerless Cement Co. of Detroit, is one businessman who decided to work with government trying to solve urban problems.

Since late in April, he has been serving as a special aide to Mayor Cavanagh, helping organize and stimulate summer programs designed to keep Detroit cool.

Cavanagh recently named Sweetland deputy to the mayor and moved him into an office next door.

Sweetland is serving the city without pay. He took a leave of absence from Peerless for six months and still is being paid by the company.

* * *

WHY WOULD a rising young executive with a salary around $60,000 a year want to get involved in government?

"I think it all relates to Mayor Cavanagh and the job he's done in Detroit," said Sweetland, an early political supporter of the mayor.

"Detroit was really in the doldrums when he took over," Sweetland said. "We felt it in business, particularly in the construction business. I'm involved in construction, and the largest market I see is going to be in the urban centers."

John Sweetland

Sweetland thinks the job of revitalizing cities like Detroit is enormous. But when things are done and progress shows, he said: "I'm really impressed how much it's appreciated and the spirit that can exist."

Sweetland's role with Cavanagh often has been as a catalyst, cutting through normal red tape of government bureaucrats to get things done.

"In early June," he recalled, "I walked up and down Twelfth Street one day. Nothing had been done where buildings had been burned-out."

* * *

TWO MONTHS later, thanks to Sweetland and others, small parks had been constructed and opened on three burned-out lots on Twelfth. A private contractor donated the work for one.

Many of the "Detroit Happening" projects of the summer, including art festivals, street dances, downtown activities, and clean-up projects have involved Sweetland.

In particular, Sweetland has been helpful to Cavanagh in marshaling business, merchant and financial support for the programs.

A native of Detroit, Sweetland is the son a Baptist minister. He grew up on the East Side, and his old neighborhood is predominantly Negro now. His family moved to Stanton when he was young and he attended high school there.

* * *

SWEETLAND GOT both his bachelor's and master's degrees in economics at the University of Michigan. His master's thesis on the cement industry, with Peerless as the example, so impressed the top officials of Peerless's parent company, American Cement Co., that they hired him.

He worked first at Peerless, then spent four years as assistant to the president of American, James Giles. In 1964, he was made a vice-president of American and placed in charge of Peerless, which does between $25 million and $30 million worth of business annually.

He and his wife, Barbara, have three sons, ranging from 8 to 12 years old. A fourth son died in a swimming pool accident in Florida last April at the age of 4.

Detroit Free Press article on John W. Sweetland.

I went back to city hall and briefed Mayor Cavanagh. He immediately put in a call to Governor Romney. We were told he was in a meeting and would call back. Noon came and went—no call. I returned to Detroit General and saw that the patient overload was even worse. I briefed the medical staff and headed back to City Hall. The mayor called Governor Romney again—and again was told he was busy. Then he said to Romney's aide, "Tell the governor to watch the five o'clock news—channel 2, 4 or 7, it doesn't matter. It will be on all three channels, and it's the governor's doing!" Shortly thereafter, Romney called and was appalled by the news. He quickly reversed his order, but it took 24 hours to resolve the crisis.

After this episode I was greeted by the staff of Detroit General as their champion savior, and they had a long list of problems they wanted me to help them solve! I learned much about inner-city medical care over the next few weeks—what a burden those dedicated workers bear and what an incredible job they do!

Over those next weeks, my friends in the construction industry managed to create a chapel for consolation purposes and install desperately needed air conditioning in the operating room. I became the hospital's hero yet did little but scratch the surface of its needs, as well as the needs of the poor and their lack of adequate healthcare. The necessity for much broader and larger facilities and services was appallingly clear! But it was only one example of how the infrastructure and the resources available to our nation's inner-cities have failed to keep up with the needs of its citizens. What was true for Detroit might well be applied to the other major cities of America.

* * *

An unexpected bonus of my time as deputy mayor was the prominent political personalities I had the opportunity to meet. In addition to meeting Senator Phil Hart and Senator Ted Kennedy, I would also meet Senator Robert Kennedy when he came to Detroit later that spring during his campaign for the presidency. As deputy mayor, I was part of the welcoming group that greeted him when he gave his campaign speech at Campus Martius Plaza in downtown Detroit. President Roosevelt had started all four of his presidential campaigns at that special place! Mayor Cavanagh insisted I be included—much to my excitement and pleasure. It was therefore with great shock and sadness to hear of his assassination at the hands of Sirhan Sirhan on June 5, 1968, at the Ambassador's Hotel in Los Angeles.

Another memorable evening was spent with Vice President Hubert Humphrey and his wife, Muriel, in their suite at the Sheraton-Cadillac Hotel in Detroit during the campaign. They invited Mayor Cavanagh and me to join them after a political dinner for a nightcap and conversation. Humphrey had previously been mayor of Minneapolis, and mayors (past and present) have an affinity for one another and for conversation. It was a revealing and interesting time; the Humphreys were a very special couple.

That summer the mayor arranged for me to be an alternate delegate to the Democratic National Convention for the presidential nomination in August. It was held in Chicago—Mayor Richard Daley's town, lest anyone should forget! Daley loved Cavanagh. He also loved the programs that Detroit had developed and received federal funds to execute. Daley would send his people to Detroit to copy these programs, eliminate the liberal political ideas, increase the funding request and then submit the programs for federal funding. It was a game—both mayors knew what was going on—and both loved the game *and* each other. During the DNC, Mayor Daley gave the Detroit delegates, especially Mayor Cavanagh, better police protection than the Vice President had! They were constantly at our side—on the road and off.

One day, I sat in on a private meeting between Mayors Daley and Cavanagh. It was an unbelievable time. They were both Irish, both mayors of large midwestern cities and both were begging for federal dollars. Their conversations were priceless—frying fellow politicos, scheming for federal dollars, bemoaning the policies of LBJ and speculating about Hubert Humphrey's chances of becoming president of the United States. It was a million-dollar hoot! I was honored just to be there.

When I recall the prominent political figures I met throughout that year, I am reminded that our national politicos are not only bright and talented, but are also *real* people who have a driving desire to serve the American people. They are an impressive, hardworking and most interesting group of people dedicated to bringing a better life for all.

I left Chicago and the DNC to join my family at Glen Lake in northern Michigan and to take my boys sailing. In the middle of the lake, the wind died down completely! There we were, becalmed, right in the center of the lake—as far from land as one could be! All we could do was wait. The boys got fidgety after a bit. But me? After the summer's events and the Democratic National Convention, I was ready for some peace. Although, it didn't last long—much to the boys' delight and my chagrin!

* * *

The summer of 1968 was filled with activities, but there were no riots! Some of the high points of our programs originating from the mayor's office, included the following:

- Many employers, led by the Chrysler Corporation, helped in major ways to make youth employment, especially among the more impoverished neighborhoods, a high priority. Detroit had the best youth employment in the nation.
- The Detroit Symphony changed their usual summer routine and played in midcity on the steps of the Detroit Institute of Arts and on Belle Isle, an island playground on the Detroit River heavily used by the inner-city population. Their new audiences were most appreciative.
- College basketball coaches, led by Dave Strack and Johnny Orr of the University of Michigan and joined by coaches from Michigan State University, Wayne State University and the University of

Detroit, created a four-part division of the city into areas for basketball clinics and teams named after the four schools. A tournament was held at the end of the summer in the Wayne State field house for city champs, with each team wearing the uniform of the university team it was representing. What a hit!

- The City of Detroit's regular organizational functions were operated at maximum levels to facilitate damage removal and housing repairs. Temporary shelter and meal supplies, healthcare, and financial and social assistance were all strengthened and operated at high levels of effectiveness.
- Friends in the construction industry were most helpful in building miniparks on burned-out sites along 12th Street and other places in the city. These parks were constructed at minimal or no cost to the city and provided recreational facilities (basketball courts were a big favorite) and rest areas. They provided much needed recreational and relaxing areas for all ages but especially Detroit's youth. To top it off, my friends did *wonders* for Detroit General Hospital—all at no charge.

The summer was peaceful, thanks to the spirit of the citizens of Detroit and the overall efforts of city government and the business community to make 1968 a better year. The crowning glory was baseball's World Series—Detroit topped the St. Louis Cardinals in the seventh game and brought the World Series title back to Detroit for the first time since 1945 when Hank Greenberg had come back from the Army to lead the Tigers to that victory. It was a fitting end to a celebratory and calm summer.

* * *

I bid a fond farewell to my "city" job in November, when I was summoned by Jim Giles, president of American Cement, to be at the board of directors meeting of the corporation in Philadelphia early that month. Unknown to me, at that meeting I would be elected executive vice president and chief operating officer of American Cement and would be heading to Los Angeles as soon as possible.

One summer and one person's efforts will never erase the problems that have built upon one another over many years in our major cities. Nor will the best one-time programs undo the years of neglect that have resulted in inadequate affordable housing, transportation, educational resources and facilities, employment opportunities and healthcare. These are common problems in most, if not all, of our major cities across the U.S. and in many of our smaller cities as well.

But the experience of the summer of 1968 and being deputy mayor of a major American city will never be forgotten. My friendship with Jerry Cavanagh continued until his untimely death in 1979. He was a

Editorial Page
Mon. Sept. 9, 1968

It's Cooler, Thanks

JOHN SWEETLAND, Mayor Cavanagh's deputy, is but one of a great number of people, white and black, who have been working hard to ease race relations in Detroit since the riots of 1967.

It's been slow going. But the fact that we are approaching autumn without a repetition of that sad, hot summer of a year ago indicates that these people are headed in the right direction with their selfless efforts.


Sweetland

It indicates that there has indeed been a change in the attitudes between blacks and whites in our city. And it is a good change.

Those who live in the Inner City are not disposed to challenge some of the findings of two University of Michigan professors, presented to the American Political Science Association, which indicate that there is still a great amount of mutual suspicion.

The professors admit, however, that their information may be out of date and the situation may have changed. We think it has.

Though unemployment levels are still too high, there are more Negroes with jobs and purpose than Detroit has ever had. That's good.

A year ago both whites and blacks living in the integrated neighborhoods surrounding downtown had the July uprising fresh in their minds and were petrified of each other.

Today the situation is more relaxed. There are muggings all right, and both whites and blacks are among the victims. But you can say hello to your neighbors and get a hello back.

We are inclined to agree more with the findings of the Market Strategy survey which finds blacks and whites closer together, though we make a mental reservation to the Market Strategy reference to "two communities," one white and one black.

There is really no such division in Detroit, regardless of how much extremists on both sides of the question yearn for it. We are committed to working out our destiny together. We need each other and must aim at common goals or we are not a whole city.

Newspaper editorial on John W. Sweetland as deputy mayor.

great—and good—man. I was most fortunate to have him in my life! A friend. A mentor. And, quite simply, one of God's best!

I am writing this in my beautiful sitting room in the Holmby Hills section of Los Angeles—a tasteful slice of urban life halfway between Beverly Hills and the campus of UCLA. Thinking back on my life, I realize that 1968 was a pivotal year—one of the most dramatic and life changing that one can experience.

The year had plunged me into the depths of despair over the devastating loss of our son in a tragic accident and moved me to the heights of political excitement at being named deputy mayor of a major U.S. city and heir apparent to the CEO position of a NYSE-listed national corporation.

1968 was truly an *Essayons* experience. I had never been involved in the political process. Now to be deputy mayor of the fifth largest city in the United States put "let us try" to a high and demanding level. I met and interacted with national figures in business and politics. I traveled from coast to coast, experiencing the highs and lows of American political and business cultures. I turned 35 years old and came to know that my life had already been enriched beyond the expectations of someone twice my age. I met people I had never dreamed of meeting—senators, governors, mayors and CEOs of large and small corporations.

1968—the year my life changed!

CHAPTER TEN

American Cement Corporation

The Later Years

In late October 1968, Jim Giles called and asked that I join him at the American Cement board meeting in Philadelphia on November 5th. With little advance notice, I was promoted to executive vice president and chief operating officer of American Cement, reporting to Jim Giles. All staff and division heads were to report to me. I was to move to corporate headquarters in Los Angeles. Mayor Cavanagh was understanding, and I quickly turned over my duties as Detroit's deputy mayor. A week later, I arrived in California to take up my new responsibilities—only to find chaos.

The last few years had been very fruitful for Peerless and for me personally. However, from my new perspective as executive vice president and COO, I could clearly see they had not been good for American Cement.

At the heart of the failure of American Cement to "change the course" of the cement industry was its inability to bring a concentrated sense of unity and strength to the combined enterprise. From day one, American Cement had little chance of success. No thought had been given to the most critical of all issues: How would the new enterprise be managed? That important issue had been adroitly avoided. The underlying reasons for the merger were never integrated into managerial thinking nor into an executive pattern for the combined corporation.

The driving force behind the concept and the creation of American Cement was the management of Riverside centered around John Kinard, a brilliant concept thinker with a “can do” attitude. Kinard drove the idea of Riverside’s expansion into Arizona, Hawaii and other potential ventures. He energized Garner Beckett to seek out industry partners when the probability of internal growth became doubtful. The concept and the creation of American Cement was Riverside’s, but the actual management, at its senior level, was led by the other merger partners.

Witness the initial major organizational decisions: The newly formed corporation’s first venture was the successful result of Riverside’s bid to supply the cement for the Glen Canyon Dam and the subsequent creation of Phoenix Cement Company—a new operating company that would join Riverside, Peerless and Hercules. Who would staff the newly created Phoenix? Riverside had placed the bid, paid the necessary investment deposit and engineered the planned producing plant. But there was no “Riverside” in Phoenix Cement. Ray Adams, a plant manager from Peerless, was named president, and the vice president of sales, Frank Steadman, was also from Peerless. There would be no Riverside presence even though the Arizona competition, Arizona Cement Company, was owned by California Portland Cement, Riverside’s competitor.

Hawaii told a similar tale. The newly created Hawaiian Cement Corporation, conceived by Riverside, and its producing plant, also designed by Riverside, would be staffed by a joint venture of American Cement and Cyprus Mines Corporation with no Riverside involvement. Hawaiian Cement’s competitor would be Kaiser Cement, also a competitor of Riverside’s, but there were no Riverside people on Hawaiian Cement’s sales team.

Early in American’s new life, the first managerial crisis arose—the president and chief executive officer, Don McBride (the former head of Hercules) died suddenly. An interim CEO was elected, Walter Russell, the former head of Peerless. He had retired as president of Peerless when the merger took place but agreed to serve on American's board of directors. Russell was brought out of retirement and served as president and CEO until May 1960 for about a year. A new corporate president was to be selected from the three existing division presidents—John Kinard, Riverside; Jim Giles, Hercules; Bob Morrison, Peerless. The board of directors selected Jim Giles as American Cement's new president and CEO in May 1960, at which point Jim asked me to serve as his assistant, and I accepted.

Again, Riverside's candidate was not selected as the choice for the newly elected CEO. When corporate headquarters moved to Los Angeles into the newly completed American Cement Building on Wilshire Boulevard (conceived and designed by Riverside's management), an effort was made to integrate Riverside's senior management—John Kinard, Dave Honey (VP of operations) and Larry Ramer (VP of sales and marketing)—into American's senior management. While somewhat helpful, it was not the required solution, and in the mid-1960s, the three senior Riverside managers resigned, leaving American Cement to form a new corporate venture. While diminishing Riverside's profitability, this change had little effect on the balance of the corporation.

The management of American Cement took a vastly different form around the time I left my roles as assistant to the president, corporate secretary and director of corporate development to become head of the Peerless Cement Division.

First, Jim Giles gave operating control, the direct reporting of the operating company managers, to Bill Caldwell. Bill had been hired as vice president of finance in 1963, a position for which he had some qualifications. However, as head of operations, he had no experience. Further, Bob Salyard, now head of Riverside, had been hired from a consulting firm with no experience in managing a large group of people or assets. Riverside, a difficult company to manage at best and rarely performing up to its potential, now had a president without operating experience reporting to a senior vice president with no operating experience who also continued to hold the role of VP of finance and who chaired the Hawaiian Cement operation. It was not difficult to predict the outcome of that management structure. Meanwhile, the financing for the construction of a new Peerless plant was approved by American's board of directors. A $25 million issue of City of Detroit (American Cement) industrial revenue bonds would be underwritten by Goldman Sachs and offered for sale at a lower rate than conventional bonds. The new plant would supplement and replace Peerless's older Detroit capacity and improve its revenues and earnings.

The combination of personal tragedy and the demands of the role of deputy mayor had placed a great deal of stress on me, and I had neglected to keep up with the events and changes within American Cement. It was also when the first—but fatal—steps in its eventual demise occurred. While not readily apparent, the seeds of the end of the American Cement saga were sown and would become increasingly evident. But that end was nowhere in sight when Goldman Sachs indicated that the successful underwriting of the $25 million debt to finance the Peerless project could incur difficulties because American's debt/equity ratio might be viewed as too light in equity for a low interest rate. In part, this was caused by inadequate corporate earnings (and its consequent lowered retained earnings) in parts of American Cement operations, especially the western cement divisions. Organizational weakness was evident, and there were no signs of management recognition or a quick turnaround.

Goldman Sachs' advice was to increase the amount of the common stock, or equity, through a merger—a transaction that would create a more favorable equity/debt ratio. To this end, Goldman Sachs recommended that the Pascoe Steel Corporation be acquired through the issuance of common stock. I was consumed with my City of Detroit duties and paid little attention to the details of the offering. Pascoe Steel manufactured metal prefabricated industrial and commercial buildings—a concept developed by the larger and more profitable Butler Building. The company also held military contracts for field-protective aircraft structures in Vietnam. William Pascoe was the leading shareholder and its chief executive officer. He would join American Cement's board of directors.

When I was asked to return to American Cement in early November, it would be on the same day Richard Nixon was elected president of the United States. Neither of us would finish our term. When I arrived in Los Angeles the following week, I was confronted with the fact that Bill Caldwell, the chief operating officer and chief financial officer of American and chairman of Hawaiian Cement, had resigned and taken $500,000 from Hawaiian's bank account. Hawaiian was owned 45 percent by American Cement, 45 percent by Cyprus Mines Corporation (a Los Angeles–based company) and 10 percent by island interests. I visited Henry Mudd, chairman of Cyprus Mines, to let him know of our discovery of Caldwell's theft and to explain that the cash had been replaced by American Cement.

This was only the first of a torrent of nasty surprises. The Pascoe acquisition had been completed. But even though I was executive VP and chief operating officer of American Cement, I was to have nothing to do with Pascoe Steel. On the other hand, there were myriad serious problems surrounding the Pascoe acquisition.

Pascoe had brought along with his company the future of Ted Smith Aircraft Company, and this would now be American Cement's responsibility. Ted Smith was the designer of the Aero Commander, a highly regarded twin-engine plane that could carry four to five passengers. He had sold the design to an Israeli firm. After his non-compete agreement expired, he designed a new plane similar in size to the Aero Commander but with significantly advanced features. Pascoe, personally, had invested in Ted Smith's new aircraft project along with Jim Boswell, a wealthy and successful farmer with the largest operation in California.* It was never apparent nor disclosed

* For more information on James Boswell, see Mark Arax and Rick Wartzman, *The King of California: J. G. Boswell and the Making of a Secret American Empire* (New York: PublicAffairs, 2003).

why American Cement was responsible for financing Ted Smith Aircraft. But the obligation was assumed, and I was not privy to the reason nor could I object.

These two wealthy businessmen saw in American Cement a hope and a dream—that their financial resources would not be diminished by the cost of development and production support of this new aircraft. I met with Boswell in his downtown Los Angeles office, which was furnished very plainly. He came across as an unbelievably cold and wily person, one who would go to any length to shift the burden from himself to others. At the time, California was experiencing its highest seasonal rainfall in years. His fields were flooded and his crops ruined. Boswell remarked that he would do all right—he had seeded next summer's crop by air, and the government would make up his losses through federal crop insurance! He and Pascoe were not budging, and Ted Smith's financial requirements were part of what American Cement had acquired.

By now, the plane was in production. One day in February, I was faced with a demand by Rohr Aircraft to guarantee the payment of a $4.5 million production order for tail assemblies, a year's production. Given American Cement's tenuous financial position, I was concerned that such a guarantee might not be within the conditions of our bank borrowing agreements. A quick inquiry proved my suspicions correct. I needed help—there was a shortage of financial talent in American's headquarters. I asked Mike Park, a member of the Vertical Integration Committee and current president of our Hercules division, to join me in Los Angeles to help with the financial problems that seemed to be piling up. Mike was an able and talented friend; he came and was a great help. Together we decided to bring aboard the consulting firm of Arthur D. Little to help us with the unfamiliar problems of the light-aircraft business.

Problems seemed to grow every day. The effort I started almost 10 years previously, the construction and operation of cement plants in growing and needy foreign nations, had led to the decision to build a cement plant on the island of Majorca, Spain. The construction manager of that plant had reported to Bill Caldwell. When Caldwell disappeared, so did Neil Martin, the American Cement employee in charge. The Majorca plant was at a crucial stage: a major purchase order for the kiln, raw and finish mills and other significant components was ready for signature—an order of several million dollars. The supplier was Friedrich Krupp AG, an industrial giant in Germany and the largest single provider of such equipment in Europe. I had no one in Majorca—or even Los Angeles—who could step in and deal with the purchase contract, which came in at over $7 million. I called my good friend, Paul Hannon, the manager of O'Melveny & Myers's Paris office, and asked him to take over. Paul is "tops"—and among the most unflappable and able people I know. He did a superb job of negotiating with Krupp, and the machinery and equipment were delivered on time and for the contractual price.

The intrigue floating around American Cement was intense—almost unbelievable. Even though I was corporate chief operating officer, there were areas outside of my responsibility. For example, only Jim Giles could visit Pascoe Steel. The intrigue was as thick as fog. I had turned to O'Melveny & Myers, our corporate counsel, for their recommendation as to what action American Cement should take against Bill Caldwell for his apparent theft of $500,000 upon his departure from Hawaiian Cement. One night in a conference room at the firm's downtown Los Angeles office, I received their recommendation: a complaint alleging fraud.

A fraud complaint is serious—probably among the most grievous actions available—and carries with it substantial penalties, including financial and possible confinement. I reported our counsel's recommendation, and a great wall of resistance was quickly erected. In fact, the case became tied to a movement to oust Jim Giles as president. Apparently, this had been underway for some time, and Caldwell was at its center—as were the Henshaw directors at American Cement. This improbability led to my being offered the position of president of American Cement. Learning that it meant Jim Giles' dismissal, I would not—indeed, *could not*—accept that course of action. I realized that American Cement had become "poisoned water"—*do not drink!* I resigned with a favorable yearlong financial agreement plus other considerations that made it too good to turn down. I returned to my home in Ann Arbor to await another day and another opportunity. I was fortunate to escape; the American Cement I had joined 10 years earlier would soon disappear from the U.S. corporate scene.

* * *

To answer the question *Rock Products* raised in 1959—"American Cement's Merger: Will it Change the Course of the Industry?"—it did not. An unfortunate and unnecessary merger with a company in an unrelated industry, combined with the final death throes of a management weakened by decade-long triumvirate warfare, brought American Cement (by then known as Amcord) to its end in the 1970s.

At the heart of this failure was the triumvirate issue that had plagued American Cement throughout its first decade. The fact that it was never addressed or even acknowledged hung like a cloud over the corporation. It could and should have been addressed by three levels of managerial responsibility!

The first level was the shareholder level. Each merger partner had a controlling shareholder group. For Riverside, the Henshaw family; for Peerless, the shareholders attracted by Professor Menefee, including the Standard Slag Corporation of Youngstown, Ohio; for Hercules, the law firm and partners of Wolf Block Schorr and Solis-Cohen.

The second level was the three senior executives who would be retiring, Garner Beckett, Don MacBride and Walter Russell. Their silence was, in retrospect, chilling.

Lastly were the bright, promising heads, John Kinard, Jim Giles, and Bob Morrison. They would surely want investment funds based on superior corporate performance. But no voice was raised against this performance-draining reality.

The only answer to *why* this important issue was never faced and resolved—and its ultimate resolution made part of the corporate story—is perhaps best told by William Shakespeare in *Julius Caesar*. After Caesar's death, he was accused of being "ambitious." Marc Antony's response was a fitting answer to the question of why: "If it were so, it was a grievous fault; And grievously hath Caesar answer'd it." Like Caesar's ambition, the triumvirate virus was a "grievous fault." Failure to deal with it had its ultimate answer.

All of the efforts of American's Harvard Business School graduates—the acquisitions and financings that increased capital expenditures, enlarged the company's production capabilities and expanded its markets—were to come to naught in a Wall Street–inspired merger that exposed the tensions within the board and management and brought the company to its knees. The infighting between the various former cement groups transferred to a fatal contest between the Henshaw and Pascoe interests. No one could claim victory—all owned defeat. American Cement ceased as a functioning company.

American Cement no longer exists. But the industry of which American was a part doesn't exist either. At the time I joined American Cement in 1959, it was an "American" industry. The earliest signs of international involvement were only just beginning to show. Holderbank, a Swiss company and one of the largest producers in Europe and the rest of the world, had just announced its intention to joint venture a new cement plant in upstate New York. It would later build a plant in Dundee, Michigan, and an even larger plant on the Mississippi River at Clarkston, Missouri.

Today, the U.S. cement industry, the third largest in the world, is almost entirely owned by international firms, including Lafarge-Holcim (merger of Lafarge and Holderbank); CEMEX (Mexico); Buzzi Unicem (Italy); HeidelbergCement (Germany) and its North American subsidiary, Lehigh Hanson; Titan Cement (Greece); and St. Mary's (Canada). These companies produce most of the cement sold annually in the United States.

American Cement's exit from the U.S. cement industry followed industry lines, liquidating its industry position as follows:

- Phoenix Cement—sold to Salt River Pima—Maricopa Indian Community
- Hercules Cement—sold to Buzzi Unicem (Italy)
- Peerless Cement—sold to St. Mary's (Canada)
- Riverside Cement (Oro Grande Plant)—sold to Taihelyo (Japan)
- (Crestmore)—closed

Today, American Cement is not only out of the cement business, it is out of business *period!* Titan, on the other hand, is flourishing! Its most recent financial results indicated revenues of \$2.7 billion, profits of \$230 million, assets of \$5.8 billion and equity of \$3.6 billion. Titan has 6,500 employees, 13 cement plants (including two in the United States), 126 ready-mixed-concrete plants and many other facilities.

The demise of American Cement and the success of Titan is, in and of itself, an amazing story. In the mid-1960s, the two were far apart—American Cement was a major corporation, listed on the New York Stock Exchange, with profitable cement operations coast to coast. Titan had a small, single-kiln cement plant outside Athens. Today, Titan can only be described as an outstanding success. American Cement (Amcord) is no longer, a sad tale of failed dreams and faulty actions.

Core values, together with singleness of purpose, are reflected brilliantly in these two contrasting stories: One, a single family in control of their resources and their goals, was able to build a broad empire of profitable investments through careful evaluation of the risks and rewards and through diligence of execution and performance. The other, torn by shareholder and management dissention and indecision from the beginning, was victim to a financial solution that was marked by skull and crossbones from the outset. That it was labeled a "Wall Street delicacy" made it no more palatable. The Good Book long ago said, "As you sow, so shall you reap." That rule has never been broken—the seed produces its own fruit.

A bit of poetry written well over 100 years ago tells the story of American Cement as well as any historian could have told it. The final line says it all.

The Duel
Eugene Field (1850–1895)

The gingham dog and the calico cat
Side by side on the table sat;
'Twas half-past twelve, and (what do you think!)
Nor one nor t'other had slept a wink!
　The old Dutch clock and the Chinese plate
　Appeared to know as sure as fate
There was going to be a terrible spat.
　(*I wasn't there; I simply state*
　What was told to me by the Chinese plate!)

The gingham dog went "bow-wow-wow!"
And the calico cat replied "mee-ow!"
The air was littered, an hour or so,
With bits of gingham and calico,
　While the old Dutch clock in the chimney-place
　Up with its hands before its face,
For it always dreaded a family row!
　(*Never mind: I'm only telling you*
　What the old Dutch clock declares is true!)

The Chinese plate looked very blue,
And wailed, "Oh, dear! what shall we do!"
But the gingham dog and calico cat
Wallowed this way and tumbled that,
　Employing every tooth and claw
　In the awfullest way you ever saw-
And, oh! how the gingham and calico flew!
　(*Don't fancy I exaggerate-*
　I got my news from the Chinese plate!)

Next morning where the two had sat
They found no trace of the dog or cat;
And some folks think unto this day
That burglars stole that pair away!
　But the truth about the cat and pup
　Is this: they ate each other up!
Now what do you really think of that!
　(*The old Dutch clock it told me so*,
　And that is how I came to know.)

CHAPTER ELEVEN

Shareholders

In late summer 1969, the family moved from Ann Arbor to the Brentwood area of Los Angeles. Barbara settled into our new home, the boys prepared for their new schools and I began to think about my next career move. I was happy to be in Los Angeles and, after adjusting to the pace of life, I began to think about going back to work. But I didn't want a plain-vanilla job—I wanted a challenge!

In September, Victor Palmieri, a member of American Cement's board of directors and a former partner of O'Melveny & Myers, called. He had been the key person—the director—of the Kerner Commission established by President Lyndon B. Johnson as the National Advisory Commission on Civil Disorders, which had been chaired by Otto Kerner, the former governor of Illinois. Its task was to investigate the causes of the 1967 riots in many U.S. cities and make recommendations for the future. The Kerner Commission, established in 1967, released its report in early 1968, and Victor was largely responsible for the thoroughness of the investigation, the timeliness of the report and its clear writing and its recommendations.

He was now back in Los Angeles eager to get started on something new, and he asked me to join him—a great opportunity but with no pay. And I did! I believed we would create something together. To keep in the flow, I had also agreed to investigate for a friend in the investment-banking business a product that involved a new process of creating insulated glass doors for, among other potential uses, in-store frozen-food displays. The process offered improved temperature control, clearer visibility and lower production costs. There were great possibilities in the future with Victor Palmieri but no immediate assignment. During this period of uncertainty, I received a phone call from a friend of Doug Fletcher's, the chairman and chief executive officer of Shareholders Capital Corporation. He had been shown my analysis of the insulated glass door product and wanted to meet me.

Doug's office was just a block from ours, and I met with him in early January. Shareholders, I learned, was the managing company and investment advisor of a group of mutual funds totaling around $3.5 billion under management. Shareholders' president, Fred Carr, had resigned in late 1969. When Doug had somehow received a copy of my insulated glass investment analysis, he remarked to a mutual friend, "I'm not interested in this investment, but I sure would like to meet the writer." We met within the week, and after another meeting or two, he offered me the position of president of Shareholders. In addition to managing some $3.5 billion in mutual funds, the company had also acquired a developer of real estate products for tax-advantaged partnership sales. I was intrigued by the possibility and accepted. Victor was not pleased when I said I would be leaving, but it promised certainty, which the Sweetland family needed. In January of 1970, I was named president of Shareholders Capital Corporation.

Hopes were generally high at the time. The much anticipated "soaring sixties" had been disappointing, but they were over. That decade had begun with great promise and enthusiasm—the election of a young John Kennedy in 1960 led to an expectation of spirited growth in the economy but had ended in disappointment with war in the Far East and the collapse of civil rule in many American cities. The '70s again offered hope—but what a decade it also turned out to be! Vietnam took a nasty turn in the late '60s and continued to drain the American spirit into the early '70s. Richard Nixon's victory in the presidential contest held uncertainties, but the business community, supportive of a Republican President, had high hopes—only to be disappointed. The '70s would again be a troubled decade—a 10-year-long stroll down "agony alley." The traumas of the '60s were to be replaced by the following:

- The devaluation of the dollar (1971)
- The Watergate scandal (1972)
- The OPEC oil embargo (1973)
- The resignation of Vice President Agnew (1973)
- President Nixon's resignation (1974)
- Stagflation (1977–79)
- The Iran-U.S. hostage crisis (1979–1981)
- The Three Mile Island nuclear accident (1979)
- And the market, as measured by the Dow Jones Industrial Average, had a tumultuous decade—ranging from 630 to 1050 (1970–1979)

I had barely settled into my office when, in February, the Securities and Exchange Commission suspended the sale and redemption of shares of Enterprise Fund, Shareholders' largest single fund and the flagship of its mutual-funds business. Enterprise was the first mutual fund in the United States to top the billion-dollar mark. It was our best-selling product with nearly $1 billion of assets. Shareholders did not act as its own transfer agency but relied on an outside entity to perform that function, as did other publicly held companies in a variety of industries. State Street Bank of Boston was one of the largest institutions of this kind for many mutual-fund companies, including all of Shareholders' funds. The Shareholders team quickly visited State Street's transfer facility and found closets full of unredeemed requests and unfulfilled purchase orders. It was a gigantic mess! The injury to Shareholders Capital was massive. Six months of remedial work were required to bring the purchase orders and redemption requests current. In October, Shareholders celebrated the restart of sales of its Enterprise Fund, but the bloom had fallen from the flower; Enterprise never regained its pre-suspension popularity.

Portfolio performance was also a problem as the stock market bounced sharply up and down. The decade was spent fluctuating between 630 and 1050 on the Dow Jones Industrial Average. Volatile markets are the most difficult for positive investment performance. Unfortunately, this volatility would continue throughout the decade. Corporate financial performance suffers with volatility, as do investors—the lifeline of this industry's success.

If Shareholders' securities business was a problem area, the recently acquired real estate production and sales effort was equally troubled. This function—the construction and sale of midprice apartment complexes based on tax-savings concepts—was carried out by Ezralow and Swartz, two builders that each had a record of success in metropolitan Los Angeles. Both had been acquired by Shareholders Capital in 1969 when the firm's share price was in the $20 range and their activities were merged. The stock was now valued in the single digits, and the new shareholders were *not* happy. At the time of acquisition, the idea was to market real estate partnership interests along with the marketing of mutual-fund shares. But the customers and methods of sale were not even on the same wavelength. The sale of mutual funds was largely handled through NYSE-market firms, such as E. F. Hutton, Walston, Goodbody, PaineWebber, Merrill Lynch, etc. The sale of tax-oriented real estate partnerships required individuals skilled in the tax aspects of investing with specific knowledge of the customer's tax status, as well as the specific tax features of the real estate product. Real estate partnership interests do not have the liquidity of shares of a mutual fund. The channel for real estate was a loosely defined group of lawyers, tax advisors and unregistered sales groups, all largely outside the scope of Shareholders' in-house marketing/sales effort.

The subdued national economic climate of the '70s, the volatility of the U.S. equities market and the emerging problems of the recently acquired real estate group made for poor national, as well as corporate, financial results. This in turn reflected directly on the share price of Shareholders Capital. Also contributing to the overall sense of unease were the recurrent international surprises, depressing national economies and mounting civilian anxiety.

Shareholders was a new company without managers or management systems in place. In the troubled national climate of the '60s, it had been difficult to build an organization and simultaneously deal with the changing environment. As a result there were few skilled, competent managers in the corporation. Key players had been former stockbrokers or had come from similar backgrounds. I realized it would take time to build even the beginnings of managerial competence. Meanwhile, bombshells would explode, wreaking short-term havoc. One interesting story is that of SMC Investment Fund—a "closed-end"* fund, publicly traded—and was typical of what I would find throughout my tenure at Shareholders.

In the mid-1960s, Jerry Tsai, a "magic man" on Wall Street, brought the Manhattan Fund public—a $200 million offering of a closed-end investment fund designed to invest in publicly traded as well as private-equity transactions. The successful marketing of this fund was considered a Wall Street coup. Not to be outdone, Fred Carr, then president of Shareholders, brought public a similar fund, SMC. But to top the Manhattan Fund, its offering was $250 million!

When I arrived close to two years after SMC's offering, about 50 percent (around $125 million) had been invested, and the results were *not* good! The fund traded on the NASDAQ equities market, and the share price was below the initial offering price. But the fund still had about $125 million in cash! No one had been managing the fund since Fred Carr had left in late 1969.

I hired Graeme Henderson, a trained securities manager and Harvard Business School graduate, as SMC's investment manager.

* Closed-end funds do not continuously offer shares for sale nor do they redeem shares. Purchases and sales are done on the daily trading market, similar to other publicly held companies.

One of Graeme's first tasks was to review the portfolio of existing investments to analyze each investment and determine what, if any, value could be recouped. One such investment was in Whale Inc., a Tennessee corporation. Formerly Nashville Bridge and Iron Works, Whale's principal asset was its ownership of Minnie Pearl Fried Chicken, a would-be competitor to Kentucky Fried Chicken. Kentucky Fried Chicken had grown in the '60s from a small chain to well over 1,000 outlets by 1968 and was very profitable for both the individual franchise owners and the holders of the publicly held common stock. SMC Investments put $8.5 million into Whale Inc. to grow Minnie Pearl as a likely challenge to KFC. But Minnie Pearl never became a second Kentucky Fried Chicken—not even close! Graeme came back from Nashville with eight pewter tie clips—each with a raised whale on its bar. He gave one to me and said, "These cost us over $1 million each! It's all we'll ever get for our $8.5 million investment." The story of this mismanagement was well told some years later in the magazine *Nashville Scene* under the title "Failed Fortune" (September 28, 2000, issue). Unfortunately, it was also the tale of other SMC investments.

In the 1970s, cassette recordings were the hit of the music industry. CDs had yet to be developed, although they would ultimately replace

An investment in Whale, Inc. of $8.5 million. Paid off with the receipt of eight tie clips of the Whale at a cost of just over one million dollars each! Pricey for pewter!

cassette tapes. A company in San Jose had developed the ability to record music simultaneously onto an array of cassettes. Because of its ability to produce a large quantity of recordings in a short period of time, this company became *the* choice of recording studios, and business was booming. As a relatively new company, it did not have a large capital base and, in order to expand its facilities and provide working capital, had borrowed $10 million from Bank of America.

But business kept growing! The company needed to enlarge its facilities again to accommodate business that had been offered to it as the leader in the cassette-recording industry. To finance this expansion, the company's investment banker, E. F. Hutton, came to SMC for $11 million. E. F. Hutton told SMC that Bank of America would assure SMC that if they invested the $11 million for new capital, B of A would not "pull" its working-capital loan of a similar amount but would instead stay on as a lender. B of A offered that reassurance as well.

With that understanding, SMC made the investment, and Bank of America pulled the company's loan. Graeme Henderson was devastated—his first big SMC investment hit by disaster! After checking with our counsel, O'Melveny & Myers, I put in a call to Tom Clausen, chairman of B of A in San Francisco. He was not available, but I explained to his assistant that I wanted to meet with him the next morning in his office. When asked the purpose, I responded that I had checked with counsel and believed that Bank of America had acted against its promised response to the new investment for expansion. But before going further, I wanted to talk with the head man—we knew each other and there was no reason not to meet. I was willing to come to San Francisco. An hour or so later, the meeting was confirmed.

The next morning, Bill Elliott (president of Shareholders Management, the fund's direct managing organization) and I were in Bank of America's offices in downtown San Francisco. I started out by explaining to them why we were there: we all wanted a good client in the recording industry. And since both of us—Shareholders and

Bank of America—were already doing business with each other, we also wanted that to continue. I tried to be most congenial and soft-spoken when saying that, but Tom fired back, "John, you don't seem to be nearly as certain today as you sounded when you spoke to my assistant yesterday!"

At that point, Al Rice, the recently elected president of Bank of America, stepped in and said, "Tom, John is only trying to say, 'let's work this out.' Why don't you leave John and me to figure it out and we'll come back to you for the final okay." Al Rice saved the day! I wasn't about to accept what B of A had done, and Tom Clausen wasn't going to be easy to convince. But it worked out because Al knew when and how to step in. Tom Clausen was a great banker, but he could be explosive! All ended well.

The mutual-fund management and marketing activities of Shareholders were carried out by its subsidiary, Shareholders Management Company. To broaden our customer base, I called on financial officers of corporations to gauge their interest in Shareholders as an investment advisor or manager for pension or other set-aside funds. They generally did not favor a mutual-fund management company. To counteract that response, we formed Shareholders Asset Management Company for institutional investors—pension funds, endowment funds, etc. This had some appeal, but the lack of a fixed-income management capability was a major drawback because most institutional funds sought an equity/fixed-income balance.

The top-ranked, fixed-income manager on the West Coast was Ernest Ellison, employed by the State of California's pension system—one of the largest in the nation. Ellison was a friend of Glenn Weirick, the portfolio manager of Shareholders' Harbor Fund, a convertible-securities fund with an outstanding record. With Glenn's support, I offered Ellison the presidency and fixed-income manager job at Shareholders Asset Management Company, an institutional-only investment company. Ernie accepted, and the marketing efforts began. Success was slow, but additional assets under management were gradually added.

The formation and success of Shareholders Asset Management Company and its appeal to the institutional and corporate markets led to a consideration of broadening Shareholders in other areas of corporate services. To this end, Boyden Associates, an international executive-search and -placement firm, was acquired. Other corporate service organizations were considered as future possibilities. Boyden was among the largest, oldest and most highly regarded firms in its field and had offices throughout the United States and Europe. It was hoped that these additions would strengthen and diversify Shareholders, broadening its revenues and increasing earnings.

In 1972, I was a panelist at *Institutional Investor* magazine's management conference in New York. John Bogle, then president of Wellington Management Company, was a fellow panelist. After the session, Bogle and I had a long private talk. Both Wellington and Shareholders were struggling with weak markets caused by the volatility of the '70s. I clearly recall the two areas he felt had to be changed if the mutual-fund industry was to grow—indeed, he believed these changes were *necessary* for the industry's survival! The first was the 8 percent sales charge on mutual funds sold through retail brokerage firms, accounting for the overwhelming percentage of all mutual-fund sales. The brokers, all members of the New York Stock Exchange (NYSE), would not promote or handle the share sales without the 8 percent "load." In Bogle's mind, this meant that only 92 percent of the client's funds were being invested. There had to be a better and less financially intrusive way to market the funds.

His second area of concern was the portfolio managers who selected and invested the shares (or bonds) held by a fund. He saw them not only as inadequate but also as expensive burdens on the funds. Bogle's active mind had already moved ahead to consider investment management groups whose selection would be approved by him. But Bogle was on his way to figuring out both of these points and developing a way to minimize both sales and management expenses.

Shortly after that conference, Bogle was terminated as president of Wellington. However, at his request, the corporation that owned

Wellington kept him on its payroll to work on other projects. What we know now is that Jack Bogle's Vanguard funds, a $4.7 trillion success story, embodies his advanced thinking, which he shared with me at the conference. There is no sales charge on Vanguard shares—they are sold by the company with *no* fee! And there are no portfolio managers. Shares are selected by an indexed method from the Standard & Poor (S&P) 500 index. The ruminations of that night in New York became the all-time success story of the mutual-fund industry! It took Jack years to work out all the details, but the overwhelming success of Vanguard indicates that he succeeded.

There are hundreds of other stories that came out of my experience at Shareholders. For example, I brought Larry Ramer aboard to liquidate a portfolio of small private companies that were scheduled to be unleashed on the public as special investment opportunities. A land-fraud case and a typical privately owned training-school rip-off were part of the packages originally intended to be targeted to unsuspecting investors. The portfolio was a treasure trove of disasters waiting to happen.

As president of one of the largest mutual funds management companies in the country, it led to broader opportunities and unique experience outside of the financial industry, including the political world. In early 1971, my friend Dick Sherwood of O'Melveny & Myers called to let me know that in response to his recommendation, Paul Ziffren would be calling me regarding the upcoming presidential campaign for Senator Edmund Muskie of Maine. Paul Ziffren was widely recognized as the leading entertainment lawyer in Los Angeles and head of the firm that represented the crème de la crème of the acting profession.

When Paul did call, he quickly got to the point. At the request of the National Democratic Party, he was putting together a top-level financial support team for the 1972 presidential campaign and needed a senior representative from the financial industry. As the president of Shareholders Capital Corporation, would I consider that role? We set a date for lunch.

A week later, over lunch, he outlined his plan and his team. Paul represented the legal profession. Howard Ruby, chairman of R&B Enterprises, the largest builder and owner of rental apartments in Southern California, would represent the construction sector of the economy. Sherill Corwin, owner of the largest theatre group in Southern California, would represent the entertainment industry. As president of Shareholders, would I join this group and represent the financial sector?

It was a powerful group headed by a recognized, strong center in Paul Ziffren (who would later head the entertainment sector for Gibson, Dunn & Crutcher—the co-leaders with O'Melveny & Myers of the Los Angeles area legal firms). The entertainment industry with its wealth and public recognition was without question the most powerful force in Southern California. The offer to join such a group early in my career was difficult to decline—I accepted with pleasure!

We quickly organized the "Muskie 100"—a list of 100 potential donors at $1,000 each with the goal of $100,000 to Senator Muskie's campaign by September, prior to the important primary contests. (If $100,000 doesn't seem like much money in 2018, one dollar in the 1970s is worth more than $6.25 today—that's inflation!) This goal hit a high note with Senator Muskie, and he promised his full cooperation along with his gratitude.

For reasons somewhat unclear, in the midst of the 1972 presidential campaign, the Southern California Democratic Leadership Group deemed it necessary to go to Washington, D.C., and make certain that Senator Muskie understood just how important the future of Israel and the Jewish homeland rule in Palestine was to Southern California voters. So, the leaders of the campaign, Paul Ziffren, Howard Ruby, Sherill Corwin and I, flew off to the nation's capital.

We met with Senator Muskie in his suite at the Mayflower Hotel on Connecticut Avenue around 11:00 a.m. The concentration of questions and demands (indeed, *demands*) for Israel's safety and protection against their Arab neighbors was fierce. A break for lunch barely lessened the fervency of the discussions. No other issues were raised. From start to finish, it was all about Israel and protection the Israeli government would receive from a Muskie administration.

Around 3:00 p.m., the fervor waned in favor of making our 5:00 p.m. flight back to Los Angeles. The speaker of the House, John McCormack, sent his limousine to take us to Dulles. We had no more than seated ourselves in the limo when Howard turned to me and asked, "Do you think we were too hard on Muskie about Israel?" The question stunned me! The poor man was almost bleeding from the strident vigor of the demands. But I responded, "No, I don't think so. He was still breathing when we left."

The response of my fellow travelers was mixed. They knew they had been tough on Muskie on the question of Israel. They also knew that the financial response of their Southern California major contributors demanded this approach. While I was somewhat amused, I could not feel anything but sympathy for Ed Muskie. Politics, especially at the national level, is a tough game!

By 1974 the effects of four years of fighting a battle of survival were made much more difficult by the continued volatility of the securities market and the organizational weakness of Shareholders. I thought about finding an easier way to achieve financial and personal enrichment. That year, I left Shareholders with the knowledge and experience of a securities industry of which I wanted little part. I set out to explore the private-equity arena, which would prove a welcome change in my life. While Shareholders as a company would die in a few years, some of its funds are still around. Its story is typical of companies that do not build a solid business with knowledgeable and careful people as managers. I recommended Ernie Ellison, who had proved an able manager, to a much larger investment firm of which he ultimately became president. More could be said of my time at Shareholders, but for me it was best to move on. There would be new worlds to conquer with more valuable prizes than tarnished survival.

The 1970s proved to be a decade-long disaster! The recession ultimately gave way to somewhat brighter years. But the seeds of an even more brutal period—the 2007–2009 financial collapse, were planted in the 1970s. That collapse was caused, in large part, by equity greed. A generation later in 2007–2009, the egregious greed that brought the financial world to its knees was centered on debt: the supposed "safer" part of the equity universe contained, at its heart, the same poison as the equity collapse a generation earlier. Equity—or debt. Greed kills both!

INTERLUDE

And the Maud Muller Award Goes To . . .

During the first 15 years of my business career, I rose to become a senior officer in what became by anyone's definition two failed companies after I left. But there was a great deal to be learned from my experiences at American Cement and Shareholders Capital. Going from a naïve midwestern preacher's kid to senior executive positions at two publicly held corporations—one in a basic industry, the other in finance—was not something easily achieved. In retrospect (and not as an excuse), I do not believe I could have made a difference to the failed outcome of either company. They seemed destined to be the corporate equivalents of John Greenleaf Whittier's epic tale, *Maud Muller*.

John Greenleaf Whittier (1807–1892) was a New England poet born to a Quaker family in Massachusetts. His education was a high school diploma from Haverhill Academy in 1828, two years after his first poem was published. His Quaker background prompted his involvement in the abolitionist movement, but the 13th Amendment to the U.S. Constitution during the Civil War marked the end of that era, and he turned to poetry.

His poetry covers a broad range of subjects—from a hymn, *Dear Lord and Father of Mankind*, to the widely printed Civil War–inspired *Song of the Negro Boatmen*. His epic poem *Maud Muller* contains these famous and often-quoted lines: "For all sad words of tongue and pen, the saddest are these, *It might have been."*

American Cement and Shareholders Capital are classic instances of "what might have been," if one person could have made a difference. But looking back, there is nothing anyone, particularly a young newcomer, could have done to save either company from itself. In the case of American Cement, its triumvirate creation was a curse; the newly formed company never gathered around a single plan or supported a single leader. From its earliest days to its eventual demise, management at the highest levels—the board of directors and senior officers—never agreed on corporate goals or strategy. There was a Riverside view, another from Hercules, a third from Peerless—an American Cement consensual strategy was never developed.

For Shareholders Capital, it was managerial ineptitude and chaos from the outset. Neither Doug Fletcher, Fred Carr nor any of the original senior investment managers were trained in or skilled at the art of management. The basic rudiments of organization were missing. By early 1970, the backlog of errant decisions and lack of managerial oversight had created problems that destroyed past and future profitability. An analysis of Shareholders Capital would have shown the following:

- Lack of discipline in investment policy and execution—unlike the Capital Group, a Los Angeles–based money-management firm still in business and *thriving!*
- No control of expenses—there was no budgeting.
- Managerial incompetence—the basic elements of leadership were missing in key managerial positions.
- No planning—there was no corporate plan. Like Topsy from *Uncle Tom's Cabin*, it just "grow'd."
- No accountability in investment results, expense control nor management.

This array of incompetence took place in the brutal economic climate of the post-1960s. The late 1960s and the '70s into the '80s were grim times for American businesses. The Dow peaked near 1050 in 1973, dropped to its low near 630 in 1970 and 1975, and did not return consistently to the 1,000 level until the early 1980s. In the meantime, the country suffered through the Vietnam War, the end of the Nixon era and the presidencies of Gerald Ford and Jimmy Carter. It wasn't until the early '80s that the national economy gained steam under President Ronald Reagan. The Dow rose to 3,000 in 1992 following the end of the first Gulf War.

Other than my years at Peerless (1964–68), when the company's performance sharply improved and a major long-term plan was developed and financed with a $25 million industrial revenue bond, I cannot claim to have been a part of superior managerial performance for the first 15 years (1960–1975) of my business career. But I did receive an extraordinary education in corporate "follies"—those elements in corporate life that should be thrown out in order to achieve success. Those years taught me in unforgiving ways the importance of the following:

- Planning. Without a plan, there is no "map." You may know where you are going, but what about the other managers? A plan is a group guide toward defined goals. As noted above, disparate interests that formed American Cement never developed nor agreed on a corporate plan.
- Financial discipline. Plan wisely—*spend* wisely.
- Leadership. Without a shepherd, the sheep are scattered.
- Talent. Get the best! Without it, organizations fail.
- Patience. Some things take *time*—changes do not occur instantly.
- Fortune or luck. Good fortune is a gift. But without it, the road is uphill all the way!

These factors are not in the Harvard Business School's handbook of required management skills and/or talents for success. These are from a different school—the Real World University! My military education at the Corps of Engineers Officer School and my economics degrees from the University of Michigan provided a firm foundation for intelligent decision-making. But I quickly learned it was only through experience and the absorbed wisdom of one's mentors that managerial efforts became effective. Knowing *what* to do and *when* to do it demands experience that only comes from time.

It also demands *Essayons*, "let us try." I thought my educational and military background plus my 10 years of corporate experience would qualify me for the difficult task of managing Shareholders Capital Corporation. But my lack of financial-industry experience initially weighed against my acceptance and recommendations. It was perhaps a leap too far—but I have no regrets! I learned a lot, and more importantly, it filled a missing chapter in my educational and managerial experience—the ways of Wall Street and the financial world. I met and became comfortable with the princes and practices of Wall Street. I picked up the "language" of the financial world—the investment- and commercial-banking business. It is a different way of talking, thinking and acting! And I became increasingly able to call on valuable personal relationships for guidance or information.

These five short years—added to the 10 at American Cement—prepared me for the next and best phase of my business life. The constant in personal relationships between the first two chapters at American Cement and Shareholders was Larry Ramer. And we would costar in the next event, the featured movie of our careers: Somerset Management Group.

CHAPTER TWELVE

Somerset Management Group

In the mid-1970s, two friends would often meet at an East Los Angeles restaurant for lunch. One was the owner of a small paint company recently made smaller by the loss of its New Jersey plant by fire. The other was the No. 2 man and prospective buyer of a service-merchandising company that provided toys, sewing notions, candles and a myriad of other products to supermarket stores in California. Both had held senior executive positions in publicly held companies, but neither was happy where he was. They saw in each other the possibilities of a successful partnership, but knew their current paths would *not* get them there. Then what would? That was the question they wrestled with over countless cheeseburgers and fries! They were blessed with support at home, and there was no pressure for instant reward or overnight success. They were lucky—fortunate beyond words—in their ability to take the time to "get it right!"

From this odyssey, a strange path emerged. Initially wrapped in uncertainty, this plan seemed to lack a central core or a defined path to a profitable enterprise. But in time all became clear. The two partners knew they'd hit on something new. What was their creation called? Somerset Management Group, describing itself as an "interim-management company." Somerset's market would be the major banks and other lending institutions that, through inadvertence, held problem loans. The management expertise of the principals of Somerset would turn this dross into gold!

And just who were those two principals? Larry Ramer and me.

* * *

Somerset's brochure was appealing and the message promising. But what it didn't disclose was the secret hope behind the attractive front. The real purpose of Somerset was to lead to entries into private-equity opportunities rather than mere restructuring for the lender. That is to say, the credit problems of banks and insurance companies could result in the repossession of the underlying assets and then to a Somerset-led recovery and ownership.

Larry Ramer and John W. Sweetland, friends and partners for 53 years.

It was in this arena of private equity—the acquisition of promising companies with troubled financial situations that could be changed through skilled management—that Somerset's role held the brightest potential for us.

A long shot? Perhaps. But there were examples of similar situations—some very interesting. Sometimes chance does win fair lady! Larry and I believed Somerset could be a source of professional assistance for banks and other lenders with distressed loans that required advisory services or interim management. In addition, as a registered broker/dealer with the Securities and Exchange Commission and the NASD, Somerset could be an investment banker for corporate financial transactions, such as public offerings of securities and asset-related corporate transactions. These transactions could be carried out by Somerset in partnership with other NASD members if retail sales were necessary or administrative support needed.

Although Somerset had friends in the banking industry, it was hard in the early stages of its life to get institutions to give credence to our new and unrated firm. But an early breakthrough proved highly beneficial—indeed central—to our future, and therein lies a story.

When Larry and I formed Somerset, we considered involving other participants. I suggested we add Jim Giles as an associate—although not necessarily a partner. I was well aware that the feelings among the former corporate groups within American Cement had created an atmosphere that in part led to its ultimate downfall. However, Jim had stature among the "California Club" set—and we did not! He was an experienced and trusted hand in many circles. I saw he could be most helpful to us in many ways. So we included Jim in our brochure as well as our initial discussions with banks and other potential Somerset clients.

In late 1975, Jim made a visit to New York and Philadelphia and had lunch with an old friend, the president of First Pennsylvania Bank. First Penn had been Hercules' principal banker and had been one of American Cement's regional banks. He indicated that the bank was having credit problems with an unnamed eastern cement company. Jim told him about Somerset, Larry and me, and he suggested perhaps we could be of value to the bank. It was agreed that Larry and I would follow up.

The next week Larry had planned to be in New York, and he made an appointment to be in Philadelphia to meet with First Penn. This led to our first private-equity possibility. It took shape when Somerset was retained to advise the bank on their problem loan with what proved to be National Cement and its subsidiary, National Portland Cement Company of Florida—a clinker-grinding import operation that was struggling for survival after building its plant at Port Manatee on the west coast of Florida.

The recession of the '70s hit Florida very hard—construction currently under way was in many cases being bulldozed to trash for lack of financing or buyer interest. The collapse of demand for residential and commercial construction in Florida, as well as nationwide, had sharply diminished the prospect of National Cement's new venture and placed First Penn's loan in jeopardy. By the time Somerset was retained to evaluate the company, National Portland Cement's struggling production plant had been shut down, and the Florida import plant was barely operating.

I evaluated the possibilities of the northern operations and Larry evaluated the Florida import plant. Our report to the bank's able, experienced and savvy executive was brief but to the point. The northern production plant was obsolete, and the cost of modernization was too great to ever make it a profitable operation and repay the necessary capital improvements. Our suggestion was to write it off and salvage what could be recovered in land and equipment values.

But our recommendations for the Florida operation were quite different because, in the long run, it had possibilities. The plant was well-located, adequately designed and well-constructed. Somerset's recommendations were laid out:

- The bank would not call the loan (the loan was guaranteed by the existing shareholders).

- The loan, as existing, would be transferred to a new buyer who would also purchase the shares of the existing shareholders at an agreed-upon, reasonable price.
- The common shares would be transferred at that price to the executives of Somerset, and the bank loan would be transferred to the corporation controlled by them.

In summary, the northern operations would be permanently closed and sold for land and used-equipment value. First Penn was satisfied, and the former shareholders were given time for the Florida company to repay its debt to the bank. In return, the bank agreed to continue to be the banker for the Florida operation if Somerset were to take over as outlined.

There was much to be accomplished to make the Florida operation profitable—a plant that had the ability of producing 250,000 to 300,000 tons at annual capacity but was currently operating at only 10 percent of that level. It would take time, managerial expertise, changes in overseas supply and the recovery of a greatly distressed construction market. But Somerset had control and ownership—that was what mattered. For the time being, Somerset was pleased it had secured its first private-equity deal within the first two years of operation!

* * *

While we now had our first equity transaction, it was still a long way from a success. Our management fee was based on the future success of the venture. Up front, our compensation was $6,000 per month plus a share of the profits, increasing as profits rose. But $6,000 per month was not enough for both the Ramers and the Sweetlands to survive. Something else would be required.

That something else appeared very quickly. In 1976, Somerset was contacted by Judge Manuel Real of the United States District Court for the Central District of California to act as "Master" in an antitrust case. The facts of the case were simple. United Foam Corporation, a Los Angeles–based manufacturer of polyurethane foams, a product used for mattresses, furniture cushions, packaging material, etc., had acquired a number of plants from Stauffer Chemical Company. The Justice Department brought an antitrust suit against United for an acquisition in restraint of trade. United settled the action by agreeing to dispose of certain acquired assets and entered into an agreement with the federal court to carry out such a sale. However, United changed its mind and decided *not* to sell certain agreed-upon assets. The Justice Department requested the federal court to appoint a master who would have the responsibility and support of the court to bring about a sale. The court appointed Somerset Management Group as the master in this case—responsible to Judge Real. Tuttle and Taylor, a highly respected Los Angeles law firm, was appointed special counsel to the master.

At the time, Larry was fully involved in the Florida cement operation, so I took responsibility for the United Foam disposition proceedings. It should have been a simple and speedy transaction—there were potential buyers, and the properties to be sold were, on the whole, attractive. But United Foam's management fought Somerset every inch of the way, and the case went on for almost two years. At the start, I did the usual kind of fact-finding and fact-checking analysis of United Foam's operations and a more intense analysis of the assets and business to be sold under the order of the federal court. United put every conceivable block in my way for a quick conclusion of this necessary but very preliminary phase. It was a harbinger of what was coming.

Judge Real was a pleasure—quick, smart and decisive. United Foam seemingly never learned that—much to their detriment! After the court's review of our preliminary analysis, an ad was placed in the *Wall Street Journal* seeking interested buyers. Of the responses, the most promising was the Crain Corporation of Fort Smith, Arkansas, with plants in Arkansas and Illinois. The president, H. C. Crain, who I would come to know as "Dude," was invited to Los Angeles for a review of the business and the assets, which included United's main plant of approximately 100,000 sq. ft. and a smaller plant of about 40,000 sq. ft. The review and sale process could have been completed in a few months—it was not a complicated transaction and the court was interested in moving it along quickly. Not so for United. Every little thing they could come up with to frustrate and delay the sale was their game.

Take, for example, the 100,000 sq. ft. plant where United's business was located. An appraisal of the building, a concrete, one-story building located within seven miles of the ports of Los Angeles and Long Beach, was in the company's records. I had included it in my analysis, but the court's order for sale was silent as to whether the building be included or whether it was a requirement of the divestment. Crain's offer included the purchase of the building at the price set out in the appraisal. But United Foam did not respond positively or negatively, even though substantial differences could have been cited between the appraisal and the present value. However, it argued vigorously over its estimate of the value of certain minor equipment items—for instance, a "carpet grinder" worth $5,000 they valued at $50,000.

After several months, an appropriate offer was negotiated and presented to the court by Somerset. But the ensuing negotiations were still long and frustrating. Suggested values were questioned with often unreasonable counterproposals. After a rather frivolous alternate proposal was put forward by Richard Leonard, United's young attorney, Judge Real responded, "Mr. Leonard, this isn't Burger King. You can't have it 'your way'"—a memorable quote from the bench! Meanwhile, Mr. Crain was getting tired of coming to Los Angeles or going to San Francisco where United had filed a separate action with the Justice Department's appellate court (ultimately dismissed) challenging the government's right to demand a sale.

Finally, after weeks of back-and-forth negotiations, the parties reached an agreement. The entire process took longer than originally anticipated due to United's often unrealistic objectives. The sale was finalized with the approval of Judge Real. All in all, it took more than

John W. Sweetland with Judge Manuel Real and his wife, Tao.

24 months to end a task that should have taken just 6 to 9 months. Somerset's fees were generous with many hours at over $100 an hour. It was a most profitable assignment! This substantial income together with the management fees from National Cement was sufficient to keep the Ramer and Sweetland families from poverty.

* * *

After a year or two of Somerset's management, National Cement had reached an operational level where First Pennsylvania Bank was comfortable issuing letters of credit to finance product purchases from Europe by the shipload—each at about 25,000–30,000 tons, or around $750,000 including freight. This was a huge step toward profitability, reducing product and transport costs to a level that would enable National to grow at a more rapid rate. These letters of credit assured the clinker supplier, Lafarge (the largest producer in Europe), and the shipping company (one of the top shipping lines) of receiving payment in full. This leverage gave National strength to negotiate very favorable terms, which paid off handsomely as volumes increased over the years from fewer than 100,000 tons annually to 600,000 tons by the time we sold the company. The relationship of National to its suppliers, both product and freight—as well as its relationship with First Penn—was unique at that time in the industry and gave a welcome boost to its growing profitability. A solid base of customers and increasing product revenues brought National into sustained profitability on solid footing with financial arrangements that would extend its further growth.* Somerset also gained a major advantage in standing as a profitable, growing enterprise. Neither Larry nor I ever underestimated the importance of close and carefully managed relationships with key partners, financial products or services. They add greatly to the success of a venture, and the long-run benefits far exceeded any short-term cost.

National Portland Cement in Florida was only the beginning. That initial success made us realize that the business of importing cement was, and would likely continue to be, a profitable venture. Our attention turned to Southern California. We both lived in Los Angeles, and Larry had previously been vice president of sales and marketing for Riverside Cement Company, a division of American Cement and one of the largest and oldest Southern California cement producers. I had been an officer of the parent company, headquartered in Los Angeles, for three years followed by five years as head of Peerless Cement, American Cement's Midwest operating company. We both knew the U.S. cement business and now felt comfortable with our understanding of the international facets of the industry.

While we waited for the right private-equity investment opportunity in the cement industry, there were plenty of other activities

* In fact, when National reached its full potential in another 5–10 years, it was extremely profitable, having become part of the largest cement importer on both the East and West coasts, importing 1.5 million tons/year of product from France, Spain, Japan and Korea, with sales of $150 million. Our original investment of less than $100,000 in the combined operations would be sold for many times that amount in the early '90s after generating millions of dollars in management fees and dividends.

that kept our hands from being idle. Registered with the NASD as a licensed broker-dealer, Somerset joined forces with Stern, Frank, Meyer & Fox, a Los Angeles–based brokerage firm, to form the jointly owned Stern Frank Securities, which underwrote the public-rights offering of Executive Life Insurance Company shares, with the unsubscribed shares then offered to the public. The issue sold out at an attractive profit for Stern Frank Securities.

This transaction caught the attention of another California firm, Sutro & Company, headquartered in San Francisco but with offices throughout the state. Stern Frank was soon acquired by Drexel Burnham, and we elected to opt out for valid reasons. Sutro was eager to have us join them, and Sutro Partners was created—jointly owned by Sutro & Company and Somerset.

One day in late July 1977 when the ink was barely dry on our agreement to form Sutro Partners, I received a message from my friend and banker Lynn Vine at Bank of America, asking me to meet him that afternoon at their downtown Los Angeles office. The Southern California executive offices were on the 49th floor of the Bank of America Tower. There, Lynn explained that the bank wanted Sutro Partners to take on a task involving the bank's client, Hollywood Park, a horse racing/gambling enterprise in Los Angeles. Hollywood Park was not doing well financially. But the issue at hand had nothing to do with horse racing or gambling. Hollywood Park had long owned Marineland, a major tourist attraction on the Palos Verdes Peninsula in metropolitan Los Angeles. Marineland was the first—or certainly among the first—aquatic-life attractions in the country. Its "land," some three stories high and half the size of a football field, contained hundreds of species of sea life—from sharks to minnows. It was exceptionally well done, educational and seasonal.

For the past several years, Marineland had been leased to and operated by Twentieth Century Fox. But Fox was facing cash-flow difficulties and was "returning" Marineland to Hollywood Park at the end of September—only 60 days away. But Hollywood Park was facing major financial problems. The return of Marineland in

September, the end of the tourist season, would be deadly because the operation went heavily "cash-negative" in the nontourist months. Fish still needed food and attention, but tourist/ticket income vanished between September and May. The bank's position, already on edge in the good months, would be highly at risk if Marineland was not sold. The sale proceeds were absolutely necessary for the repayment of the Bank of America loan and the park's survival. Lynn asked me if we would take on the sale of Marineland. We accepted Bank of America's request, and it became a most interesting undertaking!

The cast of characters was impressive—as Arte Johnson of *Laugh-In* might say, "very interesting." First was Marje Everett, the chairwoman. Formerly head of Arlington Park, the horserace track in Chicago, she was rumored to have put Governor Kerner in jail for taking bribes. She arrived in Los Angeles from Chicago in the early '70s and became the director of Hollywood Park in 1972 and its chief executive shortly thereafter, continuing in that role until 1991. She was clearly "in charge" during our negotiations, but not ultimately on the winning side.

From the bank's point of view, the Hollywood board member that was most dependable was Charles "Tex" Thornton, CEO of Litton Industries, a major defense supplier with revenues of $1.8 billion. A Stanford engineering graduate, Thornton first became prominent during World War II, when he organized a group of officers that became known as the "Whiz Kids" to revolutionize Air Force logistics using statistical controls. He worked at both Ford Motor Company and Hughes Aircraft in the postwar era before cofounding Litton Industries in 1953. He was among the most noted of Harvard Business School graduates.

We quickly identified companies that might be interested in acquiring the unique asset that was Marineland. The focus was on Taft Broadcasting of Cincinnati, with two major recreational parks in Ohio—Cedar Point on Lake Erie and Kings on the Ohio River in Cincinnati. After our presentation, Taft indicated a willingness to make a bid—an all-cash $5 million bid and assumption of all liabilities. Bank of America was delighted.

But not Marje Everett. She postponed any decision pending a "superior" offer. That came a week later via an attorney, Neil Papiano, who had a bit of a shady reputation. The offer was for $5.5 million with $2 million due at signing and the balance to be spread over five years. The bank's Chair recommended acceptance, but the board agreed only to hold its decision for one week pending other offers. Taft then offered to increase its bid to $5.5 million cash, and the board put off the decision for the week calling for another meeting at that later time.

At that meeting, Papiano said his client could go no further. Thornton moved that the board accept the Taft offer of $5.5 million cash. The vote was to start in one hour. Those present at the meeting were split but with a one-vote advantage for acceptance of the Taft offer. The other side wanted to postpone for a week so the vote of one member, Mervyn LeRoy,** who was in Miami on business, could be counted. That would tie the vote, negating any decision. The board members agreed to count his vote if they could (1) reasonably depend on it being his voice and (2) believe that he was capable of understanding the issues facing the board. At 4 p.m. the voting process started.

Mervyn LeRoy, a film director, film producer and occasional actor, was at a hotel perhaps having an end-of-the-day drink or two. It was now past 7:00 p.m. back east. As the discussion went on and on, a director on the "no" side of accepting Taft's offer would occasionally ask via speakerphone, "Are you still there, Mervyn?" The answers always came back, but as the day lengthened, LeRoy's responses were more muted and blurred. And the calls from his friends in the boardroom grew somewhat more pleading for him to "hang in there." The Taft side kept the conversation going, knowing that if Mervyn for whatever reason did not vote, the decision to sell

** Some years later, I met the son of Mervyn LeRoy, Warner, who owned and operated the Russian Tea Room on 57th Street in New York City.

Marineland to Taft Broadcasting for $5.5 million in an all-cash transaction would be authorized.

Finally, there was no response from Miami—from Mervyn LeRoy—and the Chair was forced to call for a vote. By a margin of one vote, the board of Hollywood Park authorized the sale of its Marineland operation to Taft Broadcasting.

When the transaction was completed and Somerset's fees paid, we put the investment-banking operation aside and for the next 10 years concentrated on building what would be known as Pacific Coast Cement Corporation—the largest and most profitable cement-import operation in the country.

CHAPTER THIRTEEN

Pacific Coast Cement Corporation

While transactions like United Foam and Marineland were interesting and profitable, Somerset's real goal was met with the creation of Pacific Coast Cement Corporation with a state-of-the-art facility constructed to our specifications by the Port of Long Beach in Southern California. This $20 million plant—with 55,000 tons of storage and a Swedish-designed and -built bulk-material unloading device engineered for dust-free operation at rates up to 1,000 tons per hour—was the dream of any importer. Sales would peak close to one million tons per year. Together with the Florida plant, which expanded to 600,000 tons per year, Somerset was to become the largest and most profitable importer of cement in the U.S.—if not the world!

* * *

Pacific Coast Cement Corporation was an undertaking of incredible good fortune. It all began with the Port of Long Beach, which had strong incentives to have a new source of income and an investment opportunity for its excess funds. If the Port could not find investment for its cash hoard, the City of Long Beach, which owned the Port, could certainly use the money. In other words, the Port *needed* a major project—something over $10 million—to show a use for its capital funds.

An appointment with the executive director of the Port of Long Beach led to its strong interest in hosting a major cement-import operation for such a use of its capital funds. There was no similar facility in Southern California—a market of 10 million tons annually—other than a small operation in San Diego capable of perhaps 75,000 tons per year. Based on our Florida experience and the strength and size of the Southern California market, Somerset was able—with its investment partner, Philipp Brothers, an NYSE-listed firm with worldwide offices and experience in trading mineral, petroleum and precious commodities—to convince the Port of Long Beach to build and lease to Pacific Coast Cement Corporation a major terminal that would be the largest and most efficient in the United States. The Port was interested in not only hosting such an operation but also financing it. In fact, the Port's eagerness to finance Pacific Coast Cement's import facility—a project anticipated to cost $15 million to $20 million—was the result of an unanticipated series of recent events.

In the early 1970s, Standard Oil had announced plans to construct a terminal at the Port of Long Beach to receive shiploads of Alaskan crude oil that would be pipelined to Texas. Alaskan oil is classified by the industry as "heavy crude"—very similar to oil produced in California. Texas, on the other hand, produces "light crude." The market for Alaskan crude was elsewhere, where it could be blended. Environmental activists brought the Standard Oil project to a standstill with seemingly unsolvable problems of air-quality standards. After spending $75 million or so, Standard Oil gave up on its California terminal/pipeline plans, but the environmental issues remained—especially those relating to offshore ship emissions. How many miles out to sea should ship emissions be included in the total emissions that blow ashore and contribute to Southern California's pollution? Should they be counted at all? Until the environmental issues were resolved, the Port's large capital position could not be invested in new projects to support its current or projected income—or provide for its future.

Complicating this problem was the recently changed California property-tax legislation that not only reduced individual homeowner property taxes but also directed payment of such taxes to the state rather than to local cities and counties. The City of Long Beach was experiencing a substantial decline in local tax receipts and looked longingly at the Port's hefty cash balances. While the city owned the Port, each had its own independent system of governance. The Pacific Coast Cement project would solve one problem but complicate another.

The law firm that advised Standard Oil believed it had solved the environmental issues and that Standard's withdrawal was for other, nonenvironmental reasons. Somerset retained this law firm—the largest in Long Beach—Ball, Hunt, Hart, Brown and Baerwitz. George Hart was the partner in charge of the Pacific Coast Cement account—an experienced, innovative and charming personality and a most able counsel!

The domestic cement industry joined forces in vigorous opposition to the PCCC project. Their first demand was for the "California obvious"—an environmental-impact report, or EIR. After this was completed and accepted by the Port, the industry demanded a *more* complete (and complex) EIR. This was also provided, and some steam was taken out of the industry's resistance. After significant negotiation and concessions by both sides, the State of California granted approval of the project but reserved approval of its air-quality standards.

It looked as though the Pacific Coast Cement/Port of Long Beach project was nearing the end of its permitting odyssey. The local permitting agency had given Standard Oil a considerable amount of grief and no permit. We achieved much better results thanks largely to the lessons learned by our law firm—and with local permits in our hands. But the State of California permit required to cover the potential problem of ocean pollution was not yet issued. A personal meeting together with counsel in Sacramento, thought to be our last chance, still had not produced the required permit. At question was the effect of pollutants generated by ships transporting our cargo from miles out in the ocean (up to 750 miles) on the California coastal environment. I asked, "How can you prove that these potential emissions will reach the shorelines and basins of California?" Their response was, "How can you prove they won't?" The State of California would simply *not* issue a permit.

What to do? We talked and talked—there was no way we could see to break this deadlock. I heard that Jim McJunkin, the Port manager, was going to Washington to meet with Representative Glenn Anderson, a senior congressman who represented the ports of Long Beach and Los Angeles and was also chair of the Committee on Public Works and Transportation as well as a subcommittee on surface transportation. I wanted to join Jim because his success in Washington was absolutely crucial to Pacific Coast Cement. However, I was told, quite frankly, no.

When Jim returned from Washington some days later, the world had changed. We were asked to resubmit the application "as is." We did, and the California Air Resources Board approved it that same day. What happened? How did it get through so easily after so much difficulty? No one knows—or no one talked! The bottom line—all approvals were in.

* * *

I met with Jim the morning after his return from Washington. The trip had finalized the environmental clearance we needed, and I expected a happy man. Instead, I was surprised by the concern on his face—a new problem had arisen.

The commissioners of the Port of Long Beach were to meet a week from Thursday to formally approve the port's participation in the approximately $20 million capital expenditure to build and lease the port terminal to Pacific Coast Cement. But that morning Jim had been informed that the cement industry would make a major and continuing effort to block approval by any means—including demonstrations by a variety of pressure groups united, determined and prepared for sustained battle. This campaign against the project would begin with a mass demonstration at the upcoming commissioners' meeting.

Jim McJunkin was normally as cool as an ice cube, an unflappable executive. However, one could see he was dismayed, discouraged and distressed by this news. The cement industry, while vocal at the start of the project, had been quiet for many months. But the full board of commissioners' meeting was a special event attended by all when usually only a quorum would meet and conduct the port's business. While some commissioners wanted to avoid controversial issues—and this certainly had become one—the problem was the ringleader of the industry's protest, Walt Osterman, the president of Kaiser Cement.

Osterman had become the organizer and leading voice in the industry's protest against our project. They did not want Pacific Coast Cement to be a supplier to the Southern California market. They had failed in every effort to stop us up until now. Fighting the Port had not worked, and construction was almost completed. There was no customer support to prohibit a new supplier. Their only hope was to scare enough of the full board of commissioners to block a vote or achieve a negative vote on moving ahead with the project. While the chance of their success was uncertain, Jim wanted help to ensure a positive commission vote.

When he raised his concerns, Larry and I listened. We had come too far to stop now—even to put the project on hold was not an acceptable or viable option. We had to find a way to put a damper on the cement industry's resistance.

What could be done to take Osterman out of the picture? After hours of fruitless thinking, no new magic ideas seemed to appear.

But then I thought of a long shot: the "Brown" of our law firm—Ball, Hunt, Hart, Brown and Baerwitz—was Edmund "Pat" Brown, the former and very popular governor of California. He was friends with Edgar Kaiser, the CEO of Kaiser Industries and Osterman's boss. I suggested that we ask George Hart, the partner in charge of our Port dealings, to see if Pat Brown would be willing to intercede on our behalf with Kaiser. It was the only way we could think to silence the leaders of the protest.

George agreed with our request to seek out Governor Brown's willingness to do this. While George thought it a very good idea, he volunteered no guess on his success. However, Governor Brown as well thought it an excellent idea and asked that we meet for a briefing on the subject and our progress to date. At his suggestion, I was to meet him at the Bel-Air Country Club the following Saturday morning.

We talked through breakfast—and lunch—and into the early afternoon about the cement industry, the market in California, the various companies in that market and current practices and conditions. Governor Brown had a quick and sharp mind coupled with an insatiable curiosity. About 3 p.m., he felt he was ready and said he had a date with Edgar Kaiser—who he referred to as "my old friend"—on Monday morning in Oakland.

A lawyer from the firm accompanied Governor Brown to his meeting with Kaiser. He was very familiar with the project, particularly the environmental issues, and we had become good friends over the many months of working together to bring the project to a successful close. What I heard of the meeting was only shared by him; the only comment from Governor Brown was a terse "Don't worry!" The day went something like this:

- The governor and his associate flew up commercial coach class. (Pat Brown *always* flew coach in California!)
- Edgar Kaiser sent a limo to meet them at the airport.
- Pat Brown and Edgar Kaiser greeted each other like old-time friends—happy to see each other again.

- For the next two hours, the two of them talked about old times, current events, people they knew, the national scene—everything *but* Pacific Coast Cement and the Port of Long Beach.
- Edgar Kaiser remarked how the morning had flown by so quickly—and lunch was served in the adjacent room while the talk continued unchanged.
- After lunch, conversation resumed in the conference center until about 2:45 p.m., when Edgar Kaiser remarked that if the governor wanted to make his return flight as planned, he should be leaving soon and the limo was waiting to take him back to the airport.
- As they were walking toward the door, Governor Brown turned to Edgar and said, "Edgar, our firm represents Pacific Coast Cement and the Port of Long Beach. They are working together on a project. Your man Osterman is causing trouble, and it's really not a good thing. Edgar, you and I learned a long time ago that those who live in glass houses shouldn't throw stones."
- With that and a warm handshake, the meeting ended.

The following Thursday, not one member of the cement industry showed up at the meeting of the Port of Long Beach commissioners. The project was unanimously approved, and Pacific Coast Cement would be in business upon the completion of construction. The last hurdle had been crossed with ease! I learned a long time ago that old military adage "Proper planning prevents poor performance." It was never truer!

* * *

Pacific Coast Cement began operations in October 1981, when the first shipment of cement arrived in Long Beach from Adelaide Cement Company in Australia—25,000 tons! The new plant worked superbly well—its receiving capability was well above industry norms and its unloading performance the fastest in the world. Early in the planning, Larry and I had visited Sweden to investigate a newly developed, remarkable device for granular materials. The Siwertell ship unloader, a Swedish-designed and -built mechanical unloading device, operated at rates up to 1,000 tons per hour and averaged 500 tons throughout its unloading cycle. A shipload of 30,000 tons could be unloaded in four to five days on a two-shift basis. Each seven-hour shift could see 3,500 tons of production—7,000 tons per day—well above the contractually negotiated shipping contracts. The total cost of unloading, including capital charges for the unloader, was in the range of $3.50 per ton. Conventional unloading with crane and bucket equipment, including labor, would be approximately $10.00 per ton and would require more time and cleanup costs. It would take six to seven individual cranes with a minimum of five operators each to equal the Siwertell ship unloader, which ran with a crew of only three. The labor rates and practices imposed by the West Coast's maritime labor contracts made the savings most impressive.

It was a great day! The shipment was unloaded with no demurrage—a triumph for an initial operation. And our customers were waiting! Sales vice president Jon Pauley had done an excellent job preparing our Pacific Coast Cement's sales representatives. The Port of Long Beach management, led by Jim McJunkin, was helpful in supporting our initial unloading operation, and the stevedore crew had performed the unfamiliar and complicated operation of the Siwertell unloading with relative ease. The plant, through the efforts of PCCC's vice president of operations, was spotless and amazingly efficient in both unloading vessels and loading customers' trucks. Cement operations are normally "dusty" because of cement's fineness. Not Pacific Coast Cement's plant. The customers' truck drivers and others marveled at its cleanliness and made sure they didn't make a mess! And our customers found the quality of the cement product from Australia to their liking. It was an auspicious start to a hopeful future. We were off and running!

From the beginning, Pacific Coast Cement was a fun company. Everything was "just right." We had a great crew—and our four salesmen, dubbed the "Crown Princes," were the envy of the industry. They were recruited by Jon Pawley, PCCC's vice president of sales—he had been our choice because our research indicated that as VP of sales for Southwestern Cement, one of the largest manufacturer/suppliers in Southern California, he was the top sales executive. Two of the salesmen working under Pawley at Southwestern chose to join him at PCCC. The third was known by Pawley, and the fourth had previously been employed by Southwestern.

Nationally, cement salesmen average about 50,000 tons per year per salesman. The four Crown Princes averaged between 200,000 to 250,000 tons per year—*each*! Their total compensation, salary plus incentive awards, was substantially above the average in Southern California, a fact that became well known in that small industry!

Their compensation packages were heavily oriented toward performance pay. As time went by, a unique feature developed among the four—they had more interest in PCCC's total sales level and profit performance than their own. As a result they worked together to maximize total sales. The results were reflected in their ultimate compensation. With profit sharing, their annual compensation was between $80,000 and $100,000 each—perhaps twice the average of a competitive salesman in the domestic industry at the time. Their competitors were envious! Our salesmen were also the first in the industry to have mobile phones—a perk highly envied by their competitors.

Pacific Coast Cement Corporation became a huge success by any standard, joining National, whose production capacity was doubled to 600,000 tons with revenue growth that absorbed the added production. That doubling of capacity was achieved at an extremely low cost through a clever and adroit manner. Utilizing the excellent used-grinding equipment from an existing but closed plant on the Atlantic Coast allowed the expansion to be made at substantially reduced cost. Gary Trice in Florida and Jon Pawley in California led the respective sales efforts of the two companies. Their innovative sales teams produced continuing year-by-year gains, culminating in combined sales of some 1.5 million tons annually in the late 1980s. Plus, we had the top customers and not one cent was lost in unpaid invoices.

* * *

After operations were well under way, two competitors—California Portland and Kaiser Cement—led an industry-wide effort to stop imports of cement into Southern California by filing an anti-dumping action against cement from Australia and Japan, charging damages from less-than-fair-value imports. Pacific Coast Cement posed a competitive threat to domestic producers; although, at its full throughput of one million tons per year, it would only represent about 10 percent of cement consumption in Southern California. But the domestic industry encouraged the U.S. Department of Commerce and International Trade Commission to bring legal actions against all cement importers into Southern California. These were serious, life-threatening (*business*-threatening) charges. And we took them precisely that way, determined to defeat them.

We conferred with our corporate legal counsel and prepared our testimony for the preliminary hearing to be held before the staff of the International Trade Commission. The complaint requires the Department of Commerce to establish whether or not the product being imported is being sold at prices that are "less than fair value." This is generally the case since the product being sold in the United States is at less than the fair value in the exporting country because of the freight and handling cost of shipping and storage. This determination is made by the Department of Commerce.

However, being sold at less than fair value is *not illegal*. The harm comes from *injury* that may be caused by sales at less than fair value. The initial determination of injury is made by the staff of the International Trade Commission after open hearings. If the staff of the commission determines there is no *likelihood* of injury, the case ends. If there is a *possibility* of injury, the case goes to the commission of the International Trade Council for hearings and final determination.

At the initial staff hearing, Pacific Coast was represented by O'Melveny & Myers, its Los Angeles–based general counsel, one of the leading law firms in California. Our presentation at the first staff hearing was artful but, as we were to learn, off target. Our attorney was a brilliant litigator but not a trade lawyer. He saw the complaint more in antitrust terms and argued along those lines. This did not meet the ITC's criteria, and the staff had difficulty reaching a finding of a clear lack of injury. They had no choice but to defer on the ruling and pass the case on to the full commission.

At this point, Warren Christopher, the managing partner of O'Melveny & Myers, stepped in. He called shortly after the determination and directed that we go to Washington, D.C., the following week. He had lined up five top trade lawyers for us to interview and select. We went as directed—one did *not* challenge Warren Christopher! The next week, guided by Zoe Baird, a young lawyer from O'Melveny who would later be nominated to be attorney general of the United States, a day was spent interviewing the top five Washington trade lawyers. They were all impressive with stellar academic backgrounds and broad trade-practice experience. The cream of the crop was Dick Cunningham of Steptoe & Johnson (Louis Johnson was defense secretary under President Truman). Dick was simply *outstanding* in both experience and his understanding of the issues. We retained Steptoe & Johnson and Dick Cunningham that day!

Dick was a joy to watch! He brought Shannon Stock Shuman, an economist of substance (and wit!) into the case. She developed a supply-and-demand analysis in which the final market price after imports was not where economic logic would have placed it. Rather, the actual market price was "floating above" that intersection. "Floating Point D," the market price after imports, was not at the anticipated depressed level—it was *floating above*. In short, there was no marketplace evidence that showed imports to have a negative or depressing effect on actual market prices—hence, no injury. No economist or lawyer from the domestic industry side could offer a counteropinion that was viable or prove price depression due to import.

That testimony, along with Sue Esserman's concise and devastating destruction of the domestic industry's position, together with Dick Cunningham's impressive summary, ruled the day. The commission voted 4-0 against the domestic industry's charge of injury due to dumping. Pacific Coast Cement was free to soar as of September 1983. And soar it did! It went on to operate near its capacity of one million tons per year.

While the proceedings before the International Trade Commission had ended in defeat for the domestic cement industry, their efforts to thwart imports of cement nationally continued. An organization, the Cement Manufacturers' Trade Association, was created with a large Washington, D.C., office and staff. To counter their efforts, Larry and I organized the Cement Free Trade Association with support from our law firm, Steptoe & Johnson. We had no office, other than our law firm's, and neither staff nor budget. CFTA represented new hope for six or seven importers, other than National and Pacific Coast.

Our Washington efforts were greatly enhanced by the skills of a veteran capital operator, E. Del Smith, who came to the capital with the Eisenhower presidency and was highly regarded in Republican circles. Glenn Anderson, a congressman from Los Angeles and chair of the Public Works Commission of the House of Representatives, was our strongest and most effective ally. We won every battle that arose. It was almost comical watching the domestic cement industry keep their losing streak going!

* * *

But a cloud appeared on the horizon. The U.S. dollar was the world's strongest currency, depressing the U.S. industry's ability to export. Under pressure from sectors of the business community, President Reagan led an effort to devalue the U.S. dollar over time. In 1985 an agreement was made between the governments of West Germany, Japan, the United States, France and the United Kingdom to depreciate the U.S. dollar in respect to the German Deutsche mark and the Japanese yen. The Plaza Accord (so named because it was executed at the Plaza Hotel in New York City) resulted in lowering the value of the dollar against most currencies of the major industrial countries and, more importantly, our cement suppliers. Although this action would not take effect for three years, our profits were likely to diminish, although, at that time, PCCC's sales were strong and earnings were high. We decided that a sale in the near future would be beneficial, and the response to the tentative testing of possible future buyers was compelling. We agreed that if we wanted to receive top dollar for our efforts of the past 15 years, this was the time. Offers were above our expectations, and the decision was made to sell.

The sale of Pacific Coast Cement to CEMEX, now the largest international cement producer, was made in 1990. Following that sale, we turned toward the sale of National Cement for similar reasons. The plant's expansion, completed in 1988, saw sales rise to over 500,000 tons—approaching the plant's capacity. The buyers of the balance of National included the same purchasers of the minority position some years earlier, affiliates of Lafarge, the French international producer. However, the expanded capacity and the improved revenues and profits garnered a much higher price. The sale was concluded in late 1990.

After a successful 17 years, Larry and I decided to liquidate the remaining assets of Somerset and close the door on a most successful decade and a half of economic activity. We never bothered to tally the total income generated by Somerset's success—but management fees, incentive compensation, dividends, profit sharing and sales proceeds certainly topped $150 million.

More importantly, we built two exciting companies that employed superb people who were very well paid and who led more interesting lives and received higher income than they had ever experienced. How did we know that? One after another told us the same story: "Best job I ever had." "Never knew working could be so much fun." "Why does this have to end?" "When are you going to start another company?" These were only some of the responses to our decision.

Pacific Coast Cement was a culmination of a truly *Essayons* experience. Taking over National Cement in Florida was a reputational and financial risk, but we succeeded in turning a failure into a success. In Pacific Coast Cement, we convinced one of the largest ports in the United States together with the world's leading commodity trading corporation into partnership to create the largest import operation in the country. We had tried and succeeded!

* * *

George Bartell

Pacific Coast Cement Corporation launched the most efficient and largest cement import facility in the nation—and perhaps the world—with great fanfare in the Port of Long Beach, California, in October 1980. It was a dramatic change in size, efficiency and cost effectiveness from existing facilities.

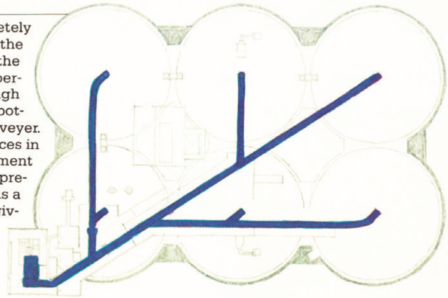
These extraordinary capabilities of Pacific Coast Cement were brilliantly highlighted in a brochure for the company's opening. George Bartell's distinctive style captured the ingenuity and the unique features of this impressive plant and the advanced technologies employed. Both cement and shipping executives were impressed—even awed—by the creative aspects of the plant and the imagination of its design. The success of its opening was realized in the ultimate success of the venture.

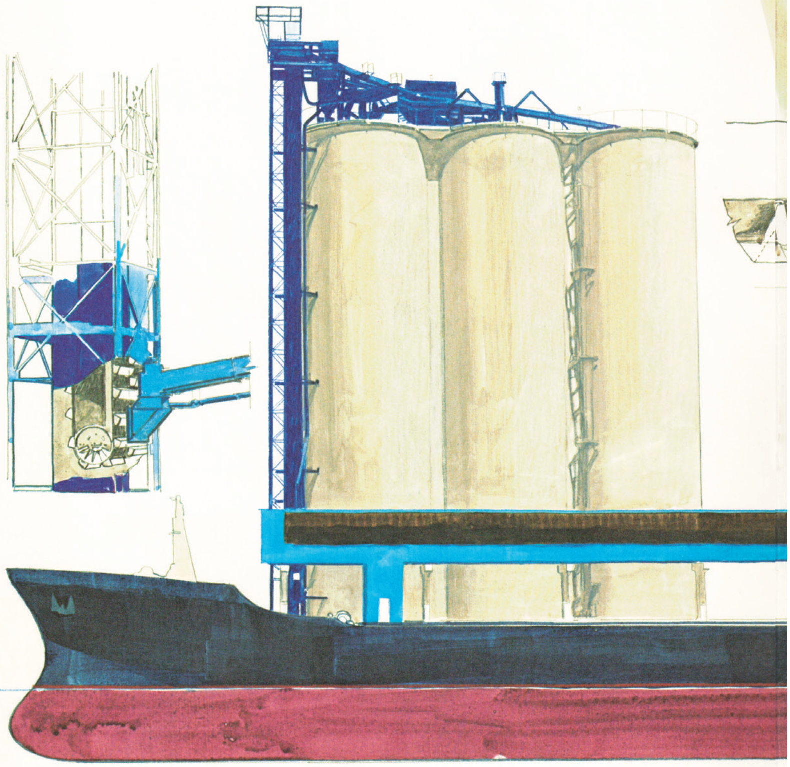
George Bartell became a friend during the months preparing for the opening of Pacific Coast Cement. A graduate of Pasadena's Art Center College of Design, he became recognized as one of America's premier design artists. His work embraced many industries—from automobiles to Frank Sinatra album covers. He was a skilled artist in a demanding culture. His personality was like his art—unique, delightful and giving; a confident, capable and most interesting person; a great artist and warm friend!

His sketch of me was a surprise—and a treasure!

4.

The final step in this completely inter-locked unloading process is the transfer by airslide conveyer to the preselected silo. The airslides operate by fluidizing the cement through low pressure air circulation in the bottom chamber of the cloth conveyer. Electronic measurement devices in each silo monitor the level of cement and automatic cut-off devices prevent overloading. Each silo has a capacity of over 8,300 tons, giving a total storage capacity of over 50,000 tons.



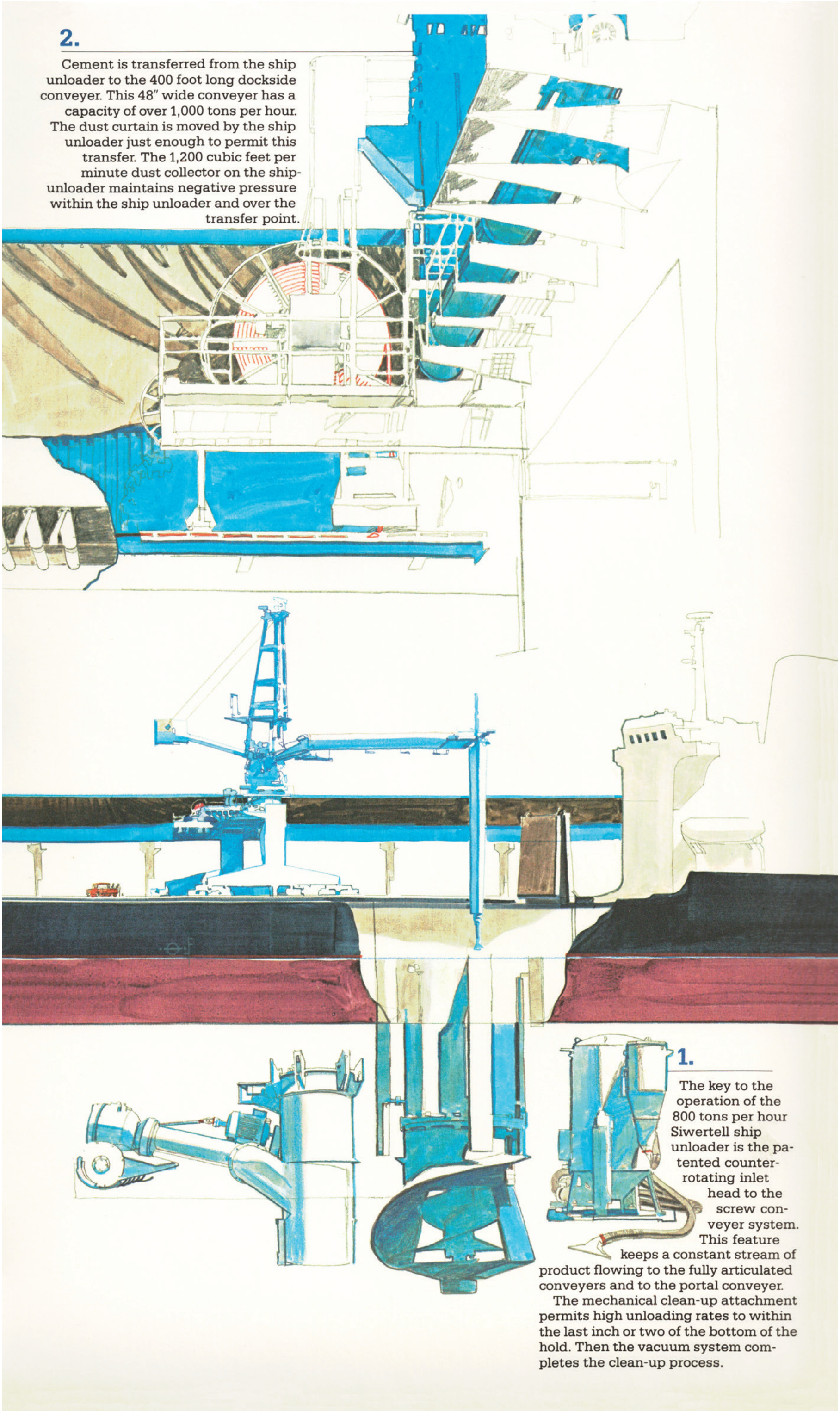


3.

From the dockside conveyer, cement is moved by an enclosed airslide to the 225 foot, high-speed bucket conveyer. This totally enclosed system—all under negative pressure from the 13,200 cubic feet per minute dust collectors located atop the silo complex—can move over 1,000 tons per hour, thereby handling any surges that may develop in the unloading system.

2.

Cement is transferred from the ship unloader to the 400 foot long dockside conveyer. This 48″ wide conveyer has a capacity of over 1,000 tons per hour. The dust curtain is moved by the ship unloader just enough to permit this transfer. The 1,200 cubic feet per minute dust collector on the ship-unloader maintains negative pressure within the ship unloader and over the transfer point.



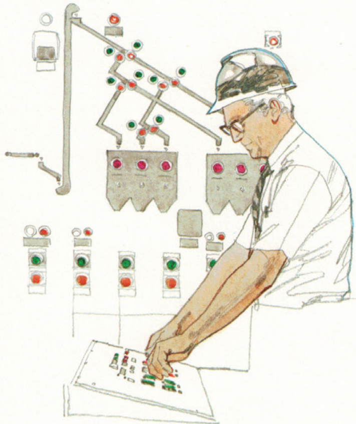
1.

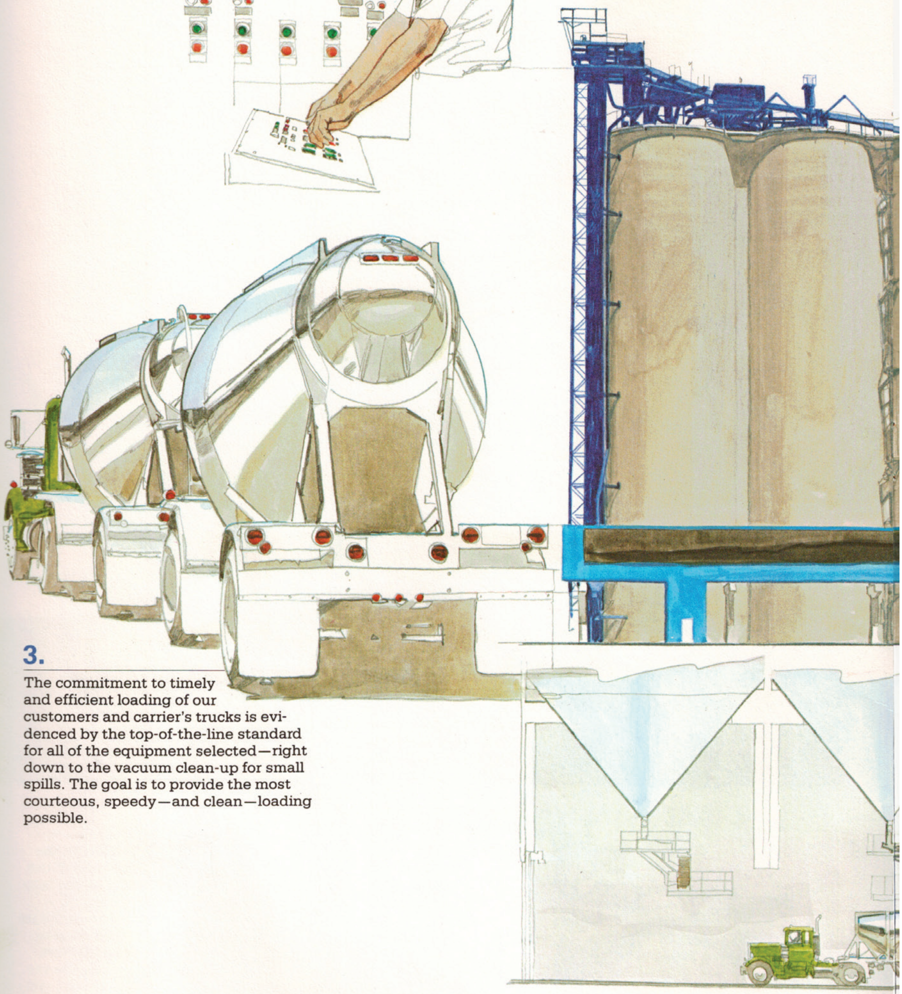
The key to the operation of the 800 tons per hour Siwertell ship unloader is the patented counter-rotating inlet head to the screw conveyer system. This feature keeps a constant stream of product flowing to the fully articulated conveyers and to the portal conveyer.

The mechanical clean-up attachment permits high unloading rates to within the last inch or two of the bottom of the hold. Then the vacuum system completes the clean-up process.

2.

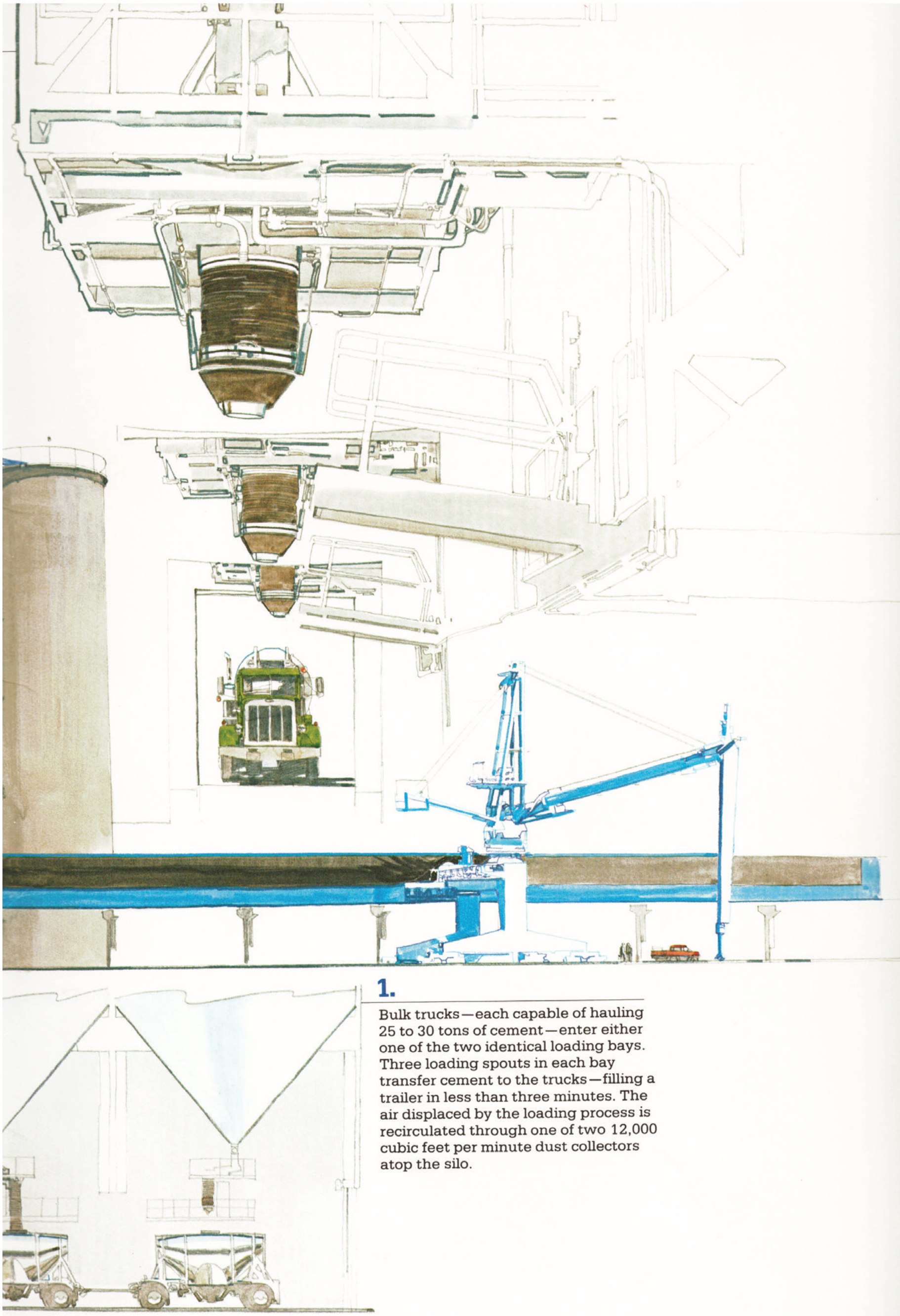
The tractor-trailer is weighed empty on the 180′ scale. The maximum load is pre set in the micro-processing device connected to the scale controls and located in the loading control room. The difference between the empty weight and the maximum loaded weight is automatically calculated and the proper amount is placed in each trailer. The bill of lading is then automatically printed, time stamped, sequenced and sent via pneumatic tube to the driver for verification and signature upon exit.





3.

The commitment to timely and efficient loading of our customers and carrier's trucks is evidenced by the top-of-the-line standard for all of the equipment selected—right down to the vacuum clean-up for small spills. The goal is to provide the most courteous, speedy—and clean—loading possible.



1.

Bulk trucks—each capable of hauling 25 to 30 tons of cement—enter either one of the two identical loading bays. Three loading spouts in each bay transfer cement to the trucks—filling a trailer in less than three minutes. The air displaced by the loading process is recirculated through one of two 12,000 cubic feet per minute dust collectors atop the silo.

CHAPTER FOURTEEN

Winsford

In early 1984, flying to Florida to spend a week at our National Portland Cement Company in Port Manatee, I happened upon an ad in the *Wall Street Journal*, "Company for Sale—Orange County, CA." I had been looking to buy a company for Winsford, our family business, and thought this might be a possibility. Upon arrival, I called the company and made an appointment for the following week.

Forbes Industries was a simple company—a small manufacturing plant (15,000 to 20,000 sq. ft.) with well-maintained but ordinary equipment. The staff consisted of the owner, Don McCullough, a former midlevel General Motors executive who was in poor health and would not be part of the ongoing management; the sales manager, Tony Hudson, an engineer and an Englishman of some charm; and the owner's son, Rand McCullough, the plant manager and a promising future executive.

Don McCullough had been assigned to Oldsmobile's sales office in San Diego in the 1970s. Subsequently reassigned to GM's metal-casting operation in Saginaw, Michigan, he preferred the sunny climate of Southern California. He resigned from General Motors and traveled back west to purchase a small company, Forbes Brothers. Forbes had made its name in the early years of the twentieth century by manufacturing "dollies" for the massive movie production cameras used in the 1920s. That era passed and Forbes was now manufacturing "other things that moved"—shopping carts, etc. When Don purchased Forbes, the company had no defined product line, and so he began by developing a new line manufacturing and marketing products for the hotel industry.

The price for Forbes was in our range—revenues were around $2 million and the selling price was $1.8 million. Although the money was not in hand, Winsford was to receive its first $1 million dividend in a few weeks. Indeed, the taxation of that dividend was the reason for the purchase of an operating company. Winsford's current tax status was that of a "financial holding company," requiring dividends to be taxed at 85 percent. However, if it were to acquire operating income at least equal to the dividend income, the dividend tax rate would drop to 15 percent. This made acquisition of "operating income" of at least $1 million imperative. Existing IRS guidelines defined "operating income" in manufacturing companies as revenues less labor, purchased materials and services. Forbes estimated operating income would be about equal to the projected dividends and result in the lower tax rate of 15 percent. Bank of America was most accommodating and very flexible in our financing requirements. Armed with a letter from B of A to a prospective seller, we were prepared for a purchase in the range of $2 million.

Winsford completed its purchase of Forbes Industries, its first acquisition, by midyear. Don McCullough retired and lived out his life at ease. His son, Rand, became the plant manager under the new president, Tony Hudson. Winsford was no longer considered a financial holding company, and the dividends from Pacific Coast Cement Corporation would be taxed at the lower rate.

Forbes's products for the hotel and hospitality industries—hotel housekeeping carts, luggage trolleys and racks, room-service tables and numerous other items—were of high quality. Customers were largely from the major hotel and motel chains across the country and abroad. Sales (around $2 million annually) and profit margins were decent. It was a good base acquisition—the small staff was capable and Tony was an excellent leader!

We soon learned that a company competitive to Forbes, the Harloff Company in Colorado Springs, would be interested in a similar transaction. As it was a major competitor, we responded with a polite but guided response.

Norm Harloff, the sole shareholder, graduated from the University of Wisconsin with a degree in engineering in the mid-1930s. Jobs were scarce during those Depression years, but he found employment with Phillips Petroleum in Bartlesville, Oklahoma. While he disliked Oklahoma, the job was good—he stayed but vacationed each year searching for the ideal spot to establish his ultimate "home." After a few years and many miles, he believed he had found that special place in the mountains just west of Colorado Springs. The town of Manitou Springs won him over as the "best location in America!"

In the early 1950s, Norm left Phillips Petroleum and Oklahoma and moved to Colorado. Along the journey across country, he noticed housekeepers struggled to move their gear from cabin to cabin (these were premotel days). The engineer in him quickly envisioned a "maid's cart," a vehicle that could hold and transport all of the necessary gear and supplies required to refresh a room.

Kemmons Wilson built his first Holiday Inn in Memphis, Tennessee, in 1952. From that small start, he created the modern motel industry—the operative word derived from "motor hotel." It became a huge success, creating and shaping an entirely new industry. Sensing an opportunity, Norm Harloff took his "maid's cart" to Kemmons in Memphis. Wilson not only liked it, he incorporated it as a requirement in his motels. Harloff created a new and useful product for the hotel industry as well as encouraging growth in the "motel" industry. And when Forbes added Harloff's ideas to their product line, the whole industry followed. Norm Harloff had found his niche. Now in his 70s, he could think about retirement.

Harloff created a stable and growing product line around the maid's cart for the motel industry. It also became the leading manufacturer for other products, including luggage carriers. After Forbes had changed hands, the new management headed by Don McCullough and Tony Hudson discovered Harloff's newly designed product line. It was not long before Forbes also entered the hotel equipment supply chain. While miles separated them, Forbes in Southern California and Harloff in Colorado Springs, they were the only two nationwide suppliers to the hotel industry.

Not long after the acquisition of Forbes, an electric failure one fateful evening ignited a fire at the plant, destroying its building and manufacturing equipment as well as its inventory and some of its records. It would take months to replace Forbes's ability to resume manufacturing. Fortunately, in record time, a new lease was signed, and a larger plant, equipment and machinery were purchased. Inventories were restored and business was reinstated at twice the prefire levels.

New products were introduced and older, existing products improved. Sales were soon double the preacquisition levels, and national chains signed on to the Forbes line of products. The principle markets were in the midprice range with Hilton and Sheraton, the two principle nationwide brands signing on as Forbes customers.

Word came through the industry grapevine that Harloff would be for sale. A call to a friendly industry source confirmed the rumor and discovered they would like to sell to the "fine company" that had purchased Forbes. Another call by an unrelated party confirmed their interest. A trip to Colorado Springs proved their interest and set the stage for the future acquisition. On the second trip, I carried two Bank of America cashier's checks—one for $2 million and the second for $100,000. When I arrived at the meeting, thought to be only with Norm Harloff, I was greeted unexpectedly by the whole family. After an hour or so of discussion, I said we were prepared to buy the company. Seeing both the enthusiasm and the greed on the faces of the family for their share of the $2 million, I pocketed the check for $100,000, knowing it was not needed. The meeting was adjourned very quickly.

The Forbes and Harloff companies became the operating arms of the Winsford Corporation, a family company formed to hold the 25 percent of the shares and then the proceeds of the sale of Pacific Coast Cement Corporation. The dividends from PCCC and the proceeds of its sale made the debt-free purchase of Forbes and Harloff possible.

It also made possible the creation of new products and their subsequent marketing programs. The product that remade Forbes was discovered on a trip to Washington, D.C. The Hay-Adams is the closest hotel to the White House. Its location and its historic presence as well as its style makes it the crème de la crème of Washington hotels.

I was in Washington for political reasons unrelated to business when I saw the most unusual piece of hotel equipment in the main lounge. It was a brass "birdcage" being used for luggage transport and other purposes. About five feet high and five feet long, it was quite an attraction. The bell captain explained it was a newly acquired luggage cart that management believed elevated the image of the Hay-Adams. The product was a game changer!

Indeed, it was. Being the chairman of a hotel supply company, I wanted to learn more. The product was manufactured in Canada by a named company, and this was their trial or "sample." They wanted to test it at the Hay-Adams before expanding production. The product was beautiful—extraordinary by any standard. In a category of well-built and practical products not necessarily striking in design, this product was!

Returning to Los Angeles, Tony Hudson was informed about the cart and the prestige it generated—fit for a king! Nothing happened. A year or so later, the general manager of Marriott's new Ritz Carlton Hotel in the Peachtree Center in Atlanta, Georgia, sent Tony pictures of the cart that the Marriott's management had purchased for its first new Ritz Carlton in Boston.

Tony somehow managed to purchase one of these new carts and had it shipped to California. There he re-engineered it, improving certain features and, more importantly, made it able to be shipped broken down—eliminating the bulk of the shipping container and sharply reducing freight costs. In the process of designing the mechanism for retaining the four tubes joined at the top, the engineering was granted trademark status, protection against copying.

Once the redesign was complete, the cart appeared as an elegant, shining brass "birdcage." It commanded a princely sum and would be purchased worldwide by the highest quality hotels. The finest hotels around the world had to have them. Forty years later they are still the hallmark of the highest quality hotels. No other worldwide symbol has replaced it.

A very important and additional benefit from the introduction of the birdcage cart was that it piqued the interest of the buyers in other Forbes products. Sales of our standard product lines, such as housekeeping carts, room service tables and variety of other products, soared! Other specialty products were developed as well,

(From left to right) Tim, Peter, John Sr. and John Jr., Winsford board of director's meeting in Los Angeles.

such as the ballroom portable bars, and stationary bars were added to Forbes's premium lines.

At the same time, Harloff made a major and successful move into the medical supply field with cabinet and standing storage for medical emergency rooms, supply mobile carts and other medical specialty products. Its remaining hotel business was transferred to Forbes.

Over the past 50 years, Forbes and Harloff have introduced new and improved products to the hospitality and medical markets not only in the United States but also abroad. It has been a profitable venture for the family and hundreds of our employees. It has also been a creative force to hotel and hospital guests by producing products for room and food services, luggage handling, ballroom services and many other purposes. And the birdcage, after decades, is still a hallmark of the upscale hotel.

At its outset in the late '80s, the total sales of Winsford's two companies were about $4 million to $4.5 million annually. Some years later, in 2014, Winsford's management group met in Riverside, California, to regroup and recharge. Annual revenues then averaged about $25 million for the years 2009 through 2013. Current revenues have risen to the $35 million to $40 million range.

John W. Sweetland and the Birdcage Cart at the Four Seasons, Prague.

CHAPTER FIFTEEN

Alaska

One Sunday morning in the mid-1970s, a group of Alaskan Native students from Sheldon Jackson College in Sitka, Alaska, came to Westwood Presbyterian Church to share their story of a most unusual Presbyterian-affiliated liberal arts college. Their story reached my heart and had a strong and positive influence on me. Perhaps it related to the satisfaction I had found in Detroit in 1968, when I was deputy mayor and worked closely with the African American community after the devastating riots of the previous year.

I made a trip to Sitka to learn more about Sheldon Jackson College, its mission and its people. I found the school fascinating and was overwhelmed by the beauty—the majesty—of Alaska. That first visit would find me deeply involved with that great state in many ways for the next 30 years.

Alaska became a U.S. territory in 1867 upon its purchase from the Russian Empire on March 30, 1867, for $7.2 million—a purchase price of two cents per acre. That may be the world's all-time real estate bargain! It is the largest state in the Union with an area of over 660,000 sq. mi. A majestic state, it contains the highest elevation in the United States, Mount McKinley, at 20,310 feet. Sheldon Jackson

College is in the southeastern portion of the state in Sitka (formerly the Russian capital) located near Juneau, the capital of Alaska.

Sheldon Jackson became an ordained Presbyterian minister after his graduation from Princeton Theological Seminary in 1858. He began his missionary career in Wisconsin and Minnesota before heading west for ministries in Arizona, New Mexico, Utah, Colorado, Wyoming and Montana. It is estimated he traveled close to a million miles and established over 100 churches and missions. He came to Alaska in 1877, only 10 years after its purchase from Russia and established schools and training centers.

He became a close friend of President Benjamin Harrison and worked toward the passage of the Organic Act of 1844, ensuring Alaska would have a governmental and legal system similar to the U.S.'s, with commissioners in key areas such as legal and education appointed by the United States president. Jackson was appointed the first general agent of education in the Alaska territory by the secretary of the interior in 1885.

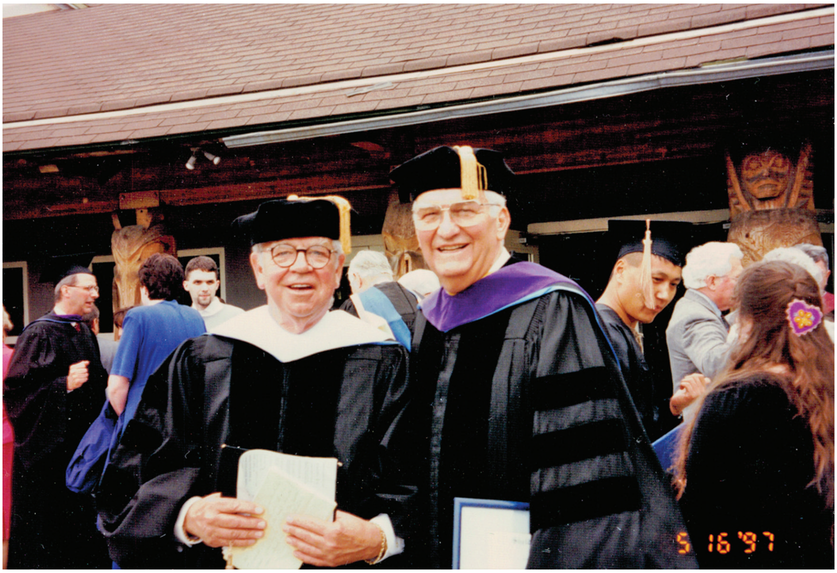
What would become Sheldon Jackson College was founded in 1878 by the governor of Alaska, John G. Brady, as the Sitka Industrial and Training School for Alaskan Native boys. It nearly closed after a disastrous fire in 1882. The Presbyterian missionary Sheldon Jackson raised money to rescue the school, and after his death in 1910, it was renamed in his honor. It became a high school in 1917 and a college in 1944. It was accredited in 1966, at which time the high school was closed. The Sheldon Jackson Museum Building was added to the National Register of Historic Places in 1972, and the entire campus was designated as a National Historic Landmark District in 2001.

Sheldon Jackson had a most novel source of funding for his missionary and educational efforts. He bypassed the usual channels of funds within the national Presbyterian Church. His appeal was directed at what were then called the "Ladies Aid Societies" and were part of most Presbyterian (and other denominational) churches. The amounts raised by Jackson in this manner are unknown but are thought to be substantial. His efforts in Alaska were in no small part funded by this unofficial but productive source.

By the mid-1980s, I became committed to this unique ministry—a combination of education and mission. Sheldon Jackson College provided a healthy Christian environment for Native students who were mainly from the small towns and hamlets of Alaska. Here they would receive a quality education that would create a pathway of service back to their communities. Whether as teachers or those who studied the salmon habitat and reproduction process, they would contribute to their communities. The school was the educational resource for hundreds of Alaskan Native students from villages across the state. They would come to Sitka for their educational and training credentials before returning to their villages, or other Native villages, to build a better Alaska.

Elected chairman of the board of trustees in the early 1980s, I contributed to the growth and improvement of the campus and the curriculum. Lloyd Hames, the retiring chair, helped make possible the financing and construction of a new up-to-date field house for basketball and other sports. A new residential student-housing facility with an outstanding dining commons was made possible by a gift from our family in honor of our late son, David. The Hames Field House and David Sweetland Hall fit into and complemented the architecture of the original buildings, resulting in a most attractive campus.

My Alaska experience was greatly enriched by the people I met in both the educational world and the Alaskan business community. Elmer Rasmuson, the major shareholder and chairman of National Bank of Alaska, the state's largest and most successful financial organization, became a personal friend and a great supporter of SJC. Through him, I was introduced to leaders of the Anchorage business community and government officials, including U.S. senators, representatives, the governor and other state officials. The financial support of these outstanding men and women on behalf of Sheldon Jackson College made a major difference. They were actively



John Sweetland and Lloyd Hames (business man and "grocer of the year" for Washington and Alaska in 1997 and board member for SJC for 43 years) at Sheldon Jackson College, Sitka, Alaska.

supportive of my role as chairman of the board of Alaska's first and most unusual college.

A special treat for me personally was the use of ARCO Petroleum's corporate jet for a daylong trip to the North Slope to see the offshore drilling operation and visit the extensive onshore refining and processing operations. It's an awesome, fascinating, complex and *huge* operation! A special part of the day was the return trip. I asked, and the pilot graciously agreed, to circle Denali—the highest mountain in North America. Known also as Mount McKinley, it is now officially referred to as Denali, the "Great One," based on the native Koyukon name of the mountain. The plane's circle encompassed a vast area—absolutely majestic in its beauty!

My relationship with SJC ended on a disappointing note. It had become evident that colleges face major difficulties in an increasingly complex educational environment unless they have strong and continuous financial support. Without an endowment and the annual giving of Presbyterian churches throughout the U.S., the gifts from the members of the board of directors, the Alaskan business community and a few other services, it became ever more difficult to even make ends meet and fulfill the requirements of the faculty and students. I urged the board to consider an affiliation with a larger, stronger institution in the lower 48 and specifically suggested two or three other Presbyterian-related institutions. The board split down the middle. The trustees from Alaska wanted no part of this kind of "outside" relationship—but they were contributing *very* little financially. The lower 48 trustees, about half the board (including the major contributors), felt the opposite. In my judgment, the college could not long survive without an affiliation with a stronger partner. Knowing the financial limitations we faced and believing that the school would not be able to survive as a stand-alone entity, I resigned—and with me most, if not all, of the trustees from the lower 48. Sheldon Jackson College limped along for a couple of years before its inevitable closing.

But there is also "another Alaska." A fascinating experience—in people and events—came about in the spring of 1987. I suggested to my wife, Gayle, that she come with me to Sitka for the board meeting, after which we would take a cruise around Alaska. We had been married the previous December. Gayle loved the idea but not in a big boat. The large tourist ships held no appeal for her, and smaller passenger vessels didn't register either. "Why don't we get our *own* boat?" she asked.

With the help of my friends, I learned about an interesting man—a former teacher in the Sitka school system who had a 40 ft. craft that took groups of up to six men on fishing expeditions. So we booked a trip with a rather reluctant Rich Teague—reluctant because he was not familiar with women on board! His reluctance disappeared within 30 minutes after meeting Gayle and hearing her spicy, sassy language. The weeklong venture seemed to fly by—we had a ball! We returned to Alaska often, but 1996 was hard on all of us. Gayle was fading fast from her cancer and was quite ill at the end of our weeklong voyage. While dockside in the small harbor of

Warm Springs Bay, a Grand Banks 42 ft. Classic was docked nearby. Rich had talked about selling his PALCO, an older wooden boat—good-looking but aging. If he sold the PALCO, I agreed to buy a Grand Banks Classic—*if* he would agree to be my captain. He did, and the following February, I purchased a beautifully kept, 10-year-old Grand Banks 49-footer (actually 50.5 feet) with twin turbo V-8 engines.

Unfortunately, Gayle died in September 1996, just two months after our last Alaskan voyage. When I took possession of the newly purchased boat on Victoria Island, British Columbia, the next spring, I named her the *M/V Miss Gayle*. With Rich Teague, we had 10 wonderful years of cruising, fishing and enjoying life aboard the *Miss Gayle*. She was a great ship! We entertained many friends and family on the *Miss Gayle*. Karen Teague was a most gracious hostess and all-around ship's hand. The Teagues are a *wonderful* couple. So many times when I was in Sitka with them, former students would stop and say, "Mr. and Mrs. Teague, you were the best teachers we ever had!"

Ken Schubert (lawyer from Seattle), John W. Sweetland, David Meekhof (11th president of SJC from 1997-2000) and George Regas (mentor) in Sitka Alaska standing with "Miss Gayle."

The Alaskan years were a very special part of my life. I love the state—its awesome beauty and scale is unmatched. Sheldon Jackson College was a most rewarding personal experience, one that contributed mightily to my understanding of the world and the people that inhabit this wonderful globe. Elmer Rasmuson and his wife, Mary Louise (Commander of the Women's Army Corps during World War II!), were extraordinary examples of the generosity and friendship.

But above all, I treasured Rich and Karen Teague, my captain and his amazingly talented partner. We had such good times together, became close friends and still maintain contact after years of separation. The times aboard the *Miss Gayle*—the sights we encountered and the adventures we shared, the fish we caught and the fun we enjoyed, the whales and the icebergs—all of that will *never* be forgotten. I thank the Good Lord for those Alaskan Native students who came to Westwood Presbyterian so many years ago! They opened my eyes to the beauty and wonder of God's creation and the needs of those He created.

CHAPTER SIXTEEN

Mentors

A salient factor in whatever success I may have enjoyed on my life's path is the mentors whose very presence has made it more productive and gratifying. They form a fascinating cross section of the highest levels of greatness and humility that one may hope to experience. From many walks of life, they have been instrumental and inspirational in what I have been able to accomplish and have added to the enjoyment and enrichment of my journey. The success I may have experienced, any accomplishments achieved or personal and financial rewards gained, I owe in great part to the wisdom and example of my mentors.

When teaching a class at Michigan or advising those who seek my advice, I emphasize how the role of mentors differs from that of teachers. Teachers have a responsibility to teach. The role of mentors lies in the richness of their lives—the responsibility is solely ours to learn what mentors can bring to our lives. Mentors are usually not aware of the role they play in our lives. We learn from observation, from absorption, from recognition of who they are and what they bring and how they influence our thoughts and actions. It is an extraordinary process, often not recognized until long after the effects have shown up in our lives and performances. The Good Book captures this when it notes that we are surrounded by a "cloud of witnesses," who encourage us to reject what "hinders" us and to follow their example with the tasks and responsibilities we have been given. It's an apt description of the role of mentors—examples of lives of richness and fulfillment.

My mentors, my cloud of witnesses, who have been with me on this rich and rewarding journey, span a very broad horizon. Each has been uniquely qualified to bring a distinct combination of strength and enrichment to my life, and to each I am and always will be eternally grateful.

Ethel Smith

My years in Stanton were enriched by two people whose impact became a lasting influence in my life. The invaluable lessons learned from them early in my life became significant contributions to my journey. The first is Ethel Smith, teacher and example *extraordinaire*. Four years of English and composition and two years of Latin were her scholastic contributions. The immeasurable enrichment of her life brought about by the joy of learning and teaching was at the essence of her being. She was gentle, soft spoken and quietly confident while radiating an awesome inner strength and serenity. She knew who she was and what she could bring. She could teach us how to learn—*that* was her quality—her very essence. She would lead, but would we follow and learn? That was our responsibility.

A prime example of her abilities and readiness to respond to those who *wanted* to learn was her acceptance of a request that my classmate and friend John Brake and I made of her. We both planned to go to college—not universal in our rural and somewhat simple high school—and we explained to her that while neither the University of Michigan nor Michigan State University required a foreign language for admission, we might want to apply to schools that did have that requirement. Could she teach us a foreign language? She explained that, other than English, Latin was the only language she had studied and could teach. John and I did some quick research and found that Latin *would* meet the foreign language requirement. Would she teach two years of Latin for a small number of students? Her answer was yes!

For the next two years, without the school board's willingness to pay her extra, Mrs. Smith taught Latin to a class of four—Caroline and Maria Puffpaff, twin sisters, joined John and me. All four of us went on to college or university, and all four ended up in successful professional careers. The Puffpaff sisters excelled in education and medicine. John Brake earned his Ph.D. and became a tenured professor in agricultural economics at Michigan State and later at Cornell University in the Dyson School of Applied Economics and Management, holding the W. I. Myers Professor of Agricultural Finance chair.

Ethel Smith may have never fully grasped the impact of her teaching abilities, her willingness to go the extra mile or the sense of learning that came from her. But what a mentor! I have never forgotten nor underestimated the quiet yet emphatic role she played in my life creating an educational process that continues to grow. She was clearly one of the most precious treasures I discovered along life's journey.

Among her many special qualities was her love of reading and writing. It was under her guidance and encouragement that I learned to write. In my junior year (1945–1946), I wrote my first book report on Lion Feuchtwanger's story of Benjamin Franklin's time in Paris during the Revolutionary War. Published in 1947, *Proud Destiny* told a story that has stayed with me my whole life. My love of reading and writing was brought to the fore by Mrs. Smith, as was her adventurous admonition: "John, the only school you should attend is the University of Michigan." She was one of the Good Lord's brightest jewels!

Eldon "Bus" Adams

In a complementary way, my other hometown mentor was equally influential on my life. Bus Adams was the Ford dealer in Stanton. During World War II as a young infantry officer in a U.S. Army unit in Europe, his right arm was shattered in the Battle of the Bulge (an injury he carried throughout the rest of his life without complaint). Hitler's last counterattack, while ultimately repulsed, was costly for both Allied and German forces. It was the last gasp of German forces on the Western European front. By April 1945, the war in Europe was over. Germany had suffered a resounding defeat—the Allies, a resounding victory.

Bus came back to his native Michigan and opened the first Ford dealership in Stanton. It was a tough business with new cars in short supply because factory sales were slow to start following the end of the war. However, success *did* come for the new venture. In the summer of 1948, I was between my sophomore and junior years in high school, looking to pay for my new trumpet. While looking for a job, I discovered the need for a Social Security card. Since ministers were not covered by Social Security, this was new to me! With my card in hand, my first stop was Adams Sales, the Ford dealer. I met Mr. Adams, and he hired me!

The year 1948 was a memorable one in the automobile business, and I was fortunate to be involved in the excitement. Factory car sales had been suspended in January 1942, shortly after the start of WWII, and did not begin again until early 1946. However, these models were basically the same as those introduced in 1941 and sold only briefly. After that, all production by auto manufacturers was for the war effort—accomplished with great efficiency by U.S. industry. Detroit, car capital of the world, became known as the Arsenal of Democracy—a proud title! In 1946, production turned back to the civilian market, but there was no time to retool the products, and the prewar line would be sold until styling and engineering for new postwar models were completed.

Mentor Bus Adams with John W. Sweetland, 2014.

The prewar-style models ceased to be in the summer of 1948, when the new 1949 models were brought to market by Chevrolet, Ford and Plymouth—the three largest manufacturers. Throughout the country, it was considered a huge festive event by the American car-crazy public, and I had a front-row seat for the show at the new Ford dealer. Plus, I was earning 35 cents an hour and had arranged for the purchase of my new trumpet. My friends envied my job—I was a happy camper!

When asked, "What do you do at Adams Sales?" my response was, "Anything Bus Adams asks me to do." I washed cars as well as the showroom windows. I cleaned and restocked the parts bins. I swept floors and helped the mechanics. I ran errands for Jeannie, Bus Adams's beautiful wife (whom I loved!), and later took care of their children, Greg and Marty. There was little, if anything, I would not do—or did not do—for Bus. As time went by, he became not only my boss but also a friend—he was boss, brother and father to me. During my college days, he was my "father" at the fraternity father-son dinner because my father did not "have the time" to come to Ann Arbor for that event. Bus did and *loved* it.

In 1954, when I graduated from the U.S. Army Corps of Engineers Officer Candidate School and received my commission as a second lieutenant in the U.S. Army, I proudly wore Bus's World War II lieutenant bars for the ceremony. I still have them! He was proud for *me* that day! Becoming an officer in the U.S. Army was a restorative event for me because I had considered dropping out of Michigan a personal failure. But graduating from OCS and wearing Bus's WWII lieutenant bars restored my pride. Bus also quietly enjoyed that process.

In 2015, I introduced him to my wife, Cordelia, and we enjoyed a leisurely dinner together at the old Clifford Lake Inn near Stanton. Clifford Lake was my favorite swimming hole many years before! It was a relaxed and enjoyable evening filled with memories and marked by the warm friendship we felt for each other. We had stayed close over many, many years. And in 2016, I was part of the celebration of his life when he died at the age of 95 after a life well lived. That first job had been the beginning of a lifelong relationship.

In his 90s, he was still as dominant a person as he was at 26! At that dinner in 2015 with Bus and Margaret, his wife of many years and great life partner (Jeannie died in an auto accident in the late 1940s when I was still in high school), Margaret remarked how impressed she was with his vitality, his spirit and his perspective on life. Bus still had the same optimism that he had as a young new businessman in Stanton in 1948! I learned much from him, especially the important qualities required in business as well as in all of life—ethics, honesty and value. That was his commitment to his customers and indeed his contribution to all of life surrounding him—neighbors, friends, his church. I admired these qualities and his generosity of spirit! They are part of my life as well, and both Bus and I have profited.

To start life, to leave home, to begin college and to grow up with mentors like Ethel Smith and Bus Adams were immeasurable gifts. The more of life that is behind me rather than ahead, the more of the road I have traveled and the broader my experiences have become, the more thankful I am for having these wonderful examples in my youth. Their spirit, wisdom and life-enriching principles have been enabling, confidence-giving forces in my life. I am forever grateful for those two jewels that Stanton gave me in my early years.

Stuart C. MacArthur "Captain Mac"

The third mentor to come into my life would arrive some five years later in 1955 and half a world away on the island of Guam. As described earlier during my time in the U.S. Army, I was there as a lieutenant in Company C of the 822nd Engineer (Heavy Construction) Battalion. It was a nothing unit going nowhere, and I was bored beyond tears until the newly arrived Captain Stuart C. MacArthur was named commanding officer of Company C—the first real officer we had seen in some time!

But his excellent skills far exceeded those of a commanding officer. In the fall of 1955, we still had no major assignment and, with time on our hands, decided to form a flag-football team and become a member of the Andersen Air Force Base conference. I was coach, and Captain MacArthur made sure we had the time and people

John W. Sweetland and Captain (now Colonel, retired) Mac in his home in Alexandria, Virginia, 2015.

available for practice. C Company's team was the 1955 Andersen Air Force Base flag-football champions—a great victory!

Captain Mac encouraged and empowered so many of us. In the early months of 1956, two young second lieutenants arrived for duty at Company C. Both were civil engineers and ROTC graduates—Lou Kent from the University of Florida and Charles Baker from the Citadel. Since I was not a civil engineer by education, I welcomed them with open arms. They responded with great spirit—both were exceptionally high-quality people and well-educated engineers. They were helpful beyond measure—we had the most effective officer team in the battalion. It was extremely helpful that Captain Mac thought highly of both their education and their ability to bring solutions and management to the operation. Since we had the lead role in the construction process, having Captain Mac responsible for battalion operations and Lou and Charles as exceptionally confident and able engineers ensured the project was well managed. When a rock-crushing plant and an asphalt plant were added to the battalion, the operational assignment went to Company C. We were on a good run!

There is little question in my mind that the reason for my success as commanding officer of Company C (we won the "Best Company" award every month!) was the guidance and confidence I received from Captain Mac. He was not only a wise and skilled leader but also in every way an example of what a truly good officer is: what's inside him, what he teaches and how he lives. It was no secret in the 809th that every officer, from Colonel Gray to the most recent second lieutenant, had respect for Captain Mac and wished they served under him. He was not only my mentor, he was a mentor to many. Later in his life, he remarked that Lou Kent and I were the best officers he ever had serving under him—and I know Lou feels exactly the way I do about Captain Mac. He retired as Colonel MacArthur, chief engineer, American Sector, Berlin.

Cordelia and I had the opportunity to spend an afternoon with Colonel Mac and his wife, Dottie, in the fall of 2016 at their home in Alexandria, Virginia. He was 95 and as sharp as a tack. He died in early 2017 and was buried with full military honors at Arlington National Cemetery—fitting for a soldier of impeccable abilities and character. A master of the first order!

Shorey Peterson

When I returned to Ann Arbor to complete my education at the University of Michigan, it was my good fortune to be counseled by Professor Brazer. At his request, I explained my objective—to be part of the business community. He advised that if I wanted to have business as my career, Professor Peterson's classes were a must. I followed his advice to the letter.

Professor Brazer's recommendations on the classes taught by Professor Peterson were right on target. Competition and Monopoly, taught in the fall, and Industrial Organization/Corporate Finance, in the spring, turned out to be both interesting and helpful in my career. Peterson was "tops" for many reasons:

- His preparation was impeccable, thoroughly informative and interesting.
- His classes were large—one of the few classes that filled the large lecture hall in the old economics building.
- His classes were *silent*—when you are writing that much, there is no time for chitchat! And if you were not there when a certain subject was covered, there was no other way to get it.
- The Competition and Monopoly course opened the mind to the government/business relationships in the United States. He taught and cleverly demonstrated that the old adage "the government can't tell us how to run our business" is baloney! The government *can* and *does* tell businesses what they can and cannot do through a wide range of laws passed by Congress and when challenged either supported or denied by the courts. Antitrust laws, price fixing and safety are only examples of the breadth of government/business relationships.

- His understanding of that area of economics was encyclopedic—he was the *master* teacher!

His lectures were educational and thought provoking. His manner might well be described as "loving yet stern father." But it energized those who wanted to learn. In meeting and talking to hundreds of Michigan economics graduates, the overwhelming comments were "thoughtful," "stern," "informative," "fair," etc. Allen Sinai—CEO, chief economist and strategist at Decision Economics, a graduate of Michigan with a PhD from Northwestern and a member of the Economics Leadership Council—remarked that Shorey Peterson's senior seminar was *the* best class he ever had in college. High praise from a leading national economist and a benefactor to the University of Michigan through his endowment of the Allen Sinai Professorship of Macroeconomics. Bob Shiller, a distinguished professor at Yale University and the creator of the Case-Shiller Home Price Indices, said Shorey Peterson was his favorite professor. Those who lead the economic parade are those who hold Shorey in the highest regard.

The second course, Industrial Organization/Corporate Finance, was most informative on the structure of corporate organization and how it facilitates the financing that has made the United States the world's leading economy in complexity, ability and productivity.

From knowing little about the structure and function of American business at the start of my two-course sequence, I felt empowered when I entered the corporate world. My rise in responsibility and knowledge in a division of a U.S. publicly held, NYSE-listed company grew from the No. 2 man in a two-man research department to assistant to the president, corporate secretary and director of corporate development in the first four years of my employment. Then, being the head of a major operating-company division for five years before becoming executive vice president and chief operating officer lends credence to the fact that Shorey Peterson's classes were essential in that rapid increase of corporate responsibilities.

However, at the same time, he was a gentle, charming man who took a deep interest in the students who maintained contact with him. I remember one evening at his home on Norway Road in Ann Arbor. He invited three of his graduate students, including me and a recent Ph.D. graduate, to dinner. Eleanor, his wife, prepared a wonderful meal after which we retired to Professor Peterson's study. He challenged us on a very real and current topic, noting that the U.S. Department of Justice had indicated it was concerned that General Motors Corporation was becoming too large—revenues were approaching 2 percent of gross national product. It was considering requiring GM to divest its Chevrolet division, which accounted for some 56 percent of the total corporation's revenues and profits. Is that good national economic policy? He asked that we debate this and come to a decision. Over the next hour or so, he listened while his students discussed the pros and cons of that question. He never let on his personal feelings or thoughts. He was more interested in the quality and depth of our thinking. It was a wonderful evening!

I do not believe that I would have considered graduate studies without the influence of Professor Peterson. Both of his courses were interesting and informative—the kind of courses that increase one's intellectual appreciation for more. Shorey also knew that I wanted to finish my M.A. as soon as possible to settle my family after two tough school years. There were three paths from which to choose to complete the necessary 60 credits for my degree:

- Four semesters, 15 credit hours each
- Three semesters, 15 credit hours each, and a major paper
- Two semesters, 15 credit hours each, and a master's thesis

I chose the third option. This meant that hoping to finish in one year would require a rigorous class schedule *plus* a thesis, *plus* my working hours at Ann Arbor Construction. I am always grateful Professor Peterson consented to be my master's degree advisor and oversee my thesis. We discussed alternatives since he doubted my ability to complete a thesis while taking a full course load of classroom studies. I said I'd love to try, and he agreed (I'm sure with some private reservations, especially when I shared with him my thesis plans and his involvement).

It was an honor and a pleasure to work with Professor Peterson on my thesis. The real reward was the time shared and the insights gathered through my extensive discussions with both academic and industry sources. It was a *great* learning experience—one almost impossible to duplicate.

The years that followed graduation brought many opportunities for cross-country travel. On several of my journeys from the East Coast to California, I stopped in Michigan to see my parents and other family members. I also spent time with Shorey and Eleanor until he retired and moved from Ann Arbor. He was a great and lasting influence in my life; he took a great deal of pride in the success of his students. A gentleman in every sense of that word—a mentor *par excellence!*

Shorey Peterson was my academic mentor of mentors. His wisdom, highly developed understanding and foundation in economic thought and discipline were unchallenged. In March 2003, the University of Michigan and the Department of Economics held an economic summit in New York City. The event, "Bulls, Bears and Wolverines," was sponsored by Robert Tisch, Sam Zell and me. Included in the program was the distinguished economist Robert Shiller, a Michigan economics graduate now at Yale. He has achieved great recognition for his research in the movement of home prices with his Case-Shiller Home Price Indices. I asked who his favorite professor was at Michigan. His answer? Shorey Peterson.

In 2014, I endowed the Shorey Peterson Chair in Industrial Organization and Corporate Finance at Michigan. William James Adams, an award-winning teacher of these subjects, was to be installed as the first holder of the chair. I asked Bob Shiller if he would be there to introduce Jim Adams for his acceptance lecture. He was more than willing to be a part of this special evening, and over that weekend we became fast friends. Jim Adams and Bob Shiller are natural successors to the stellar thinking, discussions and teachings of Shorey. It was a grand evening!

The world of economics and its impact on the intellectual development of students who explore its riches every year are made more relevant by the scholarship and teachings of Shorey Peterson, Bob Shiller and Jim Adams—all prime examples of academic excellence.

James P. Giles

Jim Giles was my introduction to the world of U.S. business. President of American Cement Corporation, graduate of Harvard Business School and a lieutenant colonel in World War II, he was the ideal mentor for a young former U.S. Army officer now entering the business world with a graduate degree from a major and highly respected university. It was an idyllic fit!

After the war, Jim graduated from Harvard Business School as a Baker Scholar (the top 2.5 percent of his class). His graduation year was commonly referred to as "the class the stars fell upon" because of the great leaders that came out of Harvard Business School—many of whom were veterans of the greatest war ever fought and the sweetest victory.

Jim had many prospects among the younger and more recently recruited executives for the position of assistant to the president. The headquarters were small—a senior staff vice president, a chief financial officer with assistants and a corporate secretary for coordination with the board of directors.

I was surprised when Jim asked me to interview for the assistant position and honored when he selected me. Timing was somewhat complicated by the pending birth of our third son, Tim. But we made the journey on Labor Day weekend and took up residence in Philadelphia for less than a year. As planned, we moved to Los Angeles in the summer of 1961.

Working with Jim was a whole new world for me. Peerless was very traditional, even "old-fashioned"—a throwback to the '20s and '30s, only now it was the '60s! Jim was "postwar hip"! New ideas, new products, new managerial techniques—all very postwar America. The company was determined to catch up for the lost time of the war. It was a wonderful experience for me, and Jim was an absolute delight to work for and with!

In that first year, with offices in the East but often traveling in the West, I began to experience fascinating aspects of corporate life. The Glen Canyon Dam was under construction on the Colorado River near the Arizona/Nevada border. I had never given thought to the scope of a major dam project. It's awesome! After the planning, it takes a decade from start to finish, and the location of this particular dam was far from civilization. A bridge across the Colorado River was an absolute necessity because construction takes place on both sides of the river. A project of this magnitude takes years, requiring housing, schools, parks, recreation facilities, utilities, churches, etc. A dam is not just a dam; it's a very complex and complete world—not just a construction project but a decade-long total living and working experience. Glen Canyon was the last major dam to be constructed in the United States.

In 1961, when we moved to Los Angeles, we had our first experience in buying a home. The price of homes in L.A., like much of the rest of California, is higher than in other parts of the country. One home that we considered in Pasadena was almost $50,000—about three or four times my salary and a bit hard to fit into our budget! We settled for a very nice three-bedroom ranch home in a good school district in East Whittier, a very long, *long* way from 2404 Wilshire Blvd., where American Cement was located just west of downtown Los Angeles.

The down-payment requirement for the new home was $3,000. Two years out of graduate school had not provided the level of income needed to put aside that much. Arrangements were made at Union Bank, American Cement Corporation's bank, to lend me that amount. I met with Lou Siegel, the bank's senior loan officer, who told me the loan was approved—it only took about two minutes to tell me that. I couldn't believe it was that easy! I kept asking questions. Finally, Lou looked hard at me and said, "Son, you have the money. You can go now." Life is much easier, I discovered, when you travel in such company. We lived in that house for about 18 months before moving to the Friendly Hills area of East Whittier into a four-bedroom home on half of an acre—with a working orange grove in the rear yard and a view of Catalina Island on a clear day. It was our first nice home, but only for a little over a year!

That year, however, was exciting. Two episodes near the end of my four-year stint as Jim's assistant illustrate the changing nature and scope of my responsibilities. Under my direction, the aforementioned USAID funds allowed for American Cement to take advantage of investigating and then investing in the joint venture to build the new cement plant in western Greece.

The second matter requiring my extensive time and effort was in New York City. A product of the Vertical Integration Committee of 1959–1960 included the acquisition of a New York ready-mix-concrete company, the M. F. Hickey Company, and its expansion to a larger Manhattan location with a newly constructed plant. Our actions caught the attention of Colonial Sand & Stone—far and away the dominant supplier of concrete to the city of Manhattan. Colonial, owned by the Pope family (a powerful and political force), deeply resented American Cement's invasion of what had been their longtime, almost exclusive, market. The Federal Trade Commission issued a complaint against American, considering this acquisition a restraint of trade, also known as a "Section 7 violation."

The case was given to me. I naturally first turned to O'Melveny & Myers, the leading law firm in Los Angeles and a longtime advisor to Riverside Cement and then American Cement as well. I believed that the action, while unwarranted, came as a godsend in that we were losing money big time in Manhattan after investing millions of dollars in real estate and capital expenditures in a first-class concrete operation. The reason was simple—Colonial and the Pope family did not want us in Manhattan. We could play in the Brooklyn market but not in Manhattan.

I expressed this view to Pierce Works, the O'Melveny & Myers chief antitrust lawyer, and to Richard Sherwood, a recent Harvard law graduate (with the highest honors!) and Works's assistant counsel. They heartily agreed—especially considering American's explicit desire to leave that market. However, this occurred about the time Jim Giles was trying a new organizational method of uniting a merged, yet still divided, corporation. American was now in its fifth year as a newly formed company. The previous corporate structure—with each divisional president the clear head of his operation (i.e., Hercules, Peerless, Riverside and/or Phoenix Cement) and with a minimal corporate staff—was changed. Instead, corporate vice presidents were appointed, all drawn from Los Angeles.

John Kinard, formerly Riverside's president, became executive vice president of American; David Honey, formerly VP of operations for Riverside, became vice president of operations for American; and Larry Ramer, formerly VP of marketing for Riverside, became VP of marketing/sales for American. The divisional management structure remained unchanged. The hope, somewhat misguided, was that the divisions would take their leadership in each of these areas from the corporate vice presidents. William Caldwell, the VP of finance for American Cement, was granted similar oversight of the corporate/divisional finance accounting and control systems, which had always been a corporate function. This management group met weekly in American Cement's corporate office—a small office, which served as headquarters—about 4,000 sq. ft. to 5,000 sq. ft. on the seventh floor of the American Cement building in downtown Los Angeles. Riverside had three floors plus the pavilion (with plush offices)—at about 35,000 sq. ft.

A sharp split developed among the senior management of American Cement regarding the FTC's complaint against the company. One group including Giles, me, outside counsel and the other divisional executives was far into settlement talks with the FTC. The reasons were simple and straightforward—we were losing money and had decided to exit Manhattan. Why fight the legal issue? We poured all of our efforts into making the settlement palatable.

The opponents to the settlement—Kinard, Honey, Ramer and Caldwell—took the position that "the government can't tell us how to run our business—it's un-American." It was a senseless argument! The antitrust laws were enacted in the late 1800s and into the 1900s for the express position of telling American businesses, through our judiciary system, exactly what they legally could or could not do. But Giles gave in, despite the strong urging by both counsel and me to work out an honorable settlement. The case dragged on for two years or more, costing American Cement millions of dollars in fees, expenses and managerial time. It was all to no avail; the government won everything it asked for following an extensive and expensive process.

The most memorable personal experiences from that episode were twofold. First, I learned with a front-row seat the effect of our national antitrust laws and how in actual practice they are carried out. It reinforced what I had learned in Shorey Peterson's class on industrial organization—the interrelationship between the corporate and legal sectors of our economy. It's one thing to learn or study antitrust laws and policies; it's quite another to see them in action. Secondly, it shed new light on my master's thesis. Pierce Works had been Riverside's legal counsel in the Cement Institute case that was decided by the U.S. Supreme Court in 1948. This case had formed the core of my thesis under Shorey—sometimes it really is a small world.

Shortly after the major decisions of the FTC case were finalized, I was informed by Jim that he wanted me to take over the top position at Peerless. Bob Morrison had resigned to accept the presidency of Marquette Cement Company in Chicago, and his role was being filled by a triumvirate of senior and aging vice presidents. I was to be the head of the second-largest operations unit within American Cement.

I will always treasure my years with Jim Giles. He was a great man of humble stock who achieved much early on. To be the understudy of a man of such background, talent and vision was the most wonderful experience a preacher's kid from the Midwest could hope for. In retrospect, I look back on the years between 1953 and 1964—years that were my "education"—as the sharpest and most satisfying growth years one could ever wish to have! I was exposed to, led by and experienced the most outstanding tutoring—varied, thoughtful and ultimately rewarding. Through Stuart MacArthur, Shorey Peterson and Jim Giles, I was given the wisdom of the military, academic and commercial worlds. *And I was paid to learn*—what a life!

Jerome P. Cavanagh

Jerome Cavanagh was a true son of Detroit. Born in 1928 at the height of the 1920s auto boom, he was the son of a boilermaker at Ford Motor Company. Educated in the city's parochial schools, Cavanagh received his undergraduate and law degrees from the University of Detroit. He practiced law and in 1962 at the age of 34 was elected mayor of the City of Detroit. He was handily re-elected in 1966 and served until 1970.

Jerry was popular among the young politicos of the era, a group led by President John F. Kennedy, who at age 43 was the youngest president of the United States to be elected. Cavanagh's Model Cities programs were adopted by many cities across the country. His innovations attracted attention in the nation's capital and throughout the country. Chicago's Mayor Richard Daley became a fan of Cavanagh and would regularly send his aides to Detroit to copy Cavanagh's programs.

Despite much progress, the civic riots of the 1960s, starting with Los Angeles in 1965 and continuing through Newark in 1969, hit Detroit hard in 1967. The civic leaders of Detroit were behind the mayor's efforts to respond to this crisis.

Thanks to Detroit's auto industry, especially the Chrysler Corporation, Detroit had a most productive youth employment program, perhaps the best in the nation. Thousands of young, mainly high school-age students were employed at attractive wages. The business community's spirit was outstanding. Detroit's symphony orchestra changed its performance venues and played in midcity on the lawn of the Detroit Institute of Arts and on Belle Isle, an island park in the

Jerome P. Cavanagh. BOSTON CITY ARCHIVES middle of the Detroit River. *The Spirit of Detroit*, a large bronze statue on the lawn of the Civic Center on Woodward Avenue, was more than just a statue in 1968—there was real spirit!

After his two terms as mayor, Jerry ran for governor but was not successful in the statewide contest. However, his law practice thrived, and he adopted a new life—and a new wife! The wedding took place in a very non-Detroit setting—San Francisco. The owner of the Fairmont Hotel, Benjamin Swig, invited Jerry and his bride-to-be, Kathleen McGauley, to be married in their home, a beautiful circular penthouse atop the Fairmont Hotel on Nob Hill. It was a small wedding party, and the only guests were Ben Swig and his wife, Dolores; Chief Justice Earl Warren and his wife, Nina; and my wife and me.

After the ceremony, the Swigs treated the wedding party to dinner and a show in the Grand Ballroom, the Fairmont's main entertainment venue. Frankie Laine was the star performer that night. It was quite magical.

My relationship with Jerry Cavanagh rounded out an important part of my life. From Ethel Smith and Shorey Peterson, I appreciated the importance of learning and even more understanding. Their role as my educational mentors was the foundation of my being and my success. From Bus Adams and Jim Giles, I developed not only an understanding of the role of business but also the importance of civility and honesty in the process of earning one's daily bread. From Stuart MacArthur, the military objective of strength through discipline was made plain—as was motivating your troops toward superior unit performance without the loss of individual pride. All of these, taken together, prepared me for a productive business and personal life.

Jerry Cavanagh added a new and very important ingredient for the well-rounded life—appreciation of the public-service sector. It's far different from the military, business or education worlds—but it's a crucially important part of life in a free and open economy. Too long this sector has been given the short end of our national understanding and support. Government at all levels—federal, state and local—is an essential part of our national economy and our civic life, but few understand this arena. I was fortunate to experience civic life under a leader as able as Jerry Cavanagh in a dynamic city like Detroit. It brought a richness and a rounding to my life that I have never forgotten and for which I give thanks.

My relationship with Jerry also brought me into a whole new world, the high-level political world. Populated by the most senior cadre of American political life, it included the nation's president and vice president, senators and congressmen, state governors and major-city mayors and select others from government and civil service. A unique group, they take care of one another and those who come highly recommended. Because of Cavanagh, I met and welcomed Robert Kennedy; Senator Phil Hart from Michigan became a friend and arranged that special meeting with Teddy Kennedy in Washington, D.C.; and I enjoyed that memorable evening with Hubert and Muriel Humphrey at the Sheraton Cadillac Hotel in Detroit with Jerry. (I still have my HHH pin from his presidential run against Nixon!) I was thrilled to accompany Jerry to the Democratic National Convention in Chicago and meet Mayor Daley. I would meet many other significant people from the political world later in life, but the confidence gained in that time with the mayor gave me the right approach to their conversations and requests.

I could not have had a better example or better teacher for this important part of my learning process than Mayor Jerome Cavanagh. He was, like my other mentors, a close friend. I was devastated by his early death at the age of 51. His death, like his life, was incurred during service to others. May his soul rest in peace.

Henry Kuizenga

My military duties ended in the late summer of 1957, and we returned to Ann Arbor to complete my studies at the University of Michigan. We also returned to my church of choice in Ann Arbor, First

Presbyterian Church. Dr. William P. Lemon had retired, and Henry Kuizenga was now the senior minister.

It took only one service to love and appreciate Henry—a superb preacher with an intriguing sense of humor coupled with a deep understanding of the human mind. His message had a wide appeal, from students to aging adults, and his sermons were superbly crafted and filled with meaning for an understanding audience.

To top it off, the church provided child care for infants. John was about two years old, and Peter was born the fall we arrived. As First Presbyterian was the only child-friendly church around, the Sunday hour was the one break from child care that Barbara had each week. She treasured that time as much as we enjoyed Henry Kuizenga's ministry.

One sermon that struck me as most thought provoking was "No Hero Here"—a Kuizenga spin on the story of the Prodigal Son. The youngest son asks for, receives and then quickly wastes his inheritance reveling in a distant country. When he has exhausted his money and lost his friends, his recourse is to return home and seek forgiveness from his father. His father not only welcomes him home but throws a banquet as well, inviting friends and neighbors to share his joy in the return of his son.

The older son is angered by his father's response to his brother's return. He stayed home, did the work of two in his brother's absence and now watches as his father gives his wayward brother a rousing and welcoming return home. His own contributions in keeping the estate going are overlooked.

Henry's sermon pointed out that the Prodigal Son is no hero for returning—he has wasted his family inheritance, and only his father's forgiveness makes his life forward possible. And there is no heroism in the older son. Rather than rejoice with his father at the return of his brother who had been lost, he simmers in resentment. The father gets no hero badge either! He forgives his wayward son and fails to give respect and gratitude to the older son, who stayed at home, worked and had to take care of the family business.

There is no heroism in the story of the Prodigal Son. Forced repentance is not heroic, nor is begrudging the welcome that the wayward son receives and being ungrateful for his survival and return. And the father, who lavishes favors on the son who has wasted his inheritance while not praising the "good" son who stayed home and took care of him, has no reason to be proud.

What's here is life! Few of us are heroic. We all fall short of using the talents we have been given. There are no heroes here. Just people who need love and forgiveness. What a great sermon!

Upon my graduation, we left Ann Arbor and, after residences in California, Pennsylvania and Michigan again, moved back to California in 1968—all of this while employed by American Cement. When I was promoted to executive vice president and chief operating officer, we planned on locating to the Westside of Los Angeles. I had a temporary apartment in Beverly Hills, and one Sunday I attended the Beverly Hills Presbyterian Church. Who was the minister? Henry Kuizenga! What was the sermon? "No Hero Here." I told Henry after the service that it was even better than the first one I had heard in Ann Arbor. We became fast friends with Henry and his wife, Betty.

Some years later, Henry was on the faculty of Claremont Seminary in suburban Los Angeles. Once a Methodist seminary affiliated with the University of Southern California, it is now an independent nondenominational school, but some Methodist ties linger on. Our friends Don Miller (a partner at O'Melveny & Myers and American's counsel) and his wife, Peggy, were members of Westwood Methodist Church. On the Sunday the church celebrated its ties to Claremont Seminary, Henry Kuizenga was the preacher. His sermon: "No Hero Here." I remarked to Henry after the service that the third time was the charm, but I thought I now had the lines down cold!

Henry, while using a friend's beach house south of Los Angeles, suffered a tragic early death at the hands of a man with serious mental problems. Henry was writing a book, and he used the place often for privacy and concentration. The killer was the grandson of Emmett Kelly, the famous clown.

Betty lived on for many years, but the loss overwhelmed her. Her daughters lived in the San Francisco area. As promised, we took care of Betty financially in those last years, as I told her I would do at the time of Henry's death. It was the least I could do for one of God's most thoughtful messengers. May he rest in peace. He was one of God's own!

Ernest "Ernie" Campbell

In the summer of 1964, we returned to Ann Arbor to begin my new role as the head of Peerless Cement Company, America's Midwest operation. Though the office was in downtown Detroit, we chose to live in Ann Arbor because of the cultural and educational offerings of the university and the intellectual excitement of that community. The drive was not much different in time than the commute from the Detroit suburbs of Birmingham or Bloomfield.

We returned to our church of choice, First Presbyterian, where the senior minister was now Ernie Campbell. It only takes minutes

John and Barbara Sweetland with Ernie Campbell and Henry and Betty Kuizenga at John's Malibu beach house. First meeting between Ernie and Henry.

with Ernie to learn that he's a pastor in the true sense of the word. He can be understanding in a most personal way, and he is very bright! What a winning combination! What an outstanding companion!

His sermons were masterpieces—thoughtful, fresh and incisive insights into the Christian life with a balance of logic, humor and inspiration. The church that had prospered with powerful preaching under William Lemon and Henry Kuizenga had another winner in Ernie. Together with its outstanding musical offerings, the church thrived! The blend of congregational talent, faculty and students from the university and the Ann Arbor community made it the intellectual and spiritual "tops" of churches in Ann Arbor.

Although sad to experience, Ernie was also an understanding and caring shepherd in times of need or grief. We were to be part of that in a special way. In early 1968, when our young son David died, Ernie was a wise and loving counselor in that time of overwhelming grief.

Ernie left Ann Arbor in late 1968 to accept the senior minister position at New York City's Riverside Church—one of the most prestigious pulpits in America. In the early '70s, while living in Los Angeles, I suggested to Barbara that she join me on an upcoming business trip to New York and that we invite Ernie and his wife, Frances, to join us for the soon-to-open Broadway performance of *Jesus Christ Superstar*. We had seen its premier performance in Los Angeles and wanted to see the New York offering.

The evening with the Campbells was delightful. After a great dinner and the fabulous New York performance of the rock musical, Ernie suggested that we join them on a tour of Riverside Church. By the time we arrived in Morningside Heights, it was approaching midnight. Ernie insisted we climb the tower, where he briefly played a few notes on the carillon—at about 12:15 a.m. It was the topper to a great evening with good friends.

During our time together, I had shared, ever so briefly, the problems I was encountering at Shareholders—the difficulties of resolving underlying issues and the ultimate uncertainties of that troublesome decade. His thank-you note a week or so later was accompanied by the Riverside Church Sunday bulletin for October 31, 1971. The title of his sermon that day was "Every Battle Isn't Armageddon," and the Scripture was from the Gospel of Matthew, chapter 10, containing Jesus's instructions to his disciples: "Whosoever shall not receive you, nor hear your words, when you depart out of that house or city, shake off the dust of your feet." It was Ernie's way of telling an old friend that it might well be the time to move on.

While I did not act immediately, the thought of that text and Ernie's use of the Good Book in an everyday commercial setting had a profound influence on me. When the time *did* arrive, and I had made my decision to leave Shareholders, those words, written some 2,000 years prior, rang in my ears as clear as the bells of Riverside Church at midnight that October evening.

Ernie and I remained friends long afterward. He retired as senior minister at Riverside Church in 1976 but was still living in Manhattan when I served for eight years on the board of trustees of Union Theological Seminary just across the street from Riverside Church. We would meet for lunch and long talks on my every visit. He was a formidable force in my life until his death in 2010. Ernie was a scholar—a constant student of life and the power of the "Good News" to heal the wounds and lift the spirits of those in need. I believe that one of his first acts upon reaching the "pearly gates" was to seek out Harry Emerson Fosdick, the first minister of Riverside Church and the recipient of John D. Rockefeller's decision to build a church worthy of Fosdick's mission. Fosdick served as senior minister from 1930 to 1946. Ernie carried on this mission in a most worthy fashion.

George F. Regas

In May 2017, the *New York Times* published a front-page story on the Federal Government's treatment of churches and other religious organizations that have spoken publicly against governmental policies and decisions. The article pointed out All Saints Church in Pasadena as "a cornerstone of liberal Protestantism"—high tribute to the members and supporters of All Saints and its mission, led so ably by its rector, George F. Regas.

George Regas was the leader of those who "woke up" the Episcopal Church. His ministry was a powerful force in bringing major changes into the life of the church. Those changes have become embedded in the life of many, many American citizens, both Episcopalians and others, and have changed laws and moral standards. All of this from sleepy Pasadena!

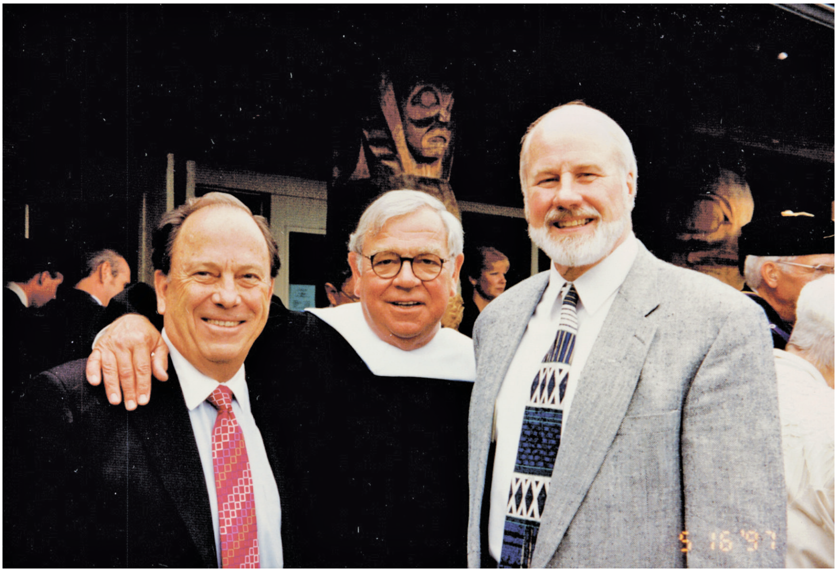
George has been on the cutting edge of liberal protestant thought and practice since graduating from the Episcopal Divinity School in Cambridge, Massachusetts. He became rector at All Saints in 1967 and served for 28 years, retiring in 1995, but not from his life-changing ministry. The Regas Institute, financed by his core supporters, kept the fires going well past his retirement. As he approaches his 90th year, God has continued to give him the strength and determination to carry the "Good News" of God's love and His desire that *all* be free!

Ordained women deacons of the Episcopal Church asked George to champion their right to full inclusion as priests. On July 29, 1974, at the Church of the Advocates in Philadelphia, 11 Episcopalian women deacons were ordained as priests of the church, an investiture accomplished with great joy. The Episcopal Church was among the first to give women the full rights and respect of ordained ministry.

George was in the lead in the battle in California for right of farm workers to strike for fair wages. He was fearsome in his battle for civil rights for all Americans, black, white or whatever color. On gay-rights issues, he led the first blessing of a same-sex couple in the Episcopal Church at All Saints. That message quickly spread across the country.

He was a biblical scholar of some note. His sermons were masterpieces because he took the time to know the issues backward and forward, left to right and up and down! On Sunday, these efforts shone like a beacon across the gathered. A Regas sermon was not by chance. The greatness and quality of his preaching was rooted in the intensive time and diligent inquiry he focused on the issues. The center for his creative efforts was his study and library at All Saints. Here he could concentrate in solitude for hours. He knew that time and quiet were required in order for his intellectual powers to converse with the unseen. Quietude was a necessity for his thought process to unfold. From there, his mind could roam and learn. He had a marvelous talent for discovering new insights into spirituality and fresh experiences of God's love for all.

All of the qualities of love, forgiveness and redemption that were at the heart of George's ministry were brought to his powerful eulogy/homily at the Celebration of Life of Gayle Morris Sweetland. George loved Gayle and all that she brought to the ministry of All Saints. And Gayle loved George. The freedom and joy his message of love brought to her, especially during her valiant struggle with the disease that ended her life, gave her the strength to walk gently into that dark night.



George Regas and John W. Sweetland.

No one in twentieth- or twenty-first-century America has done more to change the Episcopal Church. Retaining the beauty and grace of its liturgy, George Regas added the zeal of the forgiving and giving Christ—the one who offers freedom to all who love His way.

Exhibit A
List of John W. Sweetland mentors

High school teacher and first mentor	1949–1950 Ethel Smith
First employer and business mentor	1948–1950+ Bus Adams
Military mentor	1954–1957 Captain Stuart MacArthur
Academic mentor	1957–1960+ Shorey Peterson
Corporate mentor	1962–1968 Jim Giles
Political mentor	1968–1970 Jerry Cavanagh
Spiritual mentors	1957+ Henry Kuizenga
	Ernie Campbell
	George F. Regas

CHAPTER SEVENTEEN

Two Friends

A Reflection on Life and Death

In the world of business, camaraderie and friendships are frequent occurrences—almost commonplace. But close camaraderie and deep friendships are rare. I was most fortunate during my lifetime in business to meet scores of people and make good friends—male and female. But there were two relationships that lasted several years and, despite the many twists and turns they encountered, never dimmed on either side.

The first was with my partner, Larry Ramer. Our friendship lasted over 53 years, from our first meeting in Philadelphia in 1959 until his death in 2012. We worked together at American Cement and Shareholders Capital, and for 37 years we were copartners in Somerset Management Group. We served together as chairman and president in Somerset's creations—National Portland Cement in Florida and Pacific Coast Cement in California—reversing our titles between the two companies.

During our years together, we faced almost every facet of business experience one could encounter in a lifetime. We had some setbacks but many more victories. While we were often challenged by this, we were rarely defeated. Our integrity, fairness and competence were never questioned, and this was reflected in our personal relationships and our standing in financial, legal and commercial communities.

Larry's illness and death were times of deep sorrow for me, as it was for his vast community of friends. I was asked by Lee, his wife, to share my remarks at the celebration of his life. While most difficult to give at that time, I share some of them here:

On Larry Ramer

. . . . In thinking about Larry these past two days and reflecting on our time together and our success in achieving what we started out to do 15 years earlier, three thoughts emerged that I believe formed the foundation of that success—three qualities that personified Larry and our partnership.

The first is *integrity*. No one—banker, supplier, customer, employee—no one could ever doubt Larry's nor my integrity. His word was his bond—it invited trust. And that integrity pervaded our companies.

The second was *loyalty*. Those who dealt with Larry and our companies never doubted that they were important to us and could depend on us through thick and thin. Our employees knew that. Our customers as well. We had the premium suppliers of both product and freight services because of that loyalty and integrity.

The third is something often lacking in business—we had *fun!* It was a caper doubling the capacity of National's plant at the expense and with the unknowing cooperation of a major competitor. It was a distinct pleasure in defeating, on a 4-0 vote by the International Trade Commission, the industry's efforts to invoke the anti-dumping laws against us as well as dealing them setbacks at every turn in Congress. And it was fun closing the premium transactions that ended our involvement in cement.

It was hard for me to hear those words from Lee last Friday morning. I confess I had a good, hard cry after I hung up the phone. But these last three days, a song from the '60s has been ringing in my head. The words were new then, but the lilting melody was from an old Russian folksong. Mary Hopkins's recording was a big hit. Some of you may remember it:

"Those were the days my friend.
We thought they'd never end.
We'd sing and dance forever and a day.
We'd live the life we choose
We'd fight and never lose
for we were young and sure to have our way.
Those were the days, oh yes, those were the days!"

As the news of Larry's passing sank in, I said to Lee, "Lee, we shared one thing. We both had the best partner ever!"

JWS
November 5, 2012

* * *

The second lasting relationship was with Dude Crain. When Dude became the purchaser of United Foam's disputed assets, my investigation into his background, reputation and business dealings was nothing but complimentary. His bankers, suppliers and even his competitors had nothing but the best to say about Dude and his company—he was held in the highest regard.

Despite the difficulties encountered during our negotiations with a very unwilling seller who often acted in defiance of the court's orders, Dude was patient and agreeable. I recommended that Judge Real rule that Crain Industries be the authorized purchaser of the disputed assets, and he agreed. Crain Industries melded the acquired assets into its organization. The combination, together with subsequent purchases, would soon make Crain Industries one of the prime producers of polyurethane foam products in the United States.

Upon his death, I wrote "My Friend Dude" for his four daughters' consolation.

"Dude" Crain and John W. Sweetland, last visit together in 2016.

My Friend Dude

. . . . The president and owner of the Crain Corporation was H. C. "Dude" Crain. From the moment we met, through the extended negotiations (made that way by United), Dude proved to be what I saw at the very outset: a hardworking, fair, incredibly intelligent and winsome person, as honest as the day is long—and as enjoyable as your most friendly uncle! The other side did not share those same qualities. After many months, a deal was struck, and Dude became a major national producer, first in California and then throughout the country.

When I checked Dude's references early on in the process, I talked with "Babe" Wynn, his banker in Fort Smith. Her opinion of Dude was short and to the point: "You will never find a more honest or a more able man than Dude Crain." High praise, to the point, and right on—as I would come to find out. Every other reference check, in essence, said the same thing.

Some years after the transaction had been completed, we renewed our relationship, and our friendship blossomed, as well as our fondness for each other. What started as an arms-length business relationship under the guidance of the federal court became, in time, a personal relationship. Dude became a close friend—the best man at my wedding to Gayle in 1986—and I, in turn, his best man a year later to Shirley in Fort Smith. I admired his business activities and his warm embrace of the people surrounding us.

He was a happy man—always ready with a smile and a hearty hug. His reputation for business savvy was as legendary as his honesty and integrity. He was "country smart"—that's one big step up from city smart! He could sense dishonesty and shady dealings from 40 paces—and he could, as well, spot an honest face in a crowd! Loyalty was his middle name—loyalty to his family, his friends, his employees, his customers and to all of those with whom he did business. He wore his wealth lightly. He never seemed to change from the Dude I met some 40 years ago.

To sum it up, Dude was one of God's own. His death reminds me of what Hamlet said at his father's death: "*He was a man. Take him for all in all. I shall not look upon his like again*."

May he rest in peace.

JWS
April 17, 2017

CHAPTER EIGHTEEN

Finis

Near the end of his life, the noted psychologist Carl Jung wrote, "I am satisfied with the course my life has taken. Much might have been different if I myself had been different. But it was as it had to be; for all came about because I am who I am."

These words, the thoughts of a wise and worldly man, express the very center of my feelings as I near the final chapters of a life lived with the appreciation of all that it offers—as well as the sorrows and the disappointments that it brings. I have experienced more from this world than I expected, having enjoyed the heights of personal and corporate success and facing the despair of broken dreams.

What am I to make of my life? Or in the words of Burt Bacharach's famous song, "What's it all about, Alfie?" We are taught that one's life does matter—both religious and secular thought encompass this belief. But at the end, does it really matter what road we traveled? Did we make a difference? Will we be remembered?

I don't know the answer to these questions. However, I do believe that we have a responsibility to give back to the communities in which we live. In doing so, it's also important that we recognize the helping hands of our friends and neighbors. Some we know well, but many are unknown.

Think of those who risk their lives for us. Members of the military, for example, who serve either willingly or by political decision to defend us. This was brought home to me as a youth when the veterans of World War II added their voices to our Christmas caroling in Stanton on that magical evening in 1945.

I was most fortunate to be raised in a nation and in a family where service to others was seen as a responsibility and not as a burden. Our Institutions of public service—schools, medical facilities, churches, social groups, etc.—depend on those who give time, substance and wisdom to their ongoing operations and make our world better for those gifts. Giving back is fundamental to the essence of community and has been an essential part of my life's journey. That understanding has led to mentors from whom I have learned. In turn, I have become a mentor to others. To live in community means living a life that is *for* others; we are "our brother's keeper," with special responsibilities to those left at the edge of life.

My business career and personal interests have been built around the concept of being a helping hand, whether in the role of corporate executive, deputy mayor or friend. We have added responsibilities to care and give our best to those on the margins. To whom much is given, much is expected.

My life has been an *Essayons* experience—a clarion call to "let us try." The thrill of that discovery has never left. I have welcomed and rallied my inner being to meet head on the opportunities as well as the difficulties that life brings. If I could change from a regretful army recruit at 19 years of age into a proud Corps of Engineer officer at 20, I was confident I could achieve other worthwhile goals:

- I *could* go back to the University of Michigan and earn the degree I had hoped for in 1954. It was richer and better in 1958!
- I *could* earn my graduate degree just a year later and write a master's thesis on a subject some thought difficult, if not impossible.

- In my first months of employment, I *could* join a corporate committee made up of Harvard Business School graduates and lead the discussions and write the conclusions.
- I *could* be chosen from among many corporate candidates as the assistant to the newly elected president of that corporation. I could add to that role broader responsibilities, including the company's first international investment.
- As manager of the Midwest operating company (Peerless), I *could* develop the largest single capital project financed by the largest financing transaction in corporate history.

My entry into the financial world from the world of industry was accomplished during one of the most difficult decades in recent history. The trauma of the 1970s was succeeded by the success of the 1980s, when with my talented and supportive partner Larry Ramer, we built Somerset Management Group into the parent of solid and profitable operating companies. Their sale in the 1990s was ample reward for the care and quality of our management abilities—to say nothing of the special relationship I shared with Larry.

Life has been good: three sons who not only graduated from quality universities and graduate schools but also joined me in a family venture. The Winsford Corporation has grown from annual revenues of $4 million into an international corporation respected in the medical and hospitality industries. All because "we tried."

Essayons has enriched the script of my life. While centered in commerce, it did not foreclose other worlds—the church, the academy, and the political process—all enriched by *Essayons*. I have served as senior warden of one of the largest Episcopal churches in America, All Saints Pasadena—a church described by the *New York Times* as "a cornerstone of liberal Protestantism." I have also served as a member of the Board of Trustees for the Union Theological Seminary in New York.

Essayons was behind the University of Michigan's decision to act on former president Harold Shapiro's suggestion that Michigan be more like private institutions in raising additional funds to maintain its leadership position as a world-class university. His successor, Jim Duderstadt, launched the Campaign for Michigan in the mid-1990s—the first campaign by a state university with a goal of $1 billion. The Campaign for Michigan surpassed that goal and added $1.5 billion to the university's endowment, increasing it to $2.5 billion. It now exceeds $12 billion—the largest per student among all state universities.

Essayons played a leading role in my decision to create the first endowed chair in economics at Michigan—the John W. Sweetland Chair in International Economics. This led to my idea and help in creating the Economic Leadership Council, a body of supportive economics alumni. Now in its second decade, members of the council contribute annually some half a million dollars to the Department of Economics' income. In 2014, as previously mentioned, I also endowed the Shorey Peterson Chair in Industrial Organization and Corporate Finance, my area of concentration. These endowments encouraged and brought about three additional chairs—the Allen Sinai Chair in Macro Economics, the Sam Zell Chair in Risk Economics, and the Gail Wilensky Chair in Health Economics.

It was also in the late 1990s that the dean of the College of LS&A, Edie Goldenberg, brought to the Dean's Advisory Council, which I was now a member, a proposal by the chair of the Department of English to separate the English Composition Board—a corrective writing effort—from the department and establish an improved college-wide writing program that would report to the dean. The reason? Most professors of English were not skilled in the teaching and corrective programs of writing. The Advisory Council saw the wisdom and opportunities of this concept and urged the dean to act accordingly. The dean agreed but noted that financing would be required. She needed "seed money" to get it started.

My late wife, Gayle, had been a superb writer. As senior vice president of the nation's largest savings and loan corporation, H. F. Ahmanson, her annual reports were ranked as the best in the national financial category year after year. The perfect way to recognize Gayle's contribution to my life would be to honor her memory by naming the proposed new center for writing in her memory.

Presenting the John W. Sweetland Award at the Economics Leadership Council Luncheon in October 2017.

JEN PROUTY

John W. Sweetland with Mary Sue Coleman, President of the University of Michigan, 2011.

The Gayle Morris Sweetland Center for Writing has since received national recognition as the finest writing center in the nation. Its goal is simple—to enable every student at Michigan to excel in writing in their discipline. Its innovative methods, vigorous staff contributions and exceptional leadership have received national attention and approval! As one supporter remarked, "Michigan students were *sent* to the English Composition Board—they *want to go* to the Sweetland Center!"

My 70-year association with the University of Michigan is at the very center of my being. The many "turns of the crank" have resulted in a lifelong love affair. Michigan's rich academic tradition and its success in the world of sports led alumnus Louis Elbel in 1898 to write its widely recognized fight song, "The Victors":

"Hail! to the victors valiant
Hail! to the conqu'ring heroes
Hail! Hail! to Michigan
The leaders and best!"

My life has been a fruitful fusion of *Essayons* and *Victors*—they pair together like hand and glove. Trying and succeeding, *Essayons* and *Victors*—a satisfying journey of adventure and enrichment. Could one ever seek a more satisfying foundation for a life of abundance and strength?

John W. Sweetland in his library, Los Angeles, 1997.