

# “Beaconsfield Supply Store,” 2007

## Beaconsfield Supply Store

The name Hy-Vee is ubiquitous throughout Iowa and neighboring states. The Beaconsfield Supply Store was the first home of the grocery chain with the “helpful smile in every aisle.” Built in 1916 to serve the small town of Beaconsfield in southern Iowa, the modest brick building was purchased by Charles Hyde and David Vredenburg—Hy and Vee—around 1930. Although both men had other retailing experience, this building represents their first partnership. For three years it provided food and general supplies while operating under three different managers. All the while, Hyde & Vredenburg were opening stores in Iowa and Missouri. After they closed this store in 1933, other retailers operated out of the building until the Beaconsfield Telephone Co-op bought it in 1956. Today, Hy-Vee is Iowa’s largest private employer and operates stores in seven states. Beaconsfield, on the other hand, is Iowa’s smallest incorporated city with a population of just 20. This building stands as a rare remnant of Beaconsfield’s role in Iowa’s Golden Age of Agriculture. It is listed at both the local and state levels of significance. Marilyn Gahm, Hy-Vee History Center Coordinator, prepared the nomination for the City of Beaconsfield.



# “The Secrets Behind Casey’s Success,” May 29, 2011 (pg.1)

Des Moines Sunday Register | MAY 29, 2011 | STATE EDITION

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Casey's Chief Executive Officer Robert Myers talks with store manager Jeanne May while visiting the new Casey's General Store located near the company headquarters in Ankeny. New features of the store include a revamped cashier station, expanded fountain offerings and a seating area where customers can enjoy the store's prepared foods.

## THE SECRETS BEHIND CASEY'S SUCCESS

The company has come a long way from its humble start as a collection of small-town gas stations in the '70s

**Why Casey's is different**

Casey's General Stores bought off a frozen takeover bid from Alimentation Couche-Tard less than one year ago. The company is now finding new ways to generate revenue and expand in a slow economy. Here's how Casey's is successful.

**1. EXPANSION**

Casey's has taken advantage of uncertainty in the marketplace. During the oil embargo in 1973-74, Casey's began its first wave of major expansion. Casey's added 88 stores during the nine-month period that ended Jan. 31. At last is the first Casey's store in Boone.

**2. FINANCIALS**

One of Casey's strengths has been a strong balance sheet with very little debt. Casey's took on \$300 million in debt restructuring that allowed it to buy back 25 percent of its own stock. This helped convince shareholders that the company was undervalued.

**3. FOOD OFFERINGS**

In the 1980s, Casey's was one of the first chains to offer prepared foods, such as doughnuts and pizza. Casey's profit margins are roughly 30 percent for grocery items and 60 percent for prepared food. The company is now trying pizza delivery.

**larger footprint.**

"Today, you can go about 500 miles in any direction and run into a Casey's," said chief executive Robert Myers from his office in Ankeny.

Recent growth has occurred despite the hostile takeover attempt a year ago by Alimentation Couche-Tard, a Canadian company that operates nearly 5,000 convenience stores in North America, including more than 3,800 Circle K stores.

That takeover battle cost Casey's more than \$27 million, plus a \$500 million debt restructuring that allowed it to buy back 25 percent of its own stock.

The seven-month effort helped convince shareholders of a fault that management has always known: Casey's is an atypical operator whose

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**EU rules on biofuel concern soybean growers**

Additional environmental standards are seen as the wave of the future.

By PHILIP BRAINER  
philb@desmoines.com

Washington, D.C. — The European Union has set new environmental and labor standards for the crops used to make biofuels, threatening U.S. farmers who worry that such restrictions could spread to other products and economies.

The standards include greenhouse gas limits that biofuel feedstocks must meet, and U.S. soybeans don't qualify as a feedstock for European biofuels.

Also in the rules is a requirement that exporters be able to trace the source of a shipment back to the farmer on which it was grown, something the U.S. industry can't do with existing storage and transportation practices.

"They're dictating to us how we need to operate, and we don't like the president that way," said Steve Waldman, a Nebraska farmer and leader of the American Soybean Association. "What's next?"

Environmental standards could be the wave of the future. "Waldman is working on sustainability standards for the foods it sells, and there are several industry-wide efforts nationally and internationally to develop common standards for growing soybeans and other crops."

"I don't think it's unreasonable for governments to do this. Harmonization is important globally," said Joseph Clay, senior vice president for market transformation at the World Wildlife Fund. Such rules prevent countries from undercutting others with poor practices.

**SOYBEANS, PAGE 10**

**Successful takeover artist talks of buying niche firms**

By CHRISTINA BEERDIE  
christina.b@desmoines.com

Maybe you've never heard of Martin Franklin, but you've probably bought something from him. He's the man behind Jarden Corp., and Jarden is the company behind Mr. Coffee machines, Coleman camping gear and Starline car openers, to name just a few of its brands. In 2007, Jarden bought Pure Fishing, the fishing equipment manufacturer started in Spirit Lake by former U.S. Rep. Binky Bedell.

Franklin has turned around Jarden since he took over 10 years ago, when the company was called Alltronic Corp. and known mostly for home-running pens and shrinking sails. Under Franklin's leadership, Jarden sold off one troubled unit, paid down debt and started buying up companies that

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# "The Secrets Behind Casey's Success," May 29, 2011 (pg.2)

Page 40 | Sunday, May 29, 2011

State Edition | Des Moines Sunday Register

## The Secrets of Casey's Success

'A down economy does not treat us like it does other retail sectors.

**It presents us with opportunities.'**

### CASEY'S

FROM PAGE 10

strengths aren't always appreciated.

Those strengths include the fact that Casey's is the only large convenience store chain with its own distribution system, and that it is a leader in selling prepared food and other items inside its stores where profit margins range from 30 to 60 percent, compared with single-digit margins for gasoline sales.

Another traditional Casey's strength has been a strong balance sheet, which had very little debt before the takeover effort.

That strong balance sheet, coupled with an undervalued stock price and Casey's position as an industry leader, made it an attractive target in early 2010 for Couche-Tard.

### Chain's DNA includes imagination, caution

The main thing that sets them apart is the strength of their food service program, which they continue to enhance, said Linda Lisanti, a writer at Convenience Store Magazine. They are very true to their business model, which focuses primarily on smaller communities," she said, although in recent years, the chain has also placed stores in larger communities, including the metro areas around Des Moines, Omaha and Kansas City.

Founders Don Lamberti and K.C. Fish launched the business with an imaginative, but conservative, business plan in the late 1960s, and those twin threads have been part of Casey's corporate DNA ever since.

When Lamberti retired in 2002, he said the best decision he ever made was during the Arab oil embargo of 1973-74 when gasoline stations were failing in waves. Casey's was just beginning its first round of major expansions, and officials worried whether they'd have gasoline to sell at the new stores.

"We determined that the cost of the stores could be carried by inside sales," Lamberti said in 2002. "We said, 'If we have to, we'll just put black bags over the pumps and not use them until gasoline is available.'"

As it turned out, they never needed the black bags. But that early concept of boosting in-store sales of high-profit items, especially prepared food such as pizza, put Casey's years ahead of most competitors.

Casey's jumped ahead again in the 1960s by being one of the first chains to voluntarily replace underground storage tanks in advance of government regulations that required removal of the old tanks. Many operators refused to remove the tanks until new regulations required it. By then, many smaller operators couldn't afford the expense and had to go out of business, creating another expansion opportunity for Casey's.

Self distribution is another thing that sets Casey's apart, Lisanti said.

"Only a handful of operators own their own distribution," she said. It's a move that cuts out a key middleman and boosts profits.

Myers, Casey's current chief executive, is the guy who made self distribution work. His service with the company began in the 1980s, when Casey's built its headquarters in Ankeny, just off Interstate Highway 35.

A key part of the campus was the warehouse and distribution center, which the company continues to use more than 20 years later to deliver goods to its stores.

Myers was a local guy who grew up in Sayler Township, the unincorporated area between Des Moines and Ankeny, the same area where Lamberti had.

Myers was nine years younger than Lamberti, and after high school went into the Army. That was in 1966, two years before Lamberti and Fish bought their first service station in Boone.

By the time Myers retired from the Army as a colonel in 1988, Casey's was nearing completion of its headquarters and distribution facility in Ankeny. That's



Current CEO Robert Myers had retired from a military career when he joined Casey's in 1988, just as the convenience store chain was nearing completion of its headquarters and distribution facility in Ankeny. His previous work as a logistics officer was put to good use. Myers worked his way up the chain of command, becoming chief executive of Casey's in 2006.



This new Casey's General Store is located near the company headquarters in Ankeny. Self distribution is one of the factors that sets Casey's apart from other convenience store chains.

### Casey's corporate stores

Casey's has more than 1,600 corporate stores around the Midwest.

ID	98	99	10
37	106	453	11
126	126	453	11
KAL	123	299	11
OKA	1	1	1

Source: Casey's General Stores Inc. THE REGISTER

when Lamberti made what may have been his best hiring decision ever.

Much of Myers' military career had been in logistics. Lamberti figured, "Who better to run Casey's new distribution chain than a military logistics officer, who had been responsible for figuring out complicated schedules to make sure soldiers were fed, clothed and armed when, where and how they needed to be?"

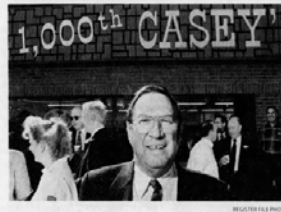
Myers took the job and worked his way up the chain of command, becoming chief executive in 2006.

### Looking for the next 60 percent profit item

The key to Casey's success has always been its in-store sales of grocery items and prepared foods.

It was one of the first chains to begin selling prepared foods, including doughnuts, coffee and pizza in the early 1980s, and today it remains the most successful large chain handling prepared foods, Lisanti said.

The key to Casey's success is its profit margins of roughly 30 percent for grocery and non-



Don Lamberti, co-founder and then-CEO of Casey's General Stores, mingles with the crowd at the opening of Casey's 1,000th store, in Altoona in 1996. The chain now has more than 1,600 corporate stores.

food items and 60 percent for prepared foods.

Convenience stores discovered a long time ago that they could charge more than grocery stores for essentials, such as milk, juice and snack foods, as well as for must-have non-food items, like cigarettes. The stores have been criticized for charging more, especially in towns or neighborhoods lacking grocery stores. But the simple fact is that customers will pay more for the convenience of picking up those items when they stop to buy gas, thereby avoiding a trip to the supermarket.

It's why major grocery chains, including Hy-Vee and Dahi's, have added gasoline pumps and detached convenience stores in recent years.

The entry of grocers into the convenience store business is a concern to most convenience store chains, but not so much for Casey's, Myers said, because so many of its stores are in small communities that don't even have a grocery store.

The ultimate enemy for Casey's is not that it competes successfully with grocery stores.

It's that Casey's has become a profitable fast-food outlet.

For more than a decade, the signature product of Casey's has not been gasoline, or cigarettes or beer. It's pizza, which Casey's introduced in 1984.

With a profit margin of around 60 percent, it's easy to understand why the chain's managers love pizza.

In fact, they are now experimenting with pizza delivery at a store in the Des Moines suburb of Clive.

So far, Myers said, "we're very pleased with the numbers we are seeing out of pizza delivery. But the question is: Are we making money? Are we making that 60 percent gross?"

"We've made it very lucrative for the delivery people," Myers said, noting that like most places, Casey's charges \$2 to deliver pizza. But unlike most places, he said, Casey's gives the full \$2 to the delivery person, plus tips, instead of the traditional \$1, plus tips.

So far, he said, the addition of a delivery service has boosted carry-out sales along with delivery sales.

### Casey's stock rides out buyout

Robert Myers won't say what he thinks is a fair price for Casey's shares, months after the company beat back a takeover attempt.

But he did say that if the bidding had ever gotten "to the real value of this company," plus the premium that he believes it is worth, "it would have been a different situation."

Couche-Tard's initial bid was \$36 a share at a time when Casey's stock was trading between \$30 and \$32 a share. That was a year ago last April. By September, Couche-Tard had raised the bid twice, eventually to \$38.50. Then, 7-Eleven, the nation's second-largest owner of convenience stores, joined the bidding, offering \$40, and later \$43 a share.

By the time it ended in November, Casey's had rejected all bids and beaten back an attempt by Couche-Tard to place directors on Casey's board.

"It was all a question of value," Myers said.

Casey's share price peaked at \$44.67 in September, right after 7-Eleven's second offer. It dropped below \$36 in March when third-quarter results were lower than expected because of the cost of defending against the takeover.

The share price has traded between \$38 and \$40 most of this month. "When you spend \$27 million because of a hostile takeover, that's what's going to happen," Myers said of the share price drop.

"Our customers are excited, and we're excited," Myers said.

But before adding pizza delivery at other stores, he said, "we're going to be careful about this. We're going to have to make sure that it is profitable for us. And then we are going to have to be really sure about the markets that we adapt this program to."

Moving too quickly can lead to costly mistakes. An example was Casey's move into — and then out of — fried chicken.

Not long after Casey's introduced pizza in 1984, it added fried chicken. The move involved buying special frying equipment and training employees to use it, just like the chain had done with pizza.

Fried chicken looked like it was going to be a big seller until managers discovered it had a much shorter shelf life. Unlike pizza, chicken could not be safely kept under a heat lamp for more than about half an hour, and the product was dropped.

Myers expects sub sandwiches to be Casey's next in-store success story. The chain is in the process of enlarging many of its stores to handle more products and more traffic and include a small seating area.

"A down economy does not treat us like it does other retail sectors," Myers said. "It presents us with opportunities."

# Fred W. Fitch's Message to the Associated Master Barbers of America, November 1925 (pg.1)

must see the modern tendencies and adapt his profession to the needs of the times. It seems to me that every careful observer of modern conditions as they affect the barber, has noticed a remarkable change. As I have already suggested, this has come about through the bobbed hair movement. Women have taken the barber shop by storm. They have driven the gangsters and scandal-mongers out. They have changed, not only the atmosphere of the present-day barber shop, but they have changed its entire structure.

Every good barber shop today caters to the ladies trade. They are the chief source of income of thousands of shops. They are bringing dollars into the barber shops where formerly the quarters straggled in. Barbers who have not taken advantage of the tremendous possibilities in the ladies trade must wake up or fall by the wayside. The most prosperous shops in America are those that cater to the ladies and the back numbers are those that consider the barber shop a place for men only—as if a dollar is any less a dollar because you receive it from a woman!

## Two Professions Merging

As publishers of "The Square Deal," we receive hundreds of letters every day from barbers all over the country. We are in a position to feel the pulse of the barbers of America. The one clear fact that stands out

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# Fred W. Fitch's Message to the Associated Master Barbers of America, November 1925 (pg.2)

in all the correspondence we receive is that *the barber shops and the beauty parlors of the United States are slowly but surely merging into one profession.* Let me drive that point home; the barbers and the beauty parlors of the United States are slowly but surely merging into one profession.

There is evidence of this on every hand. Every barber supply dealer in America will testify to the fact that barbers everywhere are inquiring about beauty parlor equipment and are installing special departments for women and children. We know from the changes in our mailing list, that dozens of shops are moving every day to larger quarters so that the ladies trade can be accommodated. Thousands of barbers are attending the beauty culture schools to learn marcelling, permanent waving and the various beauty parlor operations.

The question naturally arises, what do the beauty parlors think of this merging with barber shops? I do not believe that they have given the matter any thought. But I am confident that they will seriously consider the question because they are just as anxious as barbers to become doctors of their profession.

Whether the barbers like it or not, whether the beauty operators like it or not, the barber shops and the beauty parlors are merging into one profession and nothing in the world can stop it. Those of you who have the

# Fred W. Fitch's Message to the Associated Master Barbers of America, November 1925 (pg.3)

vision and the foresight to see this development and align yourselves with it, will be the pioneers of the new profession and will reap the greatest harvest.

You master barbers of America can make no greater mistake than to consider the beauty parlors your enemy. You have admitted the women into your shops; you have installed special chairs for the children; you are installing new equipment and special departments for the women just as fast as you are financially able. Don't you see that your place of business is becoming a beauty parlor, as well as a barber shop? Why not get ready for this change and embrace the opportunity, instead of building a wall around yourselves and becoming shavers and hair cutters?

You must make a choice now, before you are forced to take what is left!

It is altogether reasonable that the barbers and the beauty operators should merge into one profession. The operations you perform are basically the same. You both treat the skin. Whether you shave a man, cut his hair or massage his face, you are treating his skin. Whether you give a lady a bob, a marcel, a shampoo, a facial or dress her hair, you are treating her skin. The scalp is part of the skin and so is the hair.

When the barbers and the beauty operators become one profession, then they can become doctors of their profession in actuality. Then

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# Fred W. Fitch's Message to the Associated Master Barbers of America, November 1925 (pg.4)

they can become what they ought to be—skin specialists. Then and then only, will you fulfill your destiny and live up to your high traditions.

You are confronted with the choice of becoming skin specialists and professional men or remaining barbers and ordinary laborers. If you cling to the razor and the shears, you will become public servants and one of the lower classes. If you rise to the opportunity now ahead of you, you will become professional men and one of the higher classes.

## New Name Needed

It seems to me that one of the principal obstacles in the way of the merging of the barbers and beauty operators into one profession and becoming skin specialists, is the lack of a suitable name to describe the new profession and to apply equally well to barbers and beauty operators. What is needed is a name that will weld together those who now practice under the conflicting titles of barber, hairdresser, chirotonsor, beauty culturist, tonsorial artist, etc. These names are all inadequate. They build up a wall between the various divisions instead of welding them together. They confuse the public. The name barber is in disrepute. It suggests the Police Gazette and the unsanitary shop. The name chirotonsor is awkward and meaningless and so is the name tonsorial artist. The name beauty operator and

# Fred W. Fitch's Message to the Associated Master Barbers of America, November 1925 (pg.5)

the name hairdresser are too limited in their meaning.

A new profession is being born and it needs a new name—a name that will apply equally to all who now call themselves barbers, beauty operators, chirotonsors, hairdressers and tonsorial artists; a name that will be acceptable to all concerned.

I have tried to show you that the barbers and beauty operators are irresistibly merging into one profession. I have tried to show you the necessity for a new name for the new profession. Now, I wish to offer my suggestion for such a name.

I have coined a new name and I humbly offer it to your organization for your respectful consideration. It is a name that means what it says, a name that stands analysis and a name that, I believe, will be acceptable to all concerned. However, I leave this for you to judge. I have arrived at this name by the simple process of asking myself what there is in common between the barbers and beauty operators. The answer is that they both treat the skin. This gives us the name. The Latin root of the word for skin is "derma." Therefore, those who treat the skin are DERMA-ticians.

DERMATICIANS is the word I offer the barbers and beauty operators of America to unite them in a single profession. This word points the way to greater things. It

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# Fred W. Fitch's Message to the Associated Master Barbers of America, November 1925 (pg.6)

## Scientific Education

I would like to see the day when the education of every barber would include a course in the diagnosis and treatment of skin and scalp conditions. This knowledge is absolutely necessary if you are to intelligently treat skin and scalp troubles. How can you be expected to stop falling hair, prevent baldness, remove dandruff, and cure the various forms of eczema unless you understand the physiologic basis for all these conditions? How can you conscientiously administer tonics and lotions unless you understand their chemical effect on the human body?

Remember, you are not shining a man's shoes: you are treating his anatomy. You can make him healthy or unhealthy by your treatment. You can cause him to lose his hair or to have beautiful hair. You can mar his face or you can give him an unblemished complexion. The responsibility placed in you is akin to that placed in any doctor or surgeon. You must have the education and skill and knowledge to meet this responsibility or else you cannot ever become professional men.

Thus I have taken a lesson from the history of the barber profession and applied it to the barbers of today. The lesson is that you must specialize in the diagnosis and treatment of skin and scalp troubles if you are to become professional men. This is your par-

# Fred W. Fitch's Message to the Associated Master Barbers of America, November 1925 (pg.7)

tempted to be surgeons and dentists as well as barbers, became lowly laborers. Now, an opportunity is at hand for the barbers of America to become professional men by joining with the beauty operators and becoming skin and scalp specialists.

The lesson of specialization applies with even greater force at the present time to the barber supply dealers. The unadvertised and questionable preparations being foisted on the profession by manufacturing barber supply dealers, constitute the biggest menace and obstacle in the path of progress.

However, the final responsibility rests with you. You master barbers of America have your future in your own hands. Take heed of the past in building for the future.



This completes the message I have brought to this Convention. Whatever wisdom I have gathered in thirty-five years of association with the barber profession has entered into the preparation of this message. If what I have said will in some small way help to steer the course of the barber profession into higher channels, I will feel amply repaid.

My best wishes to every one of you.

Fraternally yours,

A handwritten signature in dark ink, reading "F. W. Fitch". The signature is stylized with a large, sweeping initial "F" and a long, horizontal flourish extending to the right.



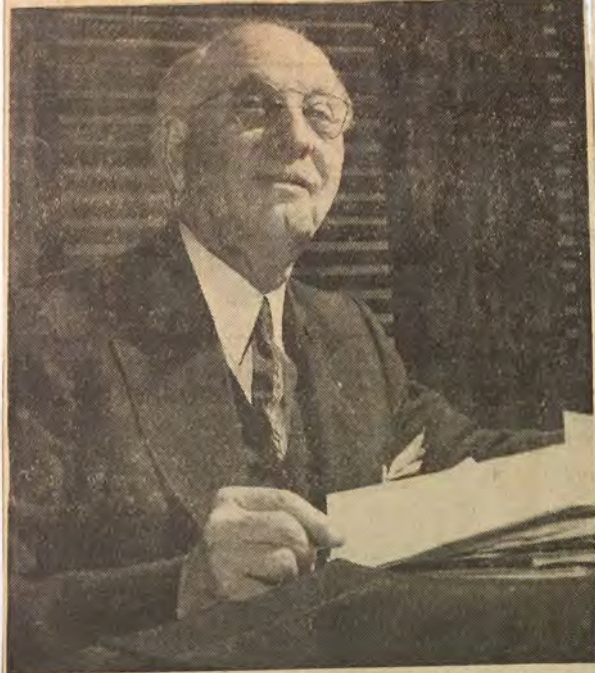
# “Fitch, 75, Scoffs at Luck As Aid to Success in Life,” January 28, 1945

CLIPPING FILE 2

BIOG.- FITCH, FRED W.

D.M. Reg. 1-28-1945

## Fitch, 75, Scoffs at Luck As Aid to Success in Life



Fred W. Fitch at his desk on his seventy-fifth birthday.

Fred W. Fitch leaned back in his chair on his seventy-fifth birthday anniversary Saturday and said that luck is not a factor in business success.

A man who rose in the American tradition from a barber with a formula for hair restorer to a millionaire toiletries manufacturer, Fitch declared:

“There isn’t any luck that enters into anything, “unless it’s poker or shooting dice, maybe.

“There is no luck to merchandising. You have to have a product that people want and will repeat, or buy again.

### Not Luck—Work.

“There is no luck in going out and working from early in the morning to long after dinner. That is not luck, it’s work.”

College education? Fitch, once said that college teaches a man to be lazy, not to make money, save it or deal with people. HE HASN’T CHANGED HIS MIND.

He remembers when he was a barefoot lad with holes in his pants. A neighbor boy whose parents sent him to college wound up behind a broom for the Des Moines street cleaning department, where Fitch met him one day four years ago.

But Fitch, whose formal education stopped at the eighth grade in the Boone, Ia., schools, gave \$100,000 to Drake university last fall for a new pharmacy building “because you can’t get along without pharmacists.”

He once aspired to college. One of a family of 12, he went to work when he was 8, for Keith Beck, farmer seven miles west of Ogden, Ia. He saved his money and learned the barber trade to work his way through medical school and become a doctor, like his father, Lucius Henry Carey Fitch, an early pioneer.

### Needed Diploma.

“When I got to Iowa City with my barber tools,” he related, “I found you had to have a high school diploma or teaching certificate.”

So he went to Madrid, Ia., and barbered, and worked out his formulas with a Dr. Beckbill, whose first name he does not recall, but whose whereabouts he would like to learn.

“He helped work out the original formulas,” he said, “and I think I owe him something.”

The first product was “Ideal Hair Grower and Dandruff Cure,” sold in the individually-blown bottles of the time.

“It would not grow hair on all bald heads, so the first part of the name was dropped,” he explained, “but it grew hair on many a bald head.”

### 41 Products.

Substantially the same product is on the market today, and there are more than 40 other Fitch toiletries made at plants at Des Moines, Los Angeles, Cal., and Bayonne, N. J.

Fitch moved to Des Moines in 1917. He started “real advertising” in the twenties, but even before that, when marketing was mostly through barber shops rather than drug counters, there were enough Fitch signs on barber-shop mirrors to make one every five feet from New York, N. Y., to San Francisco, Cal.

### Sponsors Broadcast.

Fitch advertisements in newspapers and magazines are now common. In 1928, he became the first Iowa manufacturer to sponsor a national radio broadcast. The 30-minute “Fitch Bandwagon” program on Sunday evenings is now heard by millions, and costs the company \$17,000 a week.

Asked if it paid, he said “something paid—we’ve built quite a business.” Wartime controls on alcohol have cut Fitch production about half, but the business is still in the millions of dollars annually.

At 75, Fitch is bald in the temples, but still sports a good crop of hair, which has turned silver. His color is good, and he says he is feeling fine. He did

some hunting last fall, but gave up golf seven years ago.

From a living standpoint, he picks the first 25 years, rather than his second or third quarter-century.

“Those were the carefree days, the days of good times,” he recalled. “Now I’m busy all the time, and I enjoy it in a way, but I am at the office every day. I would like to have quit before this, but there is no place to stop.”

He enjoyed life most as a boy on the farm. In later years his greatest pleasure was in his 560-acre farm north of the city, where he specialized in dairying before the government took over the ground for the Des Moines ordnance plant.

“Watching things grow is a real pleasure for me,” Fitch said. “Business is always the same old grind.”

Asked about his many trips to court, he conceded you have to fight in business as well as work. But he forgives, too.

A former vice-president who left, Fitch charged in court, with secret Fitch formulas, went broke in a competitive venture, and is now in New York City as a Fitch salesman.

Fitch started his usual day at 8 a. m. Saturday. He likes an egg and bacon, or pancakes, for breakfast. It’s been milk the last decade instead of coffee, which didn’t agree with him.

He has lunch at the Des Moines club or Wakonda. He doesn’t work nights any more, and tries to leave the office by 4 p. m.

### Likes Card Games.

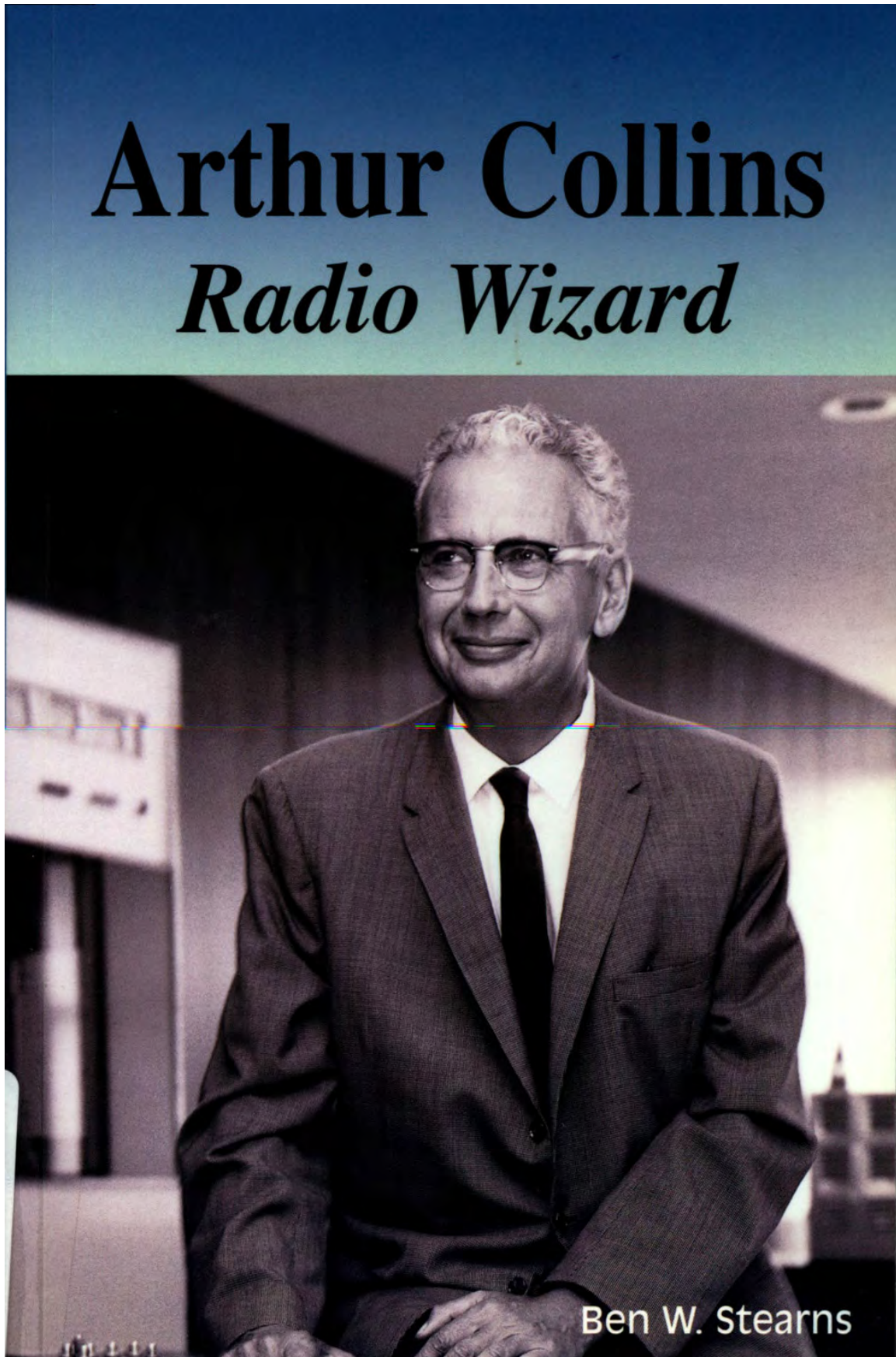
In the evening, he likes a high-ball or two, and a game of pitch or bridge before going to bed at 8:30 or 9.

His oldest son, Gail, is at his desk as advertising manager again after honorable discharge from the army. He was a major, stationed at Macon, Ga. Maj. Lucius Fitch is in New Guinea. Two daughters, Mrs. Lois Sandahl and Mrs. Mildred Young, are in Des Moines.

Fitch has nine grandchildren, and one great-grandchild.



**“Arthur Collins: Radio Wizard,” 2002 (pg.1)**





# **“Arthur Collins: Radio Wizard,” 2002 (pg.2)**

## **INTRODUCTION A MAN OF GENIUS**

The final week of February, 1987 brought the deaths of three prominent Americans. Two of them, Andy Warhol and David Susskind, were indeed famous: Warhol as perhaps the world's foremost pop artist, and Susskind an accomplished television, film and theatrical producer. Their passing and the contributions they had made to American culture received extensive media coverage at the time.

The third man to die was less widely known, except in select technical circles and the communities where he worked. His death at the age of 77 received scant if any notice in most newspapers and national media. It was major news only in Cedar Rapids, Iowa, Dallas, Texas and Newport Beach, California.

Yet his lifetime achievements will be long felt in terms of their advancement of technology and their impact on activities of millions of people every day.

He was Arthur Andrews Collins, inventor par excellence, a genius in the field of radio communications and builder of a major business enterprise.

He has been compared with the great Guglielmo Marconi in that both men made vast and significant contributions to the advancement of radio. There are many striking parallels in the lives, work habits and personalities of the two men.

Neither Collins or Marconi discovered major new scientific phenomena, but both utilized such findings by others to develop practical equipment.

Marconi is credited with inventing a system of wireless telegraphy, the basis of modern radio. When Arthur Collins came along years later, he made radio work far better than scientists before him had done. He had a unique understanding of the physics of radio waves and the ability to design equipment to more effectively transmit and receive radio signals.

Collins adapted his skills to a wide range of applications in the field of radio communications. Some were truly innovative first-time applications, others were major advances in the state of the art. He was either the inventor or the guiding force in equipment and techniques that made possible the many achievements of himself and his company.

Arthur himself, through his own creativity, can be credited with important roles in several historic events of the twentieth century.

Today the work of Arthur Collins is a factor in the flight of every commercial airliner. No single person has been more responsible for the ability of air transports to fly and land safely in adverse weather and on schedule than Arthur Collins. He and his colleagues developed many of the electronic systems for air-to-ground and air-to-air radio communication and navigation, as well as aircraft instrumentation and flight control. The business he founded in 1931 continues



## **“Arthur Collins: Radio Wizard,” 2002 (pg.3)**

today to be the world leader in designing and producing high performance avionics systems. (Avionics comes from the words aviation and electronics).

Equipment he developed gave America and its Allies a significant edge in many areas of communications capability in World War II, the Korean and Vietnam conflicts and the so-called Cold War. And since that time the Collins company continued to play a major role in communications and avionics equipment for the military and manned spacecraft.

Collins equipment, often out of sight but as essential to communication as an engine is to making a car go, has been part of many historic events of this century. A Collins-built transmitter aboard the U.S. Battleship Missouri enabled the world to hear (in those pre-television times) the Japanese surrender ceremony which ended World War II. Collins transmitters have made thousands of other overseas and Voice of America broadcasts possible. Collins amateur, or ham, radio equipment, for years the unquestioned leader in that field, has been used to summon help in numerous floods, earthquakes and international crises.

The atmosphere of engineering creativity which Arthur Collins fostered in his company led to a long list of technical breakthroughs. Experiments by the company after World War II helped prove that intelligible radio signals could be transmitted through the void of outer space. The firm later made the spacecraft radios by which Americans heard the voices from space of all the Mercury, Gemini and Apollo astronauts, and provided much of the ground antenna equipment to communicate with spacecraft. Collins systems transmitted television of astronauts on the moon.

Arthur Collins revolutionized high frequency (short wave) radio, the primary method of long range communication before satellite relay became possible, and which probably always will be widely used.

His work in high frequency single sideband was a major advance which gave U.S. commanders reliable around-the-world communication with SAC bombers when they were our main defense against Soviet hostility in early days of the Cold War.

He spawned major innovations in commercial broadcasting transmitters and in microwave radio relay systems. He was responsible for breakthroughs in achieving dependable data transmission and for much of the technology marrying computers and communications. He even can be credited with innovations in computers themselves.

Had he been able to continue his company's major development project when he was forced to give up control of the firm, he may well have advanced computer technology and integrated systems management applications by many years. He and his engineers developed and were using data transmission and computer control concepts understood by very few in the 1960s, but which became commonplace with the advent of e-mail and the Internet.

Years after his death, much was touted about the digital revolution and information highway. Arthur Collins saw them coming, and tried diligently to make them happen much sooner than the evolution of such developments. As far back as the 1950s, he was preaching on the digital theme.



## “Arthur Collins: Radio Wizard,” 2002 (pg.4)

Barely out of his teens in the Great Depression years of the early 1930s, he started a company that quickly gained recognition in radio circles for equipment of advanced design and higher quality than anything available to that time.

Still a small enterprise when World War II broke out, by the time the war ended the Collins name had become legend to those servicemen who worked with radio gear used on ships, aircraft, vehicles and in ground stations. Stories of the reliability and performance of Collins-built equipment under the most severe of wartime conditions were widely repeated in radio circles.

The post-war era which followed was a springboard for a literal explosion of technical developments coming out of the Collins Radio Company. Arthur Collins either suggested or was the lead engineer on most of them.

Arthur Collins' company was a fascinating place for the person who combined technical ability with an innovative and curious mind. Activities within his firm were a reflection of more interests than radio communications — cyclotrons, hydrodynamics, aerodynamics, celestial navigation and more.

Growing recognition and soaring sales volume in the late 1950s gave Collins Radio Company a fleeting period as the darling of Wall Street, becoming the most actively traded stock soon after going on the New York Stock Exchange. Some of the company's products were in such demand they literally sold themselves.

Few American companies can match the record of technical "firsts" which Collins laboratories yielded over four decades. Arthur Collins personally was responsible for 20 patents and a co-inventor on nine others, numbers far lower than he could have claimed. Through it all he had an unrelenting fetish for quality in design, manufacture and performance.

Many Collins products, including some of World War II vintage, still operate flawlessly and continue to be in high demand years after being outmoded by more advanced technology. Collins transmitters made in the 1940s and '50s not only remain in use — they often are held up as the standard against which more recent designs are measured.

That devotion to the highest possible quality level kept Arthur Collins firmly opposed to developing and producing an affordable mass production, consumer market product, although he was urged to do so in the interest of profit.

Arthur Collins' philosophy about what was required for his products was simple: if a certain part, component or manufacturing technique needed to meet our standards does not exist, we invent it. At one time the Collins Radio Company had nearly 1,000 products in its inventory which it could build — every one of them an original company design.

There is no doubt, as with almost every major achiever of this world, that the times and circumstances of his life played a major role in what Arthur Collins did. Still, he was the one with the talent, drive and foresight to take advantage of opportunities confronting him and his organization.

Indeed, his singular greatest forte may have been his vision. He had the unique talent to foresee the future trends and capabilities of technology, and how they could be adapted for users of technology. Then, in many instances, he formulated



## “Arthur Collins: Radio Wizard,” 2002 (pg.5)

concepts, designed and developed hardware and systems through his company to meet the needs of users. He was admired by his supporters and both envied and despised by his competitors for thinking and doing years ahead of his industry contemporaries.

Arthur Collins surrounded himself with teams of talented persons who could learn from him, who could contribute to common objectives, and from whom he could learn. Only a few of them ever felt they knew him well.

To the majority of his employees, numbering nearly 25,000 at one time, he was regarded as somewhat of a mystery man but a technical genius. In reality he was anything but the inept business manager which some detractors called him, because of the sometimes disappointing financial performance of the company.

There was no doubt in his mind that the company he founded (at its peak equal to a multi-billion-dollar firm in today's dollars) existed to give bent to his technical ability and ambitions.

Unlike many American industries today, the Collins Radio Company of 1931 to 1971 was not afraid of risks. Rather than taking a safe, conservative course which would please Wall Street, the firm continuously risked its future on advancing the state of the art in communications technology, challenges it usually won.

As Collins Radio Company was different in that way from most business enterprises, it differed in other ways as well. Many employed there found it not only a demanding but a fun place to work.

The primary emphasis at Collins Radio Company was always on technical disciplines and achievement. Consequently, it was the professional employee with technical skills and training, the engineer and engineering support person, who was held in the highest regard.

Arthur was not motivated by money, although it was important. Neither was he motivated by esteem or prestige. He demanded creativity, dedication, loyalty, trust and integrity of himself and his employees. He paid them well but not lavishly. He was more concerned about their work environment, the tools and resources they needed to do their jobs, the quality and reliability of the work output.

Thus the main reward for those who stayed with him was fulfillment in their achievements — knowing in most instances they were associated with the best in a given product and a company which was a winner.

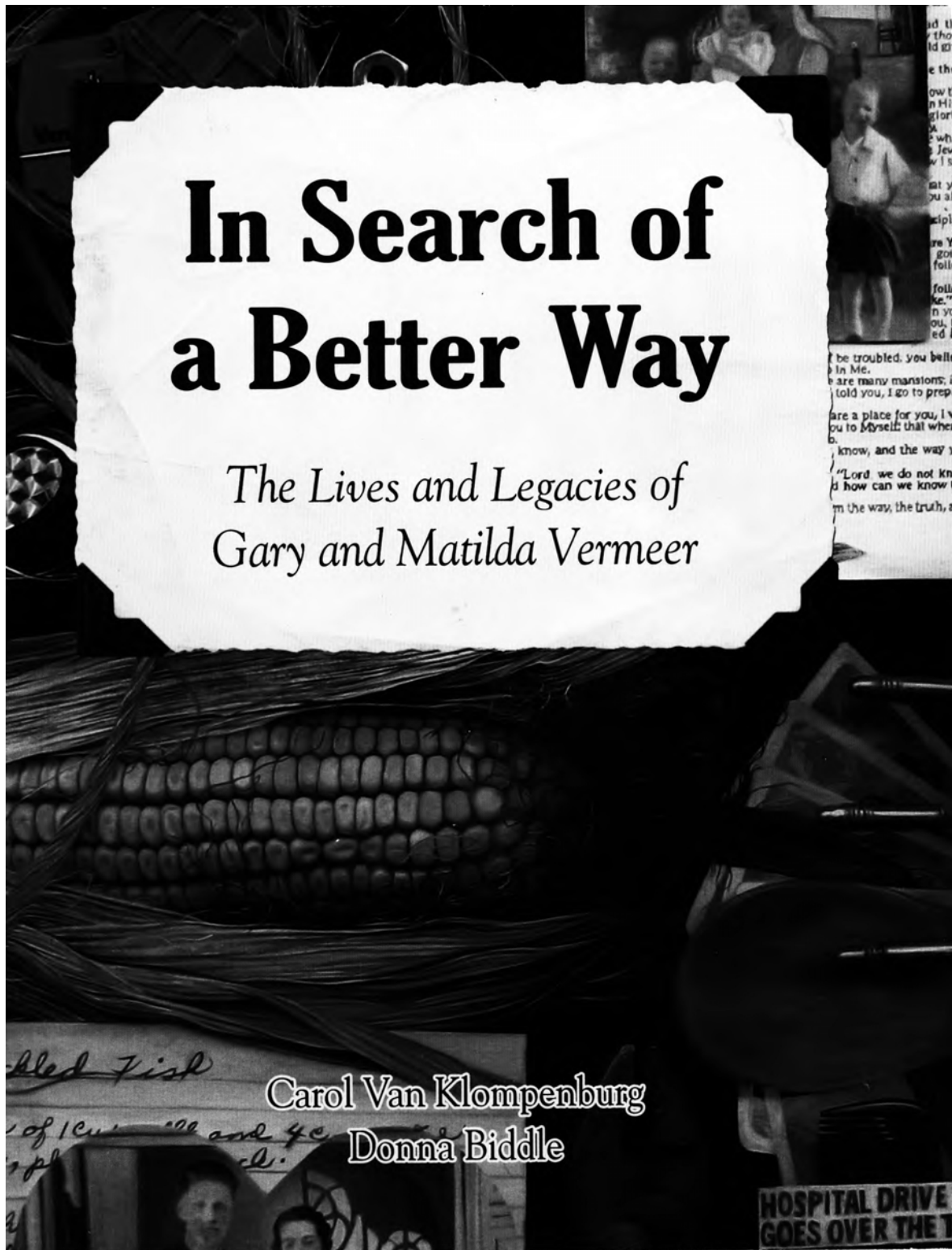
*You never had to apologize for being with Collins Radio* was a phrase repeated by many who sold the products.

Arthur Collins was a self-educated, complex, studious, soft-spoken man who often was regarded as an introvert. He shunned interviews and was terribly uncomfortable on those rare occasions when he consented to give a speech. He read extensively with a wide range of interests, but in particular had an insatiable appetite for scientific knowledge.

His true nature was that of a relentless driver of seemingly tireless energy in pursuit of technical goals which often looked impossible to co-workers. But once the goal was reached, he was the first to give credit to his associates for the attain-



Excerpt from “In Search of a Better Way: The Lives  
and Legacies of Gary and Matilda Vermeer,” 2008  
(pg.1)



Courtesy of the State Historical Society of Iowa, Biddle, Donna and Carol Van Klompenburg, “In Search of a Better Way: The Lives and Legacies of Gary and Matilda Vermeer,” 2008

# Excerpt from “In Search of a Better Way: The Lives and Legacies of Gary and Matilda Vermeer,” 2008 (pg.2)

## 48 Chapter 2 *Growing a Company*

### Going International

To make a business successful, Gary has said, you first need a product and secondly, you have to be able to sell it. Production comes third because you don't need to produce anything unless you can sell it.

Although Gary was a farmer and tinkerer at heart, he never underestimated the importance of sales.

“He was a natural marketer. Lots of people are inventive, but Gary also knew how to make something work, market it, and run a business. That makes him unique—part of a special subset of people. That is what founders are made of,” said son-in-law Dale Andringa.

While Vermeer agricultural products are mostly sold through a network of agricultural equipment distributors, most of them farmers, the industrial products are marketed and sold differently.

In the late 1950s, with the trencher and the stump cutter both selling well, the company decided to establish Vermeer-exclusive dealerships—the forerunner of today's industrial dealerships. The first such dealership was opened in Findlay, Ohio, in 1960 by Art Van Weelden, who had been the first salesman at Vermeer.<sup>2</sup>

The second dealership was in Iowa. Initially called Pella Irrigation and Equipment, it sold a variety of Vermeer products, including irrigation equipment. Stockholders included Gary and Harry Vermeer, Leonard Maasdam, Carl Boat, and Case Vander Hart. Additional Vermeer-exclusive dealerships soon followed.

Even before Vermeer set up Vermeer industrial dealerships domestically, the company was selling product internationally. Beginning in the early 1950s, the



# Excerpt from “In Search of a Better Way: The Lives and Legacies of Gary and Matilda Vermeer,” 2008 (pg.3)

fledgling company sold abroad through export managers in New York City. By 1955, Vermeer machines were in use in Europe, Asia, and Latin America. Ralph Vermeer is credited for much of the company's early worldwide sales, and those efforts laid the foundation for the company's subsequent international success.



*Harry Vermeer speaks during an October 1962 sales meeting. Gary is sitting on Harry's right.*

During the 1950s, personnel from Vermeer Manufacturing Company worked with Jan de Bas to start Vermeer Holland, which was incorporated in the Netherlands to handle sales, and later, some manufacturing in Europe.

As the years

progressed, Vermeer Holland started manufacturing more products, and in 1979, Vermeer Holland became a separate and independent entity owned by Jan De Bas that manufactured some of its own products but sold some of Vermeer Manufacturing Company's products as well. At the same time, Vermeer Manufacturing Company created Vermeer International, a wholly owned subsidiary in Goes, the Netherlands, to focus solely on international industrial product sales. Jaques de Jonge was its first managing director.

# Excerpt from “In Search of a Better Way: The Lives and Legacies of Gary and Matilda Vermeer,” 2008 (pg.4)

## 50 Chapter 2 *Growing a Company*

In 2008, the international sales group is made up of three groups. The Pella group handles Latin America. The Vermeer regional office in Goes, the Netherlands, covers Europe, the Middle East, and Africa. The regional office in Singapore covers Asia and Australia.

Currently, Vermeer Corporation offers sales, parts, and service through a worldwide industrial dealer network consisting of 115 North American industrial dealers and 63 international dealer locations, in addition to its more than 400 agricultural distributors. Vermeer has a global focus as it has industrial dealerships located in 51 countries and every continent except Antarctica.

Another reason for Vermeer sales success has been the company's early recognition of the need to train dealers and their service technicians. In early years, Harry Vermeer had traveled to the dealers and helped them with bookkeeping and taxes. The company began its first service schools in the mid 1960s—an important tool enabling dealers and their service technicians to provide excellent service to Vermeer customers.<sup>3</sup>

That training continues. More than 100 service technicians and more than 100 parts and service managers annually attend factory schools at Vermeer headquarters. In addition, the company provides web conference training, regional service training, and additional sales force training.

“Vermeer has been good to dealers,” said Dealer John Vos. “Dealers have a relationship with Vermeer Corporation that no one else in the industry has. We are a team. A husband and wife don't always agree, but they have respect for each other and work through their differences. That is the way it is with Vermeer Corporation and the dealers.”



# Excerpt from “In Search of a Better Way: The Lives and Legacies of Gary and Matilda Vermeer,” 2008 (pg.5)

has filled the role of peacemaker in the family, and has enabled healing in the relationships. Before Harry's death in 2006, Gary and Harry were on good terms. Carl and Gary, as well as Stan and Gary, also resolved their differences.

## Awards and Honors

Over the years, Gary received many awards honoring him and his business. Pella leaders honored him with a Community Service Award in 1977. In 1984, he was named the Iowa Inventor of the Year. In 1986, he was inducted into the Iowa Business Hall of Fame. In 1992, he was inducted into the Junior Achievement Business Hall of Achievement. In 1996, he was inducted into the Construction Equipment Industry Hall of Fame.

The qualities that led to these awards—qualities like innovation, integrity, and stick-to-itiveness—continue to be essential to Vermeer Corporation. Bob and Mary recognize the value of these qualities, as do Mary's son, Jason, and Bob's

daughter, Allison, who have joined the business as members of the third generation.



Gary's induction into the Construction Equipment Industry Hall of Fame in 1996 in Las Vegas

Bob and Mary were named “Entrepreneurs of the Year in Manufacturing” for Iowa and Nebraska in 1998. They also were inducted into the Pella Industry Hall of Fame in 2007. The company received the prestigious

# Excerpt from “In Search of a Better Way: The Lives and Legacies of Gary and Matilda Vermeer,” 2008 (pg.6)

## 72 Chapter 2 Growing a Company



*The innovative quad track design of the Vermeer RTX1250 tractor increases side-hill stability and floatation in soft or sandy soils.*

presidential “E  
Star” award in  
1990 and 1998  
for significant  
growth in export  
sales. Under  
Bob and Mary’s  
leadership, many  
of the company’s  
products—  
from the  
groundbreaking  
Vermeer  
Navigator  
horizontal

directional drill to the Vermeer RC9120 and RC5120 Mower/Conditioners—  
continue to win awards for their design and innovation.

“Gary laid the foundation. Gary built a financially strong business with strong values. Then it was up to the next generation. He gave them an opportunity many people don’t get—to run a very successful company,” said John Vos. “It was a transition to go from Gary’s way of thinking, keeping the same core values, and to keep up with the changing times. Stan provided an initial transition, making possible the transition to Bob and Mary. Bob and Mary are doing a good job, one that is appropriate for the twenty-first century.”

And, as always, the company continues to search for a better way.

Throughout its sixty years in business, Vermeer Corporation has manufactured hundreds of different products, today more than 125 product models. It has



# Excerpt from “In Search of a Better Way: The Lives and Legacies of Gary and Matilda Vermeer,” 2008 (pg.7)

In Search of a Better Way **73**  
*The Lives and Legacies of Gary and Matilda Vermeer*

been issued 169 patents, including 31 from other countries. Gary himself has been issued seven patents, including his first patent in 1959 for a stump-cutting apparatus, one in 1973 for a “method and machine for forming a large round bale of a fibrous material,” and his most recent, in 1996, for a direct drive system for a baler.

The company now encompasses 1.5 million square feet—more than 33 acres—under roof. It includes seven manufacturing plants and a parts distribution center that annually ships more than 15 million pounds of freight to customers, as well as the Vermeer Global Pavilion. The 75,000-square-foot Global Pavilion, opened during the company's fiftieth anniversary celebration, provides a state-of-the-art training center that includes nine classrooms on two levels, as well as the Vermeer Museum.



*The 75,000-square-foot Global Pavilion includes a large arena, a training center with nine classrooms on two levels, and the Vermeer Museum.*

The company processes 150 tons of raw steel and uses 129 miles of weld wire each day. In 2007, with roughly 2,000 employees, sales reached more than \$600 million.

# Excerpt from “In Search of a Better Way: The Lives and Legacies of Gary and Matilda Vermeer,” 2008 (pg.8)

## 74 Chapter 2 *Growing a Company*

Under Bob and Mary's leadership, the company has reorganized around its customers, dividing itself into four market segments:

*Underground Installation:* Among the products are the company's Navigator horizontal directional drills. These machines were introduced to the market in 1991 and have been a boon to contractors needing to install utilities with minimal surface disturbance.

*Environmental Transformation:* This includes an exhaustive line of equipment from brush chippers, tub and horizontal grinders, stump cutters, tree spades, and other products used for land clearing, green waste management, and tree care.

*Specialty Excavation:* In this area, the company seeks to meet the needs of customers involved in road demolition, surface mining, and site preparation with products that include track trenchers, trench compactors, and a Terrain Leveler attachment.

*Forage Management:* Besides a wide array of balers, the company offers hay handling tools to transport, wrap, and unroll the bales as well as baler options such as bale monitors, bale ejectors, and automatic twine tie systems. Other products include mower-conditioners, mowers, rakes, and rock pickers.

Vermeer Corporation's retail customers represent a far more varied group than the farmers or nurserymen who made up a large share of the customers in Gary's heyday. And the company continues to recognize, as Gary did from the beginning, the importance of innovation and developing new products. The spirit of Gary's entrepreneurship lives on at Vermeer Corporation. Today's engineers may say it differently, but they are always striving to develop a new product that would have led the company founder to say "Hey, I think we have something here."



# "At 88, John Pappajohn Still Works Harder Than You Do," September 11, 2016 (pg.1)

UP TO \$300 OF COUPON SAVINGS IN TODAY'S PAPER FIND 10 HIDDEN JEWELS OF DES MOINES' SUBURBS PAGE 1E



**15 YEARS**  
**WHY?**  
Teaching the Post-9/11 Generation  
Most high school freshmen were senior boys after Sept. 11, 2001. But it's not just the memories these teens are missing. For many, it's the fact. Metro & News, Page 6A



**IN OPINION**  
It's hard to decide what's most disappointing (and frustrating) about the crop of potential candidates over 15 years after the terrorist attacks, writes Rasha Rana.

On Sept. 14, 2001, Urbandale and Newton played football. The Urbandale superintendent died at the time explains why.

**USA TODAY**  
For those who had close ties to the collapse of the World Trade Center, the anguish is still fresh. Page 1B



Ryan McGowan (above) lost father and \$471 in Roman numerals on the back of her neck in Boston on Sept. 11. Ryan was 5 when her mother, Roseanne McGowan, was killed during the attack on the World Trade Center on Sept. 11, 2001.

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## AT 88, JOHN PAPPAGJOHN STILL WORKS HARDER THAN YOU DO

*'Failure is not in my vocabulary'*

"I'm an eternal optimist," said philanthropist/investor John Pappajohn at Pappajohn Capital Resources on Aug. 16 in Des Moines. "Failure is not in my vocabulary," he added.

*His fortune didn't come easily. And he has no plans to slow down anytime soon.*

**MATTHEW PATANE**  
MATHEW@BOMBSL.COM

**INSIDE: DON'T MISS YOUR FREE COPY OF GROWING KNOWLEDGE CELEBRATING 20 YEARS OF ENTREPRENEURIAL CENTERS**

**PHOTO BY JOHN PAPPAGJOHN ON PHOTOGRAPHY: "I DON'T DO THE LINE UP. I CAN'T ALWAYS TELL YOU IT'S A GUY FEEL AFTER A WHILE."**

**I**n 9 a.m., and one of Iowa's most famous entrepreneurs has already been working for hours, making phone calls, reviewing charitable causes and running through potential multimillion-dollar deals.

John Pappajohn is a self-described workaholic who, at age 88, still works seven days a week. He rises at 5 in the morning (it used to be 4 a.m.), gets to the office by 8 a.m. and will try to make it home by 6 p.m.

A colleague describes him as "an absolute maniac."

"I started working with him when he was 67. I can't imagine him when he was mid-40s or 50s," said Matt Kinley, executive vice president of Equity Dynamics, Pappajohn's financial consulting firm.

Pappajohn was born in Greece and grew up in Mason City. As a businessman, he has amassed a net worth estimated in the hundreds of millions.

But today, he's better known for his philanthropic efforts, donating millions to causes around Iowa. And this month, the entrepreneurial centers he funded at five Iowa universities and colleges celebrate their 20th anniversary.

See PAPPAGJOHN, Page 8A

**REGISTER INVESTIGATION**

## DOUBTS AIRED ON THERAPY TO TREAT VETERANS WITH PTSD

Faith-based treatment regimen draws skepticism from Iowa professionals

**TONY LEYS** TLEYSH@REG.COM

A church-based group is raising eyebrows among mental health professionals by trying to recruit hundreds of troubled Iowa military veterans into an unproven treatment for post-traumatic stress disorder.

"Operation Zephyr" organizers claim its unlicensed, volunteer counselors have achieved remarkable results in treating the complicated mental condition, which plagues some soldiers after they return from war.

"Traditional therapy and medications are not always effective," the group's website says. "Operation Zephyr introduces an alternative, noninvasive process that disrupts painful memories and provides sustainable power. In just a few hours, veterans will learn how to take their anxiety level from 10 to zero."

The therapy, which is offered for free, takes just seven hours over three months. It involves no medication. Organizers have set a goal of having 400 Iowa veterans try it this year.

But three mental health professionals who reviewed the group's claims for The Des Moines Register voiced concerns about unlicensed, lightly trained volunteers trying to treat people with PTSD.

See PTSD TREATMENT, Page 10A

**VA USES LICENSED THERAPISTS FOR PTSD**

Des Moines' Department of Veterans Affairs Medical Center uses licensed social workers or psychologists to deliver therapy to veterans suffering from post-traumatic stress disorder, the program's leader said. Page 10A

**HIGH 78° LOW 59°**

Mostly sunny. Page 5A

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# "At 88, John Pappajohn Still Works Harder Than You Do," September 11, 2016 (pg.2)

Page 8A | Sunday, September 11, 2016

Metro Edition | DesMoinesRegister.com | Des Moines Sunday Register

## JOHN PAPPAJOHN

### About John Pappajohn

**Age:** 88  
**Birthplace:** Greene, but raised in Mason City  
**Current Home:** Des Moines  
**Family:** Wife, Mary; daughter, Anna Vasilou; two grandchildren  
**Education:** Bachelor's degree in business from University of Iowa, 1952  
**Career:** Investor and philanthropist. Founder and president of Equity Dynamics, a financial consulting firm. Founder of Pappajohn Capital Resources, a venture capital fund

### A sampling of John and Mary Pappajohn's philanthropy

- University of Iowa Hospitals and Clinics: **\$1 million** for a new position, 1989
- University of Iowa Hospitals and Clinics: **\$1 million** to endow a clinical cancer center, 1991
- University of Iowa College of Business: **\$4 million** for new business building, 1992
- Entrepreneurial centers at five Iowa universities and colleges: about **\$25 million**, starting with \$4.75 million in 1996
- Scholarship fund for disadvantaged or minority students: **\$5 million** dedicated, 1997
- John and Mary Pappajohn Higher Education Center in Des Moines: **\$4 million**, 1997
- Sculptures for John and Mary Pappajohn Sculpture Park: estimated value of **\$20 million to \$30 million** values donated, 2007-2008
- University of Iowa biomedical institute: **\$2.6 million**, 2008
- Iowa State University: **\$5 million**, various
- Source:** John Pappajohn, Des Moines Register archive, Iowa State University



John Pappajohn walks to the podium followed by his wife, Mary, during the groundbreaking ceremony in 2009 for Pappajohn Sculpture Park. REGISTER FILE PHOTO

### How the Pappajohns joined world's top art collectors

MATTHEW PATANE | DESMOINESREGISTER.COM

When John Pappajohn was going to school at the University of Iowa, an art history and appreciation course gave him his first taste of the art world. "I had never been in a museum in my life, so what the hell did I know. But I liked the pictures," Pappajohn said. He and his wife, Mary, bought their first painting, by a University of Iowa professor, for \$100. Now married for 55 years as of Saturday, they still own the work today, along with pieces of multimillion-dollar art.



John Pappajohn, right, tours the Pappajohn Sculpture Park with Art Center Director Jeff Fleming, left, Sept. 15, 2009, in downtown Des Moines. REGISTER FILE PHOTO

The Pappajohns' love for art has landed them on ARTnews' list of the Top 200 collectors in the world every year from 1998 to 2014. The magazine describes them as collectors of modern and contemporary art. Pappajohn estimates the couple has more than a thousand art books in their home. Pappajohn said he can't explain what he and his wife look for in art, but they make decisions quickly on what to buy and "we're right most of the time."

By "right," Pappajohn means what they like ends up being one of the best pieces in an art show, he said. "Why do we like it? I can't always tell you. It's a gut feel after a while," Pappajohn said. The sculpture park that bears their name in downtown Des Moines has 28 sculptures, all donated by the Pappajohns. Until 2006, Des Moines had spent millions trying to change and revitalize the Western Gateway. Des Moines Art Center Director Jeff Fleming recalled. The next year, the Pappajohns suggested opening the sculpture park. "Coming one year later, perhaps even less than one year later, and suggesting a change to that space was really a bold idea," Fleming said.



Philanthropists John and Mary Pappajohn were on hand for the ribbon-cutting ceremony at the sculpture park in 2009. REGISTER FILE PHOTO



The Pappajohn Sculpture Park in downtown Des Moines on March 30, 2015. ZACH BOSTON/DES MOINES REGISTER

When the park was being planned, it was estimated the sculpture collection had a value of \$30 million to \$35 million. In 2009, Sotheby's estimated the value at about \$40 million, a spokeswoman for the Art Center said. Many of the sculptures now in the park had been in the Pappajohns' Des Moines home and yard. Fleming said the Pappajohns seek out work by "significant artists that have made significant contributions."

Pappajohn said he and his wife have never bought art as an investment. But he does treat the process similar to how he does business. Build a network of dealers, scope out the best work and get in early to buy it. The couple no longer is on the ARTnews list, Pappajohn said, because they have been divesting some of their collection.

**"I don't stress. I can take losses. They don't upset me. I just learned that that's life, and I'm in a business where there's risk, and if you can't take the heat, get the hell out of the business." — John Pappajohn**



Philanthropist/investor John Pappajohn said trusting his instincts plays a big role in making deals. "My instincts are very good," he added at Pappajohn Capital Resources on Aug. 30 in Des Moines. BRAUN POWERS/THE REGISTER

### Pappajohn

Continued From Page 1A

ty. His fortune didn't come easily. As a child, he had to repeat kindergarten because he spoke Little English, and he sold scrap to help support his family.

He built an insurance company in his 30s, turned venture capitalist in his 40s and has carved out successes investing in health care and medical technology.

Now, he splits his time between Des Moines and New York and vacations in Florida, where he has multiple telephones to stay connected. "I don't miss anything," Pappajohn said.

But for all his accomplishments, much of Pappajohn's success is built on a simple premise. He works longer and harder than everyone else.

He often says: "Everybody wants to go to heaven, but nobody wants to die. Everybody wants to get rich, but no one wants to pay the price."

And he has no plans on slowing down anytime soon. "I got a lot done. I've got a lot more things I want to get done," Pappajohn said.

### Looking to make money

Born in 1928, Pappajohn came to America with his mother, Maria, when he was 9 months old, following his fa-

Continued on Next Page



# "At 88, John Pappajohn Still Works Harder Than You Do," September 11, 2016 (pg.3)

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Sunday, September 11, 2016 | Page 9A

## JOHN PAPPAJOHN



John Pappajohn became a venture capitalist in 1969 starting with \$100,000 from selling his insurance business.

Continued from Previous Page

ther, George, to Mason City. His father came to the city looking for opportunity, following others from Greece who had found jobs.

"That's why he went, because he knew that, where he was going, he could get a job and make money," Pappajohn said.

While growing up, he "was always looking for a way to make money," he said.

He would go to a nearby scrapyard and scavenge for lead, copper, rags or anything else he could sell. He helped tear down his grade school and sold the bricks.

After college, he worked for Aetna in Mason City. There, he met Illinois businessman W. Clement Stone, who came to talk to a lot of underwriters group. Stone sold Pappajohn on starting an insurance company and on embracing Stone's philosophy of "positive mental attitude," a way of thinking Pappajohn still promotes today.

"When I deal with my companies, I'm the 'rah rah' guy... It's my job to excite them and motivate them to do better with what they're doing, regardless of the product," Pappajohn said.

He later met Mary, his wife, at a dance in Minnesota, and the two married in 1961. They celebrated 55 years Saturday.

The couple moved to Des Moines

home health-care company that would later become Caremark, now a part of CVS. Pappajohn said he made about \$18 million on what was initially a \$500,000 initial investment in Caremark.

There also was Radiologic, a company Pappajohn started with Dennis Schaffer that the latter says went from a concept to a \$12-per-share public offering in 22 months.

"That's an unusual example of a success," said Schaffer, a radiologist turned investor who's worked with Pappajohn on multiple companies.

Then there was Quantum Health Resources, another home health care company, which services chronically ill patients.

Pappajohn knew the company's founder, Doug Stickney, through a prior deal with Stickney's father. He invested about \$300,000 in the late '80s. Six years later, Pappajohn made about \$60 million on that investment.

"It never happened to me before," Pappajohn said.

**Learning from losses**

His venture capital firm doesn't take outside money, so Pappajohn can structure deals how he wants. By his own account, he has participated in more than 50 initial public offerings.

"That's a special skill set to understand how the transition from private to public works and then how to make a company successful as a public company," said David Miles, chairman of Miles Capital in Des Moines.

Pappajohn reports his fund's annual rate of return at around 45 percent in 2015 and 31.5 percent in 2014, according to Cambridge Associates. Warren Buffett's Berkshire Hathaway reported in 2015 that its shares had seen a 2.4 percent annual gain in market value from 1965 through 2014.

But not every deal has gone swimmingly. Early on, Pappajohn invested in a lawnmower manufacturing company. He called the deal a "disaster" — margins were tight, and there was too much competition — but he got his money back.

Another time, Pappajohn said he invested in an asbestos removal company

weighed down with art books, medical textbooks, old law and tax guides, and giant tomes detailing some of his past IPOs. A silver shovel from a groundbreaking visit in the corner.

Sitting here, Pappajohn runs through names of past executives and the companies they worked on together, recalling most names as if it were yesterday.

There was James Sweeney with Kay Laboratories and Caremark. Richard Turner with Pancretec, Antoine Lanza with Medical Imaging Centers of America, James Hitchen of Infraoxics — all people Pappajohn worked with, sometimes more than once, throughout his career.

"I always network," Pappajohn said. "The key to it is, if you treat people right, people want to stick with you."

Pappajohn is a fierce negotiator, colleagues and friends say. He's known for having founded the parent on Wall Street looking for investors and becoming well-versed in his field.

"One day we were on Wall Street, he pointed to me the first building he went into where he went door to door in every floor as a young man trying to give them a card and be interested in working with him," Schaffer said.

That same persistence is applied to the companies he works with. Asked how involved he is with his investments, Pappajohn replied, "We smell armpits."

Just as he works hard, he expects the same from his business partners. And while he values a company's product, he believes that the management team is just as important, if not more.

In executives, Pappajohn said he looks for "pattern recognition."

"If people are successful in what they're doing... that's the kind of person that I bet on," he said.

Kinley, his executive vice president, said Pappajohn also looks for people who have sales skill.

"You need to have a CEO that knows how to sell — that knows how to get people on the same page," Kinley said. "He's a very good judge of that skill because he's a great salesman himself."

He also values every deal, Schaffer and others said, treating each company and project with the same dedication.

"That's one thing I learned from him: It doesn't matter if it's a \$5-deal or a \$100 million deal, you keep that consistency," TelePharm founder Roby Miller said.

**A personal challenge**

For all his business success, Pappajohn laughs at the fact that people still mistakenly associate him with the pizza company Papa John's.

"All the flight attendants ask me for free coupons," he joked during a speech at the University of Iowa last year. He later gave each person in the 1,000-member audience \$10 to donate to their department of choice.

Though he's known in the business world as the state's premier venture capitalist, he's probably better known among the public for the money he gives away.

In an interview with the Register, Pappajohn said it is his "personal challenge" to become the state's biggest philanthropist.

"He's always had that strong interest" in philanthropy, his brother Socrates said. "He's always said he wants to do is to work to make enough money to

**"Money doesn't motivate me," he said. "It's the thrill of being successful and taking a deal and creating value and making money for everybody involved." — John Pappajohn**

"He was trying to make some money to help. We were all focused on having to work in order to make sure that there was money in order to do some things and help with the family," said Socrates Pappajohn, John's youngest brother. He, Socrates and their other brother, Aristotle, worked in their father's grocery store.

It was the Depression, and Pappajohn witnessed people who would "steal a potato or an onion" to have something to eat.

If John went to school with candy, Socrates said, other students might be waiting to challenge him for it. But his brother always stood his ground.

"He didn't want to go out and pick a fight for anybody, but he wasn't about to give an inch if he thought he was right," Socrates said.

Their father, George, died of a heart attack when John was 16, leaving the family without its chief bread winner. The loss was traumatic, but it forced him to learn how to solve problems, he said.

The brothers traded off going to school and college and working to keep the grocery running. While two went to school, the other would work. It took John Pappajohn six years to graduate from the University of Iowa.

At a student, he never made it to a Hawkeyes football game because he always worked Saturdays at a supermarket in Iowa City to help put himself through school. Now he has a box and never misses a home game.

soon after they married, and in 1962, Pappajohn started Guardians Life Insurance Co., traveling the state to raise money and putting together a board for the company.

"I went to all the big cities and said, 'Who's the most prominent guy in town?' I didn't know anybody," Pappajohn said. Pappajohn later read in the paper about the then still-emerging industry of venture capital.

In 1969, the 41-year-old Pappajohn sold the insurance company — "insurance was boring to me," he said — and with \$100,000, became an investor.

"That was it. That was my net worth. That's what I started my venture fund with," he said.

**Striking his fortune**

Pappajohn's first successful investment didn't come until 1972, when Kay Laboratories sought out additional financing.

The San Diego company made hot and cold packs, and Pappajohn helped the company go public and later sell to American Hospital Supply Co.

He was locked into the stock for six months, which was fortunate for him. "The stock doubled, so I made my first million dollars," Pappajohn said.

He came to focus on health care and medical technology because of the good profit margins and ready investors, he said. He found it easy to raise money for new products that helped lower health care costs.

Other lucrative deals included a

out of New Jersey. The company's heads cooked the books, and there were worries of connections to organized crime, he said.

In the mid-2000s, Pappajohn made a bid to get into Iowa's burgeoning ethanol market. He proposed raising hundreds of millions of dollars to buy up independent ethanol plants, consolidate them under one company and take them public.

Ethanol prices and profits dropped, though, and the plan fell through.

"We had a good team working it — he knew how to get from point A to point B and make it all happen — but when the market just goes south, you can't get in the way of that," said Miles, who Pappajohn hired to work on the deal.

Pappajohn said he doesn't let losses or mistakes bother him.

"I don't stress. I can take losses. They don't upset me. I just learned that that's life, and I'm in a business where there's risk, and if you can't take the heat, get the hell out of the business," Pappajohn said.

**'We smell armpits'**

Pappajohn's downtown office and its four employees serve as the hub for both Pappajohn's business and philanthropic efforts.

The office is filled with art books, papers, maps and artifacts of his newest ventures and charitable causes, such as a box of braces from the University of Iowa used to treat clubfoot.

Shelves in a conference room are

keep giving as much money away as he can."

While he is still active in the business world, Pappajohn said he and his wife are putting more focus on charitable giving.

"Some people will spend a day trying to figure out whether to give \$100 to which organization," he said.

"I make up my mind and feel comfortable because you never know where you do the most good with philanthropy."

Together, John and Mary Pappajohn have given millions to fund scholarships, support new university buildings and establish the sculpture park that welcomes visitors to downtown Des Moines' west side.

One cause he won't give to: the Boy Scouts. The group wouldn't let him in when he was younger, he said, because he lived "on the wrong side of the tracks" in Mason City.

What drives Pappajohn to still come to work seven days a week at age 88 isn't a desire to build his personal fortune, he said. It's the challenge.

"Money doesn't motivate me," he said.

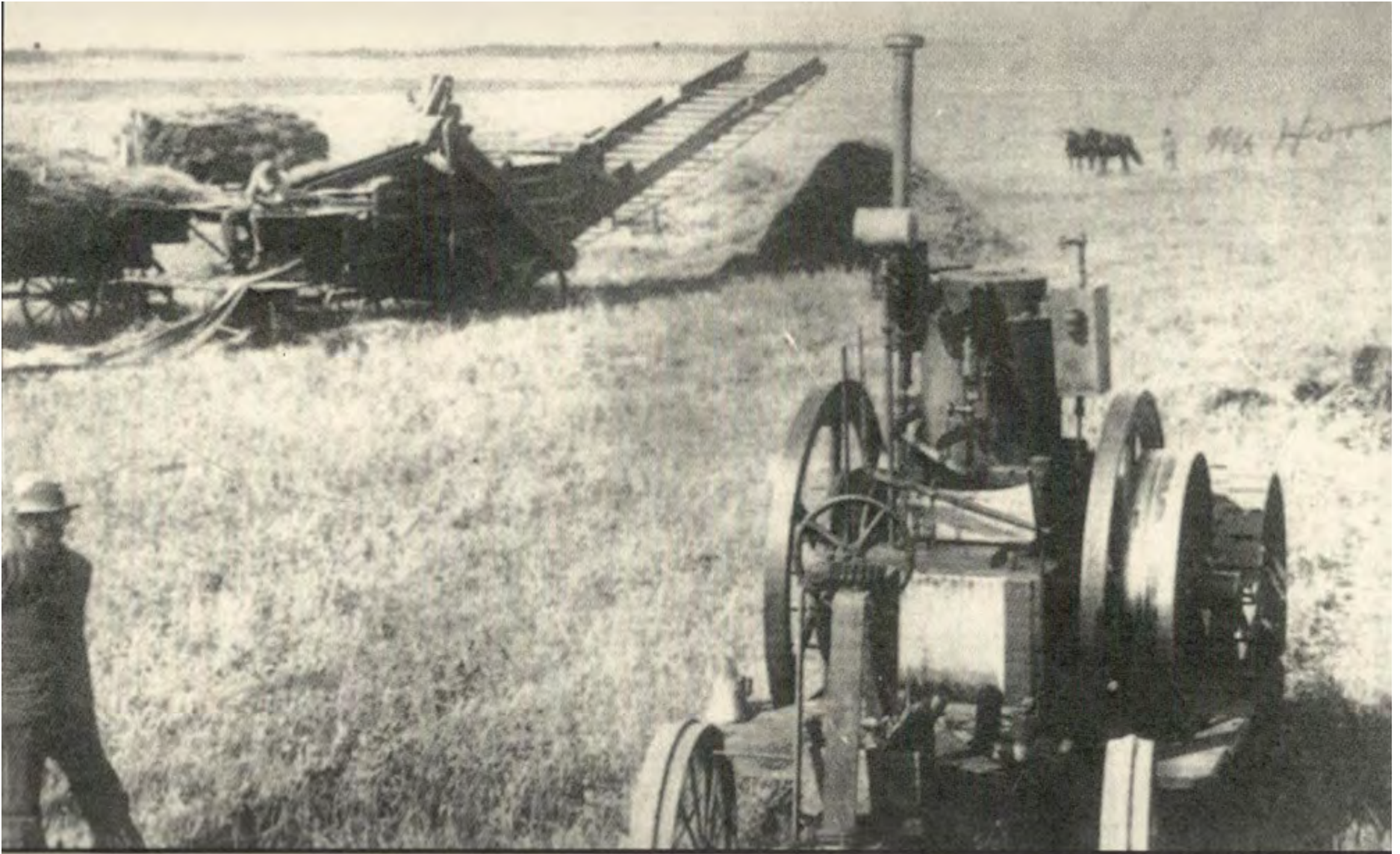
"It's the thrill of being successful and taking a deal and creating value and making money for everybody involved."

And there's more money he wants to give away, Pappajohn said.

"In Greek, the word philanthropy, it means being nice to people and sharing with people," he said. "It's not just money. It's a lifestyle."



# Froelich Tractor in Iowa and South Dakota, 1892 (Photo 1)

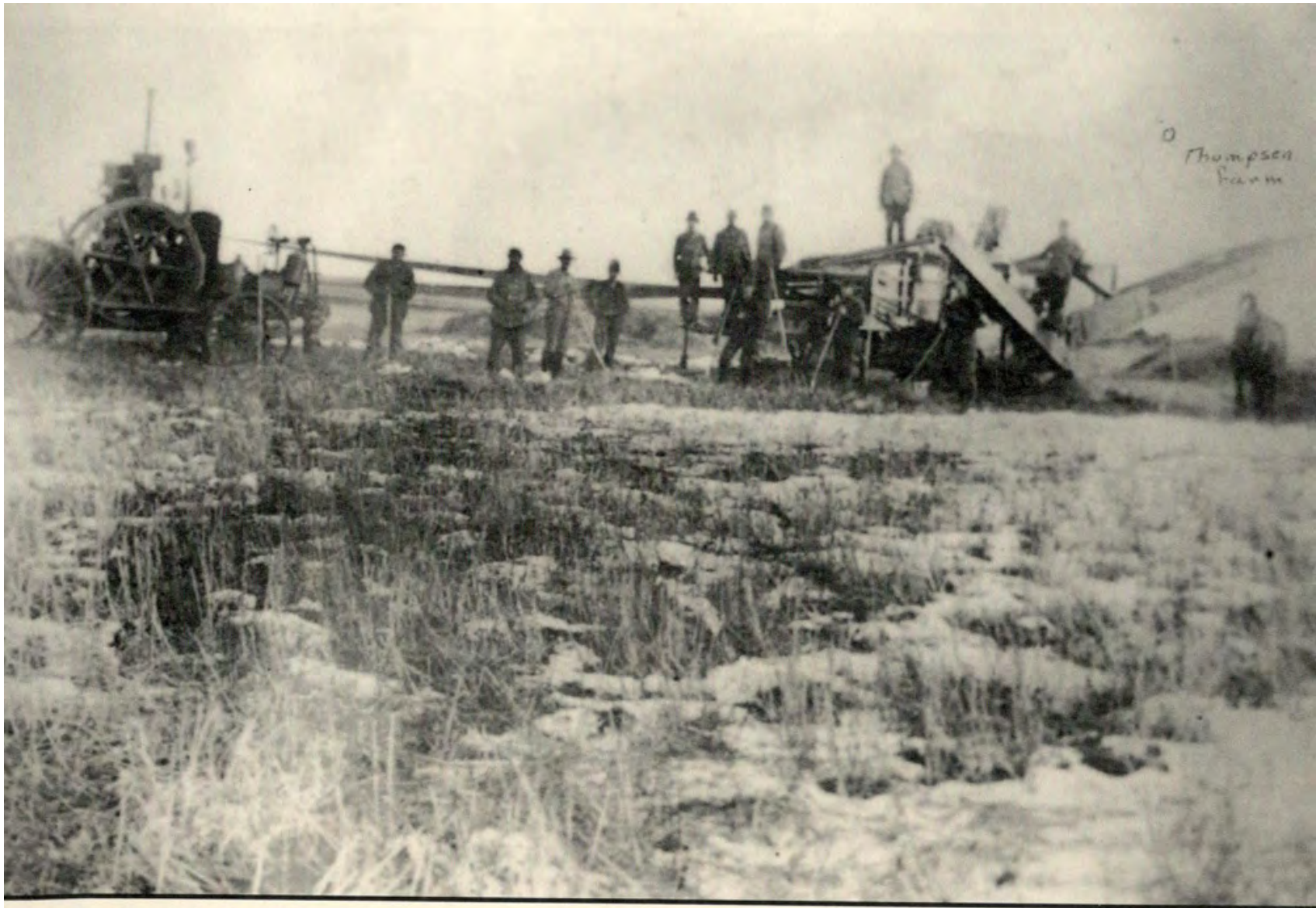


The Froelich Tractor in the field—South Dakota, 1892 (Froelich Foundation)

"Froelich Tractor Photos, Langford, South Dakota, and Froelich, Iowa," 1892. Courtesy of Froelich Foundation and Museum



## Froelich Tractor in Iowa and South Dakota, 1892 (Photo 2)

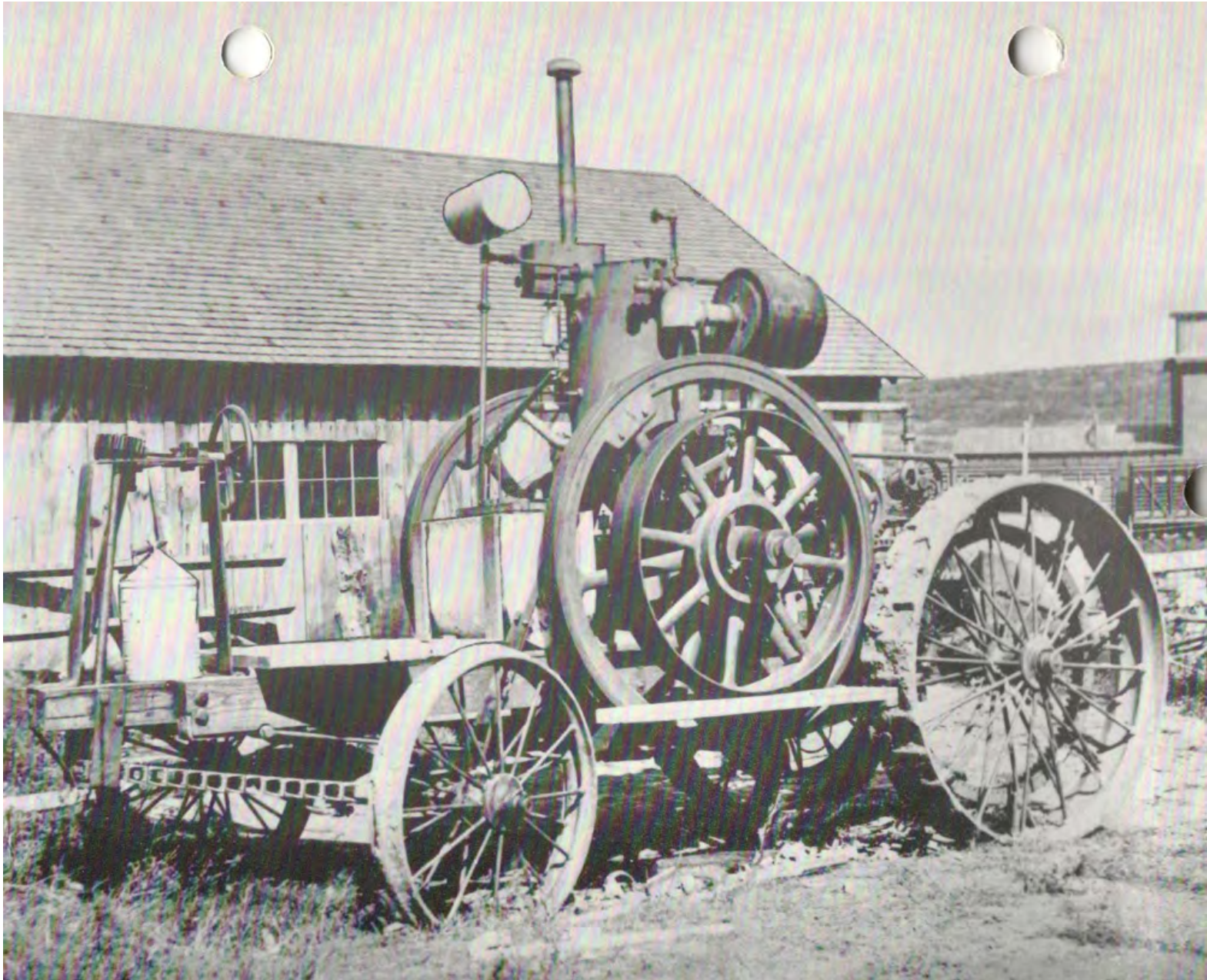


John Froelich threshing near Langford, South Dakota in 1892 using his gasoline tractor. (Froelich Foundation)

"Froelich Tractor Photos, Langford, South Dakota, and Froelich, Iowa," 1892. Courtesy of Froelich Foundation and Museum



## Froelich Tractor in Iowa and South Dakota, 1892 (Photo 3)



"Froelich Tractor Photos, Langford, South Dakota, and Froelich, Iowa," 1892. Courtesy of Froelich Foundation and Museum



## Froelich Tractor in Iowa and South Dakota, 1892 (Photo 4)

The "Froelich" threshing near Longford, S.D. Nov 2 '1892



# Excerpts from the “Shampoo King” Book, 1981 (pg.1)

i.

*F. W. Fitch*

*NOTE: Back in the late twenties when Jule Gordon became F.W. Fitch's first promotion assistant, he wrote the following tribute for a history of the Fitch Family from 1400. The two-volume history, compiled by Roscoe Conkling Fitch, was published in 1930. In spite of its tendency to overstatement, this document is the best source for information on the early life of F.W. Fitch. Fitch provided most of the facts and information for Gordon. It is printed here in its original version as Gordon wrote it; the version in the family history has been edited down somewhat from this.*

This story of the life of Fred W. Fitch is by no means a final estimate of his remarkable career, because at the time this is written (August, 1929) he is still under 60. If his achievements to date are any criterion, he will add even greater glory to the name of Fitch in the many years of life that seem to be ahead of him.

Fred W. Fitch's rise from a bound-out farm hand at the age of eight to the presidency of the largest organization in the world devoted to the manufacture of hair preparations, is one of the outstanding epics of modern business. The world is familiar with the type of financial success that has characterized the growth of American industry, but in the case of Fred W. Fitch, financial success has gone hand in hand with leadership in the elevation of a once great profession, and the creation of new and revolutionary manufacturing ideals.

To the casual observer, the F.W. Fitch Company, of Des Moines, Iowa, is an impressive monument to the genius and industry of its founder. But to Fred W. Fitch, the institution he founded perpetuates not his own name but the name of his father, Dr. Henry Lucius Carey Fitch, one of the first practicing physicians of the state of Iowa and one of the real pioneers of the middle west. Dr. Fitch, a native of Connecticut, was one of the more restless and adventurous members of the New England Fitches, who were among the earliest settlers in the original Thirteen Colonies. After finishing his medical education in the east, Dr. Fitch followed "the course of empire westward". Doctors were scarce west of the Mississippi River and land was plentiful. Opportunity beckoned irresistibly and the year 1847 found Dr. Fitch an itinerant practicing physician in central Iowa. He made his home in Ridgeport, Boone County, and for many years was a familiar and beloved figure among the countryfolk and townspeople within a radius of 100 miles.



# Excerpts from the "Shampoo King" Book, 1981 (pg.2)

ber of shattered lamps bore witness to his markmanship and his empty pockets testified to the gayety of his long awaited celebration. Youth had had its fling and the next morning cold reality compelled an important decision. Fred Fitch sold his pony for \$20.00 and boarded a train back to Boonesboro and home.

He finished his teens with four years of varied, but unproductive labors. His activities ranged from hauling coal from McBurney's mine, to "breaking" a quarter section of land four miles north of Laurens, Iowa. The spring of 1890 found him again in Boone about to give up farming forever and to enter the barber profession, destined to be his pathway to fame and fortune. At the age of 20 he made the step which proved the turning point of his life. He became an apprentice in the barber shop of Tom Satterly. From that day until this the name Fred Fitch has been inseparably connected with the barber profession, for he became not only one of its most progressive practitioners, but its chief prophet, the Moses who led a despised and declining profession out of the wilderness of slow degeneration into the sunlight of dignity, prosperity and public respect.

Ever since early boyhood, Fred Fitch had been suffering from a scalp disease which had been diagnosed as "scaldhead". As a result of his affliction, he had lost practically all of his hair. In vain had he gone from one doctor to another for treatment. The care of the hair and scalp seemed to be a mystery to the medical profession as well as to the public, and the desire to solve this mystery was as vital a factor as any in attracting young Fitch to the practice of barbering.

After three months apprenticeship, he was considered a fullfledged barber. With characteristic self-confidence, he bought out Tom Satterly's shop and was thus in business for himself at the age of 20. Within six months he had built up a prosperous trade far greater than Tom Satterly had ever enjoyed. But he had found no relief for his "scaldhead" and in desperation he sold out his shop in Boone - at a handsome profit - and went to Des Moines where he thought he could obtain more skillful medical attention and practice his profession at the same time. He secured employment as a journeyman barber in Jakie Schmidt's shop on Sixth Avenue, but was less successful in securing effective medical treatment. The local specialists were baffled and their advice and ministrations proved of no avail.

In the meantime young Fitch had done some thinking and observing on his own account. He studied the methods of treating hair and scalp troubles and carefully watched the action of the hair preparations dispensed in barber shops. He came to the conclusion that his own scalp condition and practically all of the scalp infections prevalent at the time were caused by the poisonous wood alcohol used in the hair preparations on the market. Some of these preparations contained as high as 96% wood alcohol. He made inquiries of his barber shop patrons and he found that not only scalp infections, but falling hair, baldness and

# Excerpts from the "Shampoo King" Book, 1981 (pg.3)

even blindness could be laid at the door of the poisonous wood alcohol preparations sold without restriction in barber shops, drug stores and department stores.

Fifteen years later he had the satisfaction of having his opinions emphatically confirmed by the testimony of experts before the Congress of the United States, and embodied in the famous Pure Food and Drug Act of 1906, which condemned wood alcohol as a dangerous poison unfit for use in preparations intended for man or beast.

Despairing more than ever of relief through orthodox methods and more deeply absorbed than ever in his own studies, Fred Fitch purchased a barber shop in the little town of Madrid, about 30 miles from Des Moines. Here he applied himself every spare hour of the day and night to the study of the hair and scalp and here he perfected the remedy which launched him on his manufacturing career. How this came about is an interesting story that reveals more clearly than any other incident in Fred Fitch's life, his mental makeup.

A certain Dr. R.W. Breckbill had built up a prosperous practice in the vicinity of Madrid. He was a patron of the Fitch barber shop and young Fitch had often discussed with him the treatment of hair and scalp troubles. Dr. Breckbill prevailed upon his friend to follow his directions for the relief of his "scaldhead" and a course of treatment ensued which gave Fred Fitch no relief, but did give him his "big idea". Dr. Breckbill's "treatment" consisted of the use of blood medicines which were supposed to cure the scalp disease by strengthening and purifying the blood. After consuming numerous bottles of these blood medicines, Fitch became convinced of the folly of internal applications to remedy an external condition and he called on Dr. Breckbill to tell him so.

"Doctor, I am suffering from a bad corn and would like to have you prescribe some blood medicine to cure it", said Fred Fitch nonchalantly.

"Blood medicine to cure a corn!", exclaimed the startled doctor. "Why you must be crazy".

"If I am, there are two of us rocking in the same boat", answered his patient.

"What do you mean?", asked Dr. Breckbill.

"Well, you have been trying to cure my "scaldhead" with blood medicine and curing a corn with blood medicines is no crazier than that. I am through with internal medicines. My condition is external because internally I am in perfect health. Scalp troubles must be treated externally and anything that will not give relief the first time it is used, will never help no matter how often it is used. I think I know now what kind of a preparation is needed and I'm going to keep working on it until I get it perfected".



# Excerpts from the “Shampoo King” Book, 1981 (pg.4)

Dr. Breckbill listened to this pronouncement with mingled amazement and admiration. “Fitch, I think you’re right”, he replied with slow deliberation. “My medical library is at your disposal and any assistance I can give you is yours for the asking”.

This astounding conversation, taken verbatim from Fred Fitch’s vivid recollection of the incident, brought bountiful results. The young barber was quick to take advantage of the doctor’s generous offer and before many months he had diligently waded through all of the voluminous medical textbooks in the doctor’s library. He learned of the structure of the hair and scalp, of the stages in the growth of hair, of the function of the sebaceous glands within each hair follicle. He confirmed the theory he had evolved in his practical barber shop studies that the dread dandruff, represented even in the advertising of that day as a dangerous disease caused by a mysterious germ, was nothing more than a natural accumulation of sebum thrown off by the sebaceous glands, of dead, dried skin sloughed off by the scalp and dust and dirt caught in the hair.

This simple but sound explanation of dandruff he made the foundation of his philosophy of hair culture, unchanged to this day and corroborated by medical science and by the experience of millions of people. The accumulations of dandruff are natural enough, reasoned Fred Fitch, but if they are allowed to remain on the scalp they will form a hard coating over the scalp, clogging up the pores and hair follicles and stifling the growth of hair. These accumulations must be constantly removed so that the pores and hair follicles can breathe as nature intends.

The problem then was to remove these accumulations of dandruff and leave the scalp antiseptically clean and every pore and hair follicle open. To the solution of this problem, Fred Fitch devoted himself with tireless energy. After innumerable experiments, he discovered the principle, and having found the principle, he eventually perfected the preparation that put it into action. The principle was “dandruff can be removed only by first being dissolved and then being washed out” He tried every available kind of soap to dissolve the dandruff but these tests served only to prove incontestably that soap not only does not have sufficient dissolving power to remove dandruff, but aggravates the condition by leaving its own insoluble ingredients in the hair. An entirely new kind of solvent was needed and Fred Fitch found it and called it Fitch’s Ideal Dandruff Remover.

His discovery of Fitch’s Ideal Dandruff Remover solved the problem of dandruff, but the immensely more difficult problem of persuading the world to accept his solution, now faced Fred Fitch as he entered manhood.

His studies and experiments in his shop in Madrid had extended over a period of five years and it was not until 1897, when he was 27 years of age, that he had perfected Fitch’s Ideal Dandruff Remover sufficiently to use it professionally in his barber shop.



# Fitch Shampoo Advertisements, 1981 (Ad 1)



## HOW TO GIVE A FITCH SHAMPOO

**T**HERE is always only one best way to do anything. Fitch's Dandruff Remover Shampoo is unquestionably the most popular product of its kind and the greatest business-builder the barber profession has ever had. Yet, we know from numerous investigations that very few shops give it correctly—in accordance with the explicit directions of the manufacturer.

There is only one correct way to give a Fitch Shampoo and that way is illustrated in the series of pictures on this page. When you give a Fitch Shampoo in accordance with these directions you can offer

your customers an unconditional money-back guarantee of satisfaction which we will back up to the last dollar of our resources.

We earnestly urge the master and journey-men barbers of America to help us make these simple directions the standard method of giving a Fitch Shampoo. In so doing, you will be helping to win public confidence because a

service given uniformly in all barber shops will win confidence for the entire profession.

Follow these directions to the letter. Add no frills or extras, no hot towels, no second application after the rinse. Study these pictures. Master the simple directions and follow them implicitly. If you will do that, both you and your customers will be better served.

Extra copies of this illustrated sheet may be obtained by addressing the F. W. Fitch Co., Des Moines, Iowa.

### After the Shampoo

Complete the Fitch Scientific Scalp Treatment by using the Fitch tonic required by the condition of the hair and scalp.

For dry, sore or blchy scalp: use Fitch's Ideal for its soothing and tonic effect.

For oily hair, use Fitch's Quinine to close the pores and slow up the action of the oil glands.

For gray hair, use Fitch's Tonic Superbe to remove the yellowness and streakedness and to impart a pearly whiteness.

For unruly hair, use Fitch's Lov-Lay which trains the hair to stay in place and does not clog the pores.



# Fitch Shampoo Advertisements, 1981 (Ad 2)



## Tell Your Customers The TRUTH about Dandruff

**Y**OUR customers really don't know what dandruff is because they hear so many conflicting versions of it in barber shops and beauty parlors. But there is only one true, scientific definition of dandruff and here it is, taken from Stedman's Medical Dictionary: "Dandruff is the presence of white scales in the hair of the scalp due to the ordinary branny exfoliation of the epidermis, or to the greasy scales of seborrhea." In simple language, that means dandruff is nothing more than an accumulation of dead skin and oily matter.

There is nothing complicated about dandruff. No long-drawn-out, expensive and harmful hot oil treatments are necessary. You cannot "cure" dandruff because it is as natural as perspiration. But you can remove it, simply, completely with a single application of Fitch's Dandruff Remover Shampoo. This remarkable preparation dissolves and removes every speck of dandruff instantly, leaving the scalp antiseptically clean and the hair live and lustrous. Order a gallon today from your jobber and build your business on a real Scientific Scalp Treatment, endorsed by doctors and nurses throughout the country.

Fitch's Dandruff Remover Shampoo is available at your jobber in gallons at \$4.50; in 21 1/3 ounce bottles at \$1.00 each; in No. 16 sizes at \$10.00 per dozen, and in No. 6 sizes at \$5.00 per dozen.



This educational booklet tells in simple, non-technical language how the hair grows, what dandruff is, what factors lead to baldness, how often to shampoo, etc. Write for free copies for yourself and your men and you will be able to intelligently diagnose and treat practically all hair and scalp conditions. Address the F. W. Fitch Co., Des Moines, Ia.



# Fitch's

## DANDRUFF REMOVER Shampoo



## "Fred Fitch's Own Page," 1981

### Fred Fitch's Own Page



AS YOU have learned by reading the editorial on page 3, with this issue the Square Deal passes out of my hands, for our company has sold complete control to other interests. To some of you this may mean very little, to others it may mean a whole lot. To me it is one of the saddest events of my long association with the barber profession.

The Square Deal has been to me the realization of a cherished dream. When I was a journeyman barber in Madrid, Iowa, more than 30 years ago, I dreamed of the day when barbering would be a respected profession offering an attractive livelihood to men of high character, good education and sound training. Of course, there were many such men in practice at the time, but they were a helpless minority. Barbering at the beginning of the present century was anything but a profession. Except in one or two states, any man, regardless of his mental, physical or professional fitness, could set himself up as a barber. There was nothing to prevent diseased, incompetent and immoral individuals from preying on the public and on the profession itself. The name barber that had a few hundred years before been the proudest professional title on the European continent belonged to anyone who cared to assume its social liabilities.

As an humble journeyman I could do very little to remedy conditions, although I quickly joined the local organization. As a shopowner, I had my first opportunity to apply modern principles of salesmanship, advertising and sanitation to shop operation. I found that the public readily responded. When I sold the old O. K. Barber Shop in Boone, Iowa, in order to devote my entire time to the promotion of my dandruff discovery, it was the most prosperous shop in town. I had proved that the public will pay more when you give more and this was the message I carried to shops in all parts of the United States as I demonstrated my product.

Ignorance—not in the sense of being stupid or unwilling to learn, but in the sense of being *unfamiliar* with the history of the barber profession and with its present possibilities—was the greatest obstacle to the progress of barbering a generation ago. I hoped some day to be able to start a nationwide educational movement and that opportunity came with the establishment of the Square Deal in March, 1923. Since then almost *ten million* copies have been published and distributed *free of charge* to barbers in all parts of the United States and Canada and in many other countries throughout the world. At no time has any barber been asked to buy anything in order to receive the Square Deal. It has been given absolutely free, with no strings tied to it and no discrimination. If any barber has not received it, it was only because we were not aware of the fact.

Shortly after the Square Deal was established, its platform for the future of the barber profession was expressed on this page in the slogan—*Organization, Sterilization and Standardization*. From this platform neither I as an individual nor the Square Deal as a magazine has ever deviated. I believe now as I believed then that this gospel will carry our profession to heights even greater than those reached by the illustrious barber-surgeons of the middle ages. On the basis of these three cardinal principles, barbering must rise or fall. If any one of the three is lacking, the other two are meaningless.

Without organization there would be no legislation, no uniform code of ethics, no standardized educational program, no exchange of ideas and information, no leadership. Without organization barbering would be a ship without a rudder, drifting aimlessly, helpless to combat the storms of hostile forces. I am not speaking of any organization in particular, but of the principle of organization, a principle as indispensable to barbering as to medicine, law or any other profession.

Sterilization means the safeguarding of your health and of the health of those you serve. It is a responsibility that you must accept as a law-abiding citizen, as a good business man and as a true professional man. The technique of sterilization cannot be understood or carried out without education and therefore this part of the gospel of progress embraces the entire educational movement. When I announced in the Boone News-Republican over 25 years ago that every instrument in my shop was sterilized before being used on another customer, the other shopowners called it hokum. Today sterilization is compulsory in 38 states and is an important part of the course of study in every barber college in the land.

Standardization is a principle just as vital as organization or sterilization. Not only do standards of service and supplies vary all over the country, but they vary even in individual shops. Very few shops have any *system* of service which each man is compelled to follow. Here is where standardization should start and the responsibility for it rests squarely on the shoulders of the shopowner.

But standardization must go much farther than this if we are to build a real profession. Until the law requires that all preparations intended for use on the human anatomy must be manufactured in scientific laboratories under the supervision of graduate chemists and doctors, barbering will never win public respect. When such manufacturing standards are set up, they will be reflected in correspondingly high standards of shop service.


I wish the Square Deal every success under the new ownership. But even if this issue proves to be the last, the gospel it has preached will never die. That gospel is enshrined immortally on the statute books of an overwhelming majority of states and in the minds of thousands of barbers who will pass it on to their successors. My dream has to a great extent come true. Barbering has made more progress in the last generation than in the ten preceding generations. A trade that was not long ago largely a refuge for the shiftless and the incompetent is becoming a true profession, with high ideals, with a code of ethics, with a systematic educational program, with scientific textbooks, with real schools, with protective legislation.

I am proud of the part the Square Deal has played in this march of progress. For my own humble efforts I ask no reward and no appreciation. To have contributed in some small measure to the profession to which I owe so much is in harmony with the name of this little magazine. Barbering is still beset with evils and the road ahead will be slow and tortuous. But the ground has been broken and I have every reason to believe that our profession will continue onward irresistibly.

*F. W. Fitch*



# Biography of John Froelich from Iowa Inventors Hall of Fame Pamphlet, 1994



**JOHN FROELICH**  
■ Invented gasoline-powered tractor

1849 ■ 1933  
INDUCTED 1991

**J**ohn Froelich helped pave the way for modern farming. In 1892, this native of rural Clayton County, Iowa, produced the first mechanically successful gasoline tractor that propelled itself backward and forward.

He grew up in Froelich, Iowa, which was named for his father, Henry Froelich. John operated an elevator and tinkered with machines to improve their efficiency. One such innovation was mounting a gasoline engine on a well-drilling outfit — an idea that led him to mounting an internal combustion engine on a tractor. A few weeks later, the tractor — the forerunner of today's John Deere tractor — was shipped to Langford, South Dakota, where it threshed some 72,000 bushels over a period of 52 days.

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*In 1892, this Iowa native produced the first mechanically successful gasolinetractor that propelled itself backward and forward.*

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The new gasoline engine tractor was considered cheaper, safer, and easier to care for than a steam-engine tractor. Banking on these advantages, Froelich, with other investors, founded the Waterloo Gasoline Traction Engine Company in 1893. Eventually, this company would become what is today the John Deere Tractor Works.

Froelich received two patents for mechanisms relating to internal combustion engines before moving to Minnesota, where he was granted twelve more patents between 1906 and 1925. Most of these patents related to tractors and internal combustion engines.

His innovations helped to make Waterloo a center of internal combustion engine production in the United States in the early years of this century. ■

# Hy-Vee Historical Timeline, June 2015 (pg.1)

**HyVee.**  
EMPLOYEE OWNED

**85<sup>th</sup>**  
anniversary

## CELEBRATING HY-VEE HISTORY

In 85 years, Hy-Vee has transformed from a small supply store in rural Iowa with a handful of employees to a major retailer with 236 supermarkets and more than 76,000 employees throughout eight states. Take a look at some of the significant historical events that have shaped who we are today.



**1930**

Charles Hyde and David Vredenburg form a partnership and open the Beaconsfield Supply Store (Iowa).

**1936**

David Vredenburg's son, Dwight, who manages the Centerville (Iowa) store, extends profit-sharing benefits to every employee at his store.

"WE ARE THE ONLY COMPANY THAT WE KNOW OF IN THE RETAIL INDUSTRY THAT SHARES WITH ITS PEOPLE THE AMOUNT OF PROFITS THAT WE DO."

— Ron Pearson



**1940**

The Centerville store reopens with cutting-edge additions: a frozen food case, fluorescent lights, background music and shopping carts.

To encourage hesitant Centerville customers to use the new carts, Dwight Vredenburg tosses in candy bars and packs of chewing gum as an incentive.



**1930**

**1940**

**1933**

The pair introduce profit sharing and autonomy to store managers after opening the Princeton Supply Store (Missouri).

**1938**

Hyde & Vredenburg is incorporated, and Dwight Vredenburg becomes its first president.

**1945**

Hyde & Vredenburg, Inc., purchases the Chariton Wholesale Grocery Company and moves its headquarters from Lamoni, Iowa, to Chariton, Iowa.

**1949**

Centerville opens a new "drive-in" store — the first to offer carryout service and self-service meats.



**DWIGHT VREDENBURG**

Hy-Vee's first president, who took over at just 23 years old, motivated every employee to focus on customer service. During his 45-year tenure as president, Dwight Vredenburg transformed Hy-Vee from a corner grocery store to a modern supermarket chain.





# Hy-Vee Historical Timeline, June 2015 (pg.2)



**1952**

Three people suggest "Hy-Vee" in a contest to rename the Supply and Service stores.



**1960**

Fort Madison (Iowa) is the first store to have a courtesy counter and laundromat services.



**1957**

The first in-store bakery opens at the Iowa City No. 1 (Iowa) store.



**1963**

Hy-Vee unveils its second and most signature logo, which looks like a shopping cart.

**1963**

The company name changes from Hyde & Vredenburg, Inc. to Hy-Vee Food Stores, Inc.

**1960**

The Hy-Vee Employees' Trust is created and becomes a primary stockholder, making every fund participant an indirect stockholder.



**1969**

The first Drug Town opens in Cedar Rapids, Iowa, bringing Hy-Vee into the pharmacy business.

**1963**

The Hy-Vee Employees' Trust purchases the National Bank & Trust Company of Chariton.



**1969**

Hy-Vee merges with Cherokee, Iowa-based Swanson Stores, Inc., and gains 12 new stores, an office-distribution complex and presence in a new state: Minnesota.



**1963**

The "Helpful Smile in Every Aisle" slogan makes its radio and television debut. Hy-Vee is one of the first grocers in the nation to use television for advertising.

1950

1960

1970



**1956**

Hy-Vee adopts a new logo for its new name.



**1956**

Hy-Vee introduces its first private-label products: canned coffee and fresh milk.

**1961**

The first snack bar and coffee shop opens at the Des Moines No. 2 (Iowa) store.



**1964**

The first Service Award Dinners are held, honoring 406 employees for their service.

**1967**

The first in-store delicatessen opens at the Des Moines No. 2 store.

"THE 'HELPFUL SMILE' SLOGAN HAS SURVIVED MORE THAN 50 YEARS BECAUSE OUR EMPLOYEES FULFILL THAT PROMISE. IT'S MORE THAN JUST A SAYING."

— Ric Jurgens



# Hy-Vee Historical Timeline, June 2015 (pg.3)



**RON PEARSON**

Ron Pearson built upon Dwight Vredenburg's legacy by catering to the needs of the contemporary customer. He focused on convenience, enhancing in-store departments and adding on-site gas stations, dry cleaning services and dine-in or takeout meal areas.



**1988**

The opening of the Overland Park No. 1 (Kansas) store marks Hy-Vee's entry into its seventh state and largest metropolitan area: Kansas City.



**RIC JURGENS**

Hy-Vee has its third leader to thank for its reputation for healthy living. Under Ric Jurgens, the company established the Hy-Vee Triathlon, began adding in-store medical clinics and created a Hy-Vee Health Team led by pharmacists, certified pharmacy technicians and dietitians.



**1978**

Dwight Vredenburg is elected chairman and chief executive officer.



**1982**

Hy-Vee establishes Perishable Distributors of Iowa (PDI) as an affiliate of the company.



**1983**

Ron Pearson, Hy-Vee's chief operating officer, succeeds Dwight Vredenburg as president.



**1975**

Hy-Vee now owns stores in four states. Its newest state, South Dakota, welcomes the first Hy-Vee store in Brookings.



**1994**

Hy-Vee modernizes its 30-year-old logo and adds that the company is employee-owned.

**1994**

Hy-Vee launches the Hy-Vee Employees' 401(k) plan to encourage employees to save for retirement.



**1990**

Hy-Vee establishes Perishable Distributors of Iowa as a subsidiary and purchases Lomar Distributing.

**MIDWEST HERITAGE**

A Hy-Vee Company  
Banking • Investments • Insurance

**1995**

The National Bank & Trust Company changes its name to Midwest Heritage Bank, which opens its first store branch at the Ames No. 1 (Iowa) Hy-Vee the following year.

**1995**

Hy-Vee's corporate offices move from Chariton to West Des Moines, and the corporate name changes to Hy-Vee, Inc.

**1980**



**1979**

The first Hy-Vee in Illinois opens in Macomb.

**1985**

Lincoln No. 4 (Nebraska) becomes Hy-Vee's first combination food and drugstore with more company firsts: a self-service salad bar, cheese and deli counters and a self-service bakery.



**1977**

Norfolk No. 1 is the first Hy-Vee store to open in Nebraska.

**1990**

**1992**

Two important company purchases are made: D&D Salads (now D&D Foods) and Florist Distributing. Both become Hy-Vee subsidiaries.

**1989**

Dwight Vredenburg retires and Ron Pearson succeeds him as chairman and chief executive officer. During Vredenburg's 50-year tenure, Hy-Vee grew from 15 to 164 stores.

**1992**

The first Chinese Express opens in Missouri at the Independence No. 1 store.





# Hy-Vee Historical Timeline, June 2015 (pg.4)

