

Interviewee: Elmer L. Andersen

Interviewer: Thomas Saylor

Date of interview: 6 March 2003

Location: library of the Andersen home, Arden Hills, MN

Transcribed by: Linda Gerber, March 2003

Edited by: Thomas Saylor, March 2003

Elmer L. Andersen was born on 17 June 1909 in Chicago, Illinois, one of four children. He grew up in Muskegon, Michigan, attending public schools and junior college, graduating in 1928. Andersen relocated to Minneapolis in 1928 and, after a year as a salesman, enrolled at the University of Minnesota; he graduated in 1931 with a degree in business administration. He was married in 1932 (wife Eleanor Johnson). In 1934 Andersen began working for H.B. Fuller Company in St. Paul, first in sales and by 1941 as president of the company.

During the war years 1941-45 H.B. Fuller expanded its positions in the industrial adhesives industry, thanks in part to numerous government and military-related contracts; as president, Andersen was instrumental in the company's growth and success. By 1945 the company was situated for a move into new markets, using contacts and profits from the war years. Andersen remained with H.B. Fuller as president and CEO until 1974, building it into a Fortune 500 company with a worldwide presence.

Andersen was also involved in politics for many years, serving as a Minnesota state senator (1949-58) and as governor of Minnesota (1960-63). In addition, Andersen has donated time, energy, and financial resources to numerous causes, among them the Minnesota Historical Society and Voyageurs National Park. At the time of this interview (March 2003) Elmer Andersen lived in Arden Hills, Minnesota.

Interview key:

T = Thomas Saylor

E = Elmer L. Andersen

[text] = words added by editor, either for clarification or explanation

(*) = words or phrase unclear**

NOTE: interview has been edited for clarity

Tape 1, Side A. Counter begins at 000.

T: Today is the 6th of March 2003 and this is an interview for the Oral History Project of the World War II Years, based at Concordia University, St. Paul. My name is Thomas Saylor. Today I am speaking with Elmer Andersen. First, Mr. Andersen, let me thank you very much for taking time on this brisk March afternoon to sit and talk with me.

For the record, a couple things to enter in. You were born in Chicago on June 17, 1909. You attended local schools and also junior college in Muskegon, Michigan. Finished in 1928. You attended and graduated from the University of Minnesota's School of Business Administration in 1931 and in 1934 you began work in the sales promotion for the H.B. Fuller Company of St. Paul. Now, the information I have describes the H.B. Fuller Company as manufacturer of industrial and home use adhesives. Is that correct?

E: That's correct.

T: By 1941 you were the president of H.B. Fuller Company and you held that position until 1960 when you were elected Governor of the State of Minnesota. You held that position until 1963 and I learned from you, you lost the narrowest of elections, closest of elections rather in that year, in the election of 1962. You were married in 1932. Your wife's name Eleanor Johnson and you have three children. How long have you lived here on Lake Johanna, in New Brighton?

E: Nineteen years.

T: Nineteen years. Well, it's a nice location. Did you use to live in St. Paul?

E: Yes. We lived for thirty-five years on Hendon Avenue and for some fifteen, twenty years on Hoyt Avenue, both in St. Anthony Park.

T: I know that area well, a nice area. Well, I have to ask you, as one of the elder statesmen of our oral history project, born 1909, do you have a recollection of the end of World War I?

E: The end of it?

T: Yes. That would be 1918.

E: Yes. I recall two things. I was selling newspapers and the means of communication of important news was an extra, and an extra was good luck for a newsboy because everybody wanted one. They'd frequently instead of giving you three cents, the cost of the paper, they'd give you a nickel and tell you to keep the change. Or a dime. Or even some high rollers would give you a quarter. There would be so much excitement. So the end of the war was a great day. Enormous headline: "War Ends!" We took in quite a bit of money. There was only one event that exceeded the liberality of buyers of papers to those on Armistice Day 1918. And no one has ever been able to guess correctly when that was, though a woman came closest to it. She said, "I suppose it was an athletic event." And indeed it was. It was when Jack Dempsey knocked out Jess Willard. The whole nation was enthralled with this young Manassas Mauler from Colorado.

T: You sold more papers then?

E: Sold more papers for more money when Jack Dempsey knocked out Jess Willard than when the war ended in 1918.

T: I suppose we could take a cultural commentary from that, but we'll leave it. Now you came to Minnesota to attend the University of Minnesota's School of Business Administration.

E: I came to Minnesota to sell for a Muskegon, Michigan, firm. I came here as a salesman.

(1, A, 81)

T: What convinced you to attend the University of Minnesota and get a degree from the School of Business Administration?

E: My parents had always emphasized the importance of education. They died leaving four children, but all four of us lived together and worked together and all obtained college education because it was just considered essential to our growth and development to have a college education. I had my own reasons at the time. I say with a little tongue in my cheek that I went to the University number one to find someone to marry, number two to get a degree for protective purposes, number three to have a good time. I had worked in one thing or another ever since I was a little boy and I wanted to have a little fun, and I thought I'd have that at the college.

T: Did you?

E: Oh, yes, I did. I had a wonderful time and enjoyed it and have kept an association with the University ever since, winding up as president of the University Foundation and also serving as a Regent of the University and Chairman of the Board of Regents. So I am still active in it.

T: At the University?

E: Yes.

T: Isn't the new library or archive addition named after you?

E: Yes.

T: That's what I thought. Oh, another purpose for going to college there you said was to find someone to marry. Was that successful too?

E: First week. *(laughs)*

T: *(laughs)* You don't waste time, do you Mr. Andersen? You move faster than I did in college, I'll tell you. Now, what kind of place to work was the H.B. Fuller Company in St. Paul?

E: When I started in 1934 it was a little business on Third Street. The sales in the year that I started were \$125,000 for the entire year. So it was a very tiny company serving relatively few customers, having few relatively few employees and had rocked along for a long time. It was a respectable, bill-paying, strong little company, but very little and very slow growth.

T: Conservatively run, would you say?

E: It had been organized in 1887 as a proprietorship in Chicago and the first H.B. Fuller moved to St. Paul somewhere along the line and then his son on graduation from college took over the company in about 1916 and it went on and on. Pretty low level and pretty much at an even keel as to sales. There was very little growth.

T: Certainly a regional customer base for the most part?

E: Local mostly.

T: The brief description I read of the company was manufacturer of industrial and home use adhesives. In real terms, what are those kind of things?

E: First of all, at that time the paint and wallpaper trade was an important outlet. That's wallpaper paste to hang paper on walls and it was wood paste. It was in prepared form and decorators would come with their buckets in the morning and fill up with enough paste to what they thought they were going to use that day and then there were allied products, cleaners and special additives. The paint and wallpaper trade was an important part of the business at that time. Then dry wallpaper paste came into being. Made by mills but jobbed and repackaged and sold by Fuller. Then in the industrial side many things were packed in boxes, wooden boxes, crates, simple crates, like fruit boxes, and labels would be stuck on the end of

the box. Then there was limited packaging. Packaging was just beginning at that time. Most products were sold in bulk. I can still remember spearing dill pickles out of the dill pickle barrel. And other products were sold in bulk, even butter was sold in bulk. In little fiber cartons.

(1, A, 161)

T: Now for Fuller, it sounds like a good portion of the business was not through retail establishments but rather wholesale to producers and things like this and contractors.

E: To both. The paint and wallpaper trade were combination stores that served retail trade but also had contractors who'd come in the morning and get their paste and other supplies and they paid a lower price than the retail trade.

T: How about for you? By 1941 you were the president of this company. That suggests that you advanced pretty quickly in just a few years.

E: Several things happened. The company began to want to get into industrial adhesives and they hired a chemist from the East named Ray Burgess and he designed products for the canner trade to put the label around a metal can and that was a machine operation. There were several adhesives used. That was the beginning of getting Fuller into the industrial business and packaging began to be more prevalent. But there were only two salesmen when I started with the company. I had visions of it growing and even when I was sales manager I got an outlet going in the Rio Grande Valley of Texas to serve the canners there and a branch in Utah to serve the canners there and a branch in Tampa, Florida to serve the Florida canners. We became one of the leading canner adhesive companies in the area.

Then different things happened. In '37 it was the fiftieth anniversary of the company and it had its biggest sales in history, \$212,000. In '38 the two salesmen left the company and started up a company in Minneapolis in competition and sales fell in '38 to \$165,000. In 1939 Mr. Fuller had a stroke and never worked a full day thereafter, but he did recover. In 1940 a competitive firm sought to buy out Fuller and they wanted me to stay on as manager and that led to a session meeting in Chicago and a decision by Mr. Fuller that he didn't want to sell to them but that he would sell the company which was a surprise to me because he had a son and two daughters. The son had just graduated from Harvard and I had assumed he was going to succeed his father. But I told him if he wanted to sell the business he didn't have to sell it outside, that we could put together a plan within the company that would take good care of him, would keep the name. We'd keep the location and be less of a disruption than a sale outside. That led to the negotiation and me becoming majority stockholder and president on July 1, 1941.

And at the time friends urged me not to make the investment and take on the company because the war was going on in Europe and they said we're bound to get into it and there's going to be no place for a domestic company like Fuller and you'll

lose and so on and so on. A bunch of nay-sayers, but my wife was encouraging and her folks were encouraging and helpful and we decided to go ahead in 1941. So July 1 I became president and things began to happen. I was very aggressively minded and one thing I thought right off was that we should buy material in larger quantities at lower prices to be more competitive in the marketplace and grow. So I began to buy carloads of material that previously had been bought in small lots, and even some of our suppliers were concerned that I was going overboard and would drive the company out of business. But it proved to be very fortunate, because when the war broke out one of the first things done was to provide allocation of all scarce materials, and that meant about everything. The base was a percentage of what you bought in the last six months of 1941.

T: Which would benefit you greatly, it seems.

E: I had been buying heavily, so we entered the war with a good buying base.

T: This is 1941, so let me ask: Do you remember what you were doing when you first heard the news about Pearl Harbor?

E: As to where we were when the war started, I remember it as clearly as if it happened yesterday. It was on a Sunday, and we had come home from church. Our first son had been born in '38. Eleanor was pregnant with our second child, Julian. We were having dinner and listening to the radio, and suddenly it was interrupted for the news that there had been an attack at Pearl Harbor. We were just stunned. My first reaction was, what's going to happen to the family if I was called for military service? I thought, I certainly thought I might be called. I thought everybody would be called, because there was war declared the next day.

Then another thing happened. The war [in the Pacific] took place on South Sea islands to a great extent. And they had no shipping, no receiving facilities. No docks for ships. So that material had to be dumped overboard and floated into land. The adhesives, not being water-resistant, would disintegrate and the stuff would be lost. So there was an immediate need for a water-resistant adhesive for packing military material, food, medicine and so on.

(1, A, 245)

T: Was there a contract for this that you saw the opportunity for, or was this simply something you imagined would take place?

E: It was taking place. We heard of the difficulties of carrying on the war in these primitive places and so we knew they needed a water-resistant adhesive. We had a young chemist at Fuller, and he and I took a trip calling on different suppliers and different chemical houses in the East hoping to get some clue. There was no water-resistant adhesive available. Somewhere along the line somebody mentioned to us that varnish was resistant.

T: Regular wood varnish?

E: Wood varnish was resistant to water, and if we could find out a way of emulsifying hot varnish into an adhesive that that might be a clue. So we came back and went to see Mr. Robertson, who was manager of Farwell, Osmun, Kirk, a wholesale hardware company in St. Paul. He was manager of their paint division. We asked him if he would be interested in working with us. That this would be high priority material. He was very anxious to do so because domestic paints were out of the window. There was no business permitted.

T: So he was looking for an outlet for his own business.

E: He was looking for an outlet for his business. So we set up an experiment. We thought a kasene solution might be compatible so we had a kasene solution going in the mixer when a hot drum of varnish came over from Farwell, Osmun, Kirk who was located in St. Paul not far from our St. Paul plant and we dumped that hot varnish into the kasene solution and managed to emulsify it and try it out and it was resistant. We submitted it to the authorities and they were pleased and they began to buy it.

T: So you submitted this... in essence, you said to the government authorities, "We have a solution to your problem."

E: Yes.

T: Did they then contract for a certain amount of this from you?

E: No. They didn't contract for an amount. They just told us agencies that were packaging material. Some of them private, some of them public. But anybody that was packaging was notified that Fuller had a water-resistant adhesive. Meanwhile others were working in the same direction and coming up with similar variety of solutions. One problem with our product was that kasene is very deteriorating, and it stinks to high heaven when it spoils, so the use life of the adhesive was short—a matter of days. So we'd have to schedule pretty carefully so they'd use it up before it began to spoil. Meanwhile we were looking for a protective agency to keep it from spoiling. We worked with the Dow Chemical Company, and they developed Dowacide A and Dowacide G which solved that problem.

T: Almost like a preservative?

E: Yes. A preservative.

T: So this stuff would have a longer shelf life.

E: Longer shelf life. That's right. So we then became a high priority business. We were no longer mainly domestic. We had our allocation of raw material to handle

our domestic trade, but that would have diminished the trade. It wouldn't have grown as fast as we wanted it to. But we began to do business. We had one big account in Indianapolis, Indiana that was a central gathering place for war materiel and was mainly a packaging activity. They bought large quantities of this Number 17 Adhesive.

(1, A, 308)

T: That's what you called it?

E: Yes. Number 17. While that was going on it was still in my mind, wondering what my personal responsibility was, so I thought I'd at least had to go down to the recruiting station and talk it over with them. So I went down and met with an officer and said that I wanted to do my share, and I had a family and had a business and it would be quite a wrench, but I wanted to know what I should do. He said, "Where do you work?" I said, "H. B. Fuller." "What do you do?" "I'm president of the company." "What do you make?" "Adhesives." "Anything for the war effort?" "Yes. We've succeeded in producing a water-resistant adhesive, and we're selling quantities of it to many packers of war materiel so that it can be dumped in the water and safely floated to land." He said, "Well, my gosh, you can do more good staying at home running that company than going into the Army, so just go home and turn out a lot of good glue." That was an enormous relief.

T: In a sense, it sounds like you're saying it made you feel like you made the effort.

E: Yes. It kind of took a burden off my mind. I didn't want to be a slacker, and I didn't want to duck away from it, but I certainly didn't relish the idea of leaving my family and business and dislocating my life if there was any suitable alternative. So his words of encouragement kind of eased my mind. There was no question about it. I never got drafted or bothered about it.

T: Let me ask you, when the war... when you took over as president in July 1941 how many employees did Fuller have?

E: About ten.

T: How many did Fuller have, let's say, at the time of V-J Day in August of 1945?

E: Well, we may have had... let's see now... I have to think. Somewhat more. Not a great deal more, because it wasn't labor intensive. A couple of workers could turn out quite a lot of product. It wasn't like some businesses, which are very labor intensive.

T: So yours was not.

E: Ours was not so labor intensive. But we worked a lot of overtime as our fellows were drafted. Some of them were drafted, and some of them enlisted. We kept their jobs open, and to avoid the difficulty of hiring a replacement and later having to lay the replacement off, we worked overtime. We were working as much as eighty hours a week, so the payroll was pretty good for the people. They were getting pretty good pay.

And one time I found on my desk a cartoon from the New Yorker that showed a bunch of workers lined up at the pay window and all of them in work clothes except one fellow with a walrus mustache who obviously didn't fit the pattern and he was saying to the person behind him, "You know I used to be president of this outfit until I found out what was going on!"

T: He could earn more as a worker in other words?

E: Yes.

T: Did you hire any women during the war for jobs that might have been done by men before the war started?

E: No. Our work involved a lot of heavy lifting, some of which we later eased but the manufacturing floor was at ground level and the trucks were truck height so in loading fifty-five gallon drums that would weigh five, six hundred pounds. They would roll it up a skid. One of the early things I did as president was to install a lift inside to bring the material up to the height of trucks. But even... loading mixers, they were hundred pound bags and sometimes two hundred pound bags of raw material. I remember our superintendent was a little Yankee fellow who was a hard worker and a wonderful man, Ray Burgess. I used to tell him, "Ray, don't you make the products that take the two hundred pound bags of glue? A hundred pounds is more than enough for you to lift." He said, "Oh, I can't expect these fellows to lift that heavy stuff." And he was a little man. So there was heavy lifting that barred women from the factory. We had women in the office of course, but that was traditional.

T: How about wages? You mentioned paying a lot of overtime. Did wages go up for your production workers during the years of the war?

E: Yes. We had many experiences. First of all... it gets to be a long story, but we had a sense of mission that Fuller couldn't exist as a single plant in St. Paul because freight charges related to the price of adhesive were so much that we couldn't even complete in Chicago. We couldn't compete very far. That was why I got warehouse establishments going in the cities I mentioned.

T: I see, because the shipping charges were killing you.

E: But we felt that limited to St. Paul the company would just dry up and blow away. We felt our real mission ought to be to be within three hundred miles of any

customer in the United States, and to build branch plants that would accommodate that. The first one we wanted to build was in Kansas City, but there was a war going on. I knew that our priorities applied to material we'd need to start that plant. It would take a long time for stuff to clear through. It was slow going. Every priority was given to airplanes and trucks and tanks. You could get lost in the shuffle and wait for months for action on a priority application. So we began to apply...

End of Side A. Side B begins at counter 381.

T: You began to apply priority...

E: We began to apply the priority without permission, knowing that eventually it was going to come, but it was slower coming. But it finally came just as we were finishing up the plant ready to go. So it made us honest finally. But we were in an exposed position while we were getting that plant going.

T: Without the necessary permit really.

E: Without the necessary permit. But one thing I did, there were just millions of rules and regulations and the sole proprietor of a small business couldn't possibly keep track of everything. But you would have a sense of when you were treading near the edge. When you'd order material and not be sure whether it was a priority item or not. But we had a high priority and I'd apply it. But when I was questioning in my own mind whether I was getting too close to the edge, I'd write out a memo for the file of just what I did and why I did it and had it notarized to confirm the date on which I had made the declaration and put it in a file. Once we had an inspector come to check up on our use of priority, and he asked about one item that I had wondered about myself and I told him, "I wondered about that item myself but we were so busy trying so hard to meet all the demands made on us that I didn't take time to inquire. But here's the memo of what I did and why I did it." And I handed him the sheet of paper from the file on that very material. He said, "Well, you were stretching it, but the fact that you made a record of it and were forthcoming about it and give me a written report on it now," he said, "I'm not going to report you." So that was as close as we came to any brush with the authorities. We had no trouble. But getting raw material out of someone else's allocated... I remember having the fellow from Armour, a company with whom we did business in animal glue...

T: Armour, down in South St. Paul, the packinghouse? They had a packinghouse in South St. Paul in those days.

E: But they didn't make glue in South St. Paul. They made glue in Chicago. And this fellow was from Chicago. I was begging for a truckload of animal glue which was a non-priority item. He had to portion it out to his customers as best he could and we were growing and needed the material and so I invited him to come up and I pleaded with him. He said, "Elmer, you've had more than your share. I can't give you a truckload." I said, "Well at least let's go out and have lunch." And I said, "If

you could have anything in the world to eat for lunch what would you most like to have?" He said, "Fin and haddy." So I knew there was a fine seafood restaurant in Minneapolis and we went over there and here they come with the great big menu of every seafood that one could imagine, but no fin and haddy. I called the waitress over and I said, "Of course you have some fin and haddy in the kitchen, enough for two servings." And she went to the kitchen and came back, "Yes, we do happen to have a little fin and haddy."

(1, B, 459)

T: By the way, what's fin and haddy?

E: I don't know! *(laughs)*

T: But you ordered it. *(laughs)*

E: I ordered it and ate it. And he enjoyed himself pretty much. I said, "Now, Ed, I performed a miracle for you. You gotta perform a miracle for me." He said, "Okay. I'll get you a truckload of glue."

T: Now that sounds like you had to work hard for it. From your observation, were under the table payoffs or what we might consider to be shady dealings part of the program to acquire things that you needed?

E: Not that I ever observed. And certainly not that I would ever be involved in. The closest come to any kind of an x-normal transaction was one manager of National Biscuit Company that was in St. Paul or Minneapolis that we had been trying unsuccessfully to sell because they wanted to deal with somebody that could supply all of their plants or a substantial number, not just one plant. But he called me up. He said, "Andersen, I understand you have a good supply of glucose over there." That was an item we bought in carloads that Mr. Fuller used to buy twenty gallons at a time. We had a surplus of glucose and the supplier had told him you might get some from Andersen. He called up and he said, "We'd be willing to pay a premium for it. We need it so badly." I said, "I don't want to get into the black market business, but we do have an excess and we'll sell it to you at our cost." And we provided him with several barrels. I thought if he is any kind of decent guy he'll find a way to reciprocate. Sure enough, it wasn't long before he had obtained permission to take some adhesives from Fuller. So we established a business relationship with National Biscuit by doing them a favor. That was done quite a bit. Mutual aid.

T: Networking, we might say?

E: Some industries were charged with kickbacks but they were much larger deals and much bigger industries. The automobile industry was one characterized with payoffs.

T: Now you, in a sense, being the president of relatively speaking a smaller company, was that an advantage with regards to sort of staying off the radar screen of the authorities or was that a disadvantage?

E: Well, we didn't think of it either way. The advantage we had was the buying we did in the scheduled period, unknowingly. That helped us. But we didn't seek anything. We tried to be of service and sell our stuff where it was useful to people. We had a philosophy of business that I wanted to mention. We thought a business had four priorities. The charter of the corporation was a special privilege that granted special opportunities to a company to make savings, to have expenses and to benefit in many ways, and it owed something to society in exchange. We expressed those as four priorities. The first priority was to the customer that to justify your existence and your charter you had to provide a service or a product that added something to the general economy and was worthy. Not taking advantage of anybody. The customer came first.

Second, we thought it was the responsibility of the corporation to enhance the lives of the people associated in the enterprise; that a deliberate purpose of the corporation should be to build the lives of the people associated in the company through education, through pay, through vacation, through whatever means we could dream up. And I could tell you many things we did. Just one in passing. We, when we started the Kansas City company, we wondered how we could tie in with those people so they would feel as close to us as our little well-knit group in St. Paul. We thought of the idea of giving them their birthday as a holiday. I remember writing them saying that Lincoln was important to us, Washington was important to us, but so are you and we want to have a holiday on your birthday for you to take stock of how you're doing, how you're getting along. Are you realizing your ambitions? Are you making progress? Is there anything we can do to help you? That was the second.

Third, was to make a profit. It's very important. The life of the business depends on it. Research depends on it. Profit is terribly important. But it's third in priority. If it ranks above customers there's a temptation to cheat the customer. If it ranks above the associates in the company you try and pay as little in benefits and so on as possible. We did many things. When we were going to become a public company in 1968 the underwriters wanted to know something about our fringe benefits. When I started to reel them off one fellow said, "Oh, quit telling me. I don't want to hear any more. The buyers won't want to buy your stock, they'll want to have a job."

The fourth priority was to the community. Not because it was the least important but because it was also important that we owed something to the environment in which you did business, to the people, to the government, to the welfare of the community. That should be in your vision and in your action program. We lived by that. Just one example, we were very early in providing medical care for all our people at company expense. We were one of the first in the country and there are not many that do it yet, extend it to retirees. I thought isn't it terrible somebody who worked for a company for thirty years and even if they have health protection then, it's shut off when they leave and they're apt to need it the

most. So we established retirees on the health plan. That's the story of how it got done. But my son succeeded me as CEO and he extended it to the spouses of retirees. And that's still true though the company becoming a public company began to drift toward the Wall Street syndrome and no part of the Andersen family is now involved in the company. My son is retired. They have an outside manager now and it's a different company than it was.

T: You mentioned community a few minutes ago. Let me pick up on that theme. From your perspective, how did St. Paul itself seem to change during the years of the war?

E: Well, it got very busy. Everybody was wanting to help. That's the one thing about a war that's good in a way. But it's unfortunate it takes a war to handle it and that is the spirit of patriotism and of mutual aid. You saw its reflection after 9/11 when everybody wanted to get together and love their country and work for the country. This time of war develops a great devotion. In the trenches soldiers have told me they'd be scared to death but they didn't want to let their buddies down so they'd charge when they were supposed to charge when they'd like to be running the other way because it was so awful. So war unites people and that's why rulers like wars—because their popularity goes up. I'm sure that right now [President George W.] Bush feels that with all the opposition there is that once he's at war they'll unite behind him, and they probably will.

T: We agree on that point completely, Mr. Andersen. Around St. Paul things like concrete parts of the war effort, did you notice, participate in things like scrap metal drives, buying war bonds, these kinds of things?

(1, B, 605)

E: There were all kinds of things that are done at war time. Everything was saved and used and people saved paper. It was a time a sacrifice all around and making do with old stuff, old cars, houses. There was an enormous backlog of everything when the war ended.

T: How about your own personal situation? Your family for example. What kind of shortages or impact from rationing did you notice around your own household?

E: Well, one that I remember was gas. Gas was rationed. You had little stickers that were worth four gallons of gas. It was strictly rationed. I remember one incident. We'd try and get the gasoline we needed at the plant to run our trucks and so I said if anybody has any stamps that they haven't used please turn them in to us so we can get a little backlog. I had a drum of gasoline in the plant. When the fire inspector came through one day he said, "Andersen, you shouldn't have that gasoline drum. I know it's tough, but that's a terrible fire hazard and you're putting your people at terrible risk to have that. If I were you I'd get it out and I'd get it out today." We got it out that day.

T: Was gasoline a problem for your fleet of vehicles that you had with your plant?

E: We had one truck. We could get enough gas for that only by sharing. The amount we were allowed wouldn't enable us to service the customers. Gasoline was one of the scarcest commodities, because so much was being used in the war effort.

T: So you were able to get a lot of the raw materials of the production materials you needed, but something as elementary as gasoline was tough.

E: Another thing that was very scarce were drums. Metal drums. Anything made of steel was also very tight, and so we tried to turn that to our advantage. We were always looking... any hardship we thought there was an answer that we could turn to our advantage. That was when we began to require a deposit on drums. And the deposit was ten dollars and the drums cost about four to five dollars so the deposit was big enough that we thought we would surely get the drum back. But everybody was so busy and occupied that they didn't always send their drums back. So we built up an account, the drum reserve. And the IRS thought that was profit. We said, that isn't profit, that's our customers' money and we're going to have to pay it back whenever they send their drum back. We're going to have to pay it back. We got by with that argument. But actually we were building up some interest free money that we could use in the business and after several years, after the war, when we had built up quite a substantial drum deposit it was perfectly obvious it wasn't all going to be repaid. The IRS said, "Andersen, you've got to admit that some of this isn't going to be redeemed. You've got to start writing it off into profits." So then we began to write it into profit until it was liquidated.

I remember one company, Cream of Wheat Company, they'd get shortening in drums. They got the shortening in new drums because it was a food product, so their drums were wonderfully nice. The shortening was easy to clean out. So we had a deal with Cream of Wheat that we'd take their used drums off their hands and we counted on it. But they got to where they were having to return drums and it left us in a pinch. But it was a very fine manager of Cream of Wheat who realized he'd led us into a pickle, and so he paid us the cost of a carload of new drums if we could get the priority to get them. I remember what a generous act it was on his part.

I'd say that was the spirit of the enterprise. People were bound and determined we were going to win that war, even though the odds were very bad at first. We were getting blown out of the water all over the place. But there was never any despondency. And I think that was the greatest contribution Franklin Roosevelt made. Keeping up the spirit of the people.

(1, B, 674)

T: Let me ask you, on the subject of President Roosevelt, President Roosevelt died on the 12th of April 1945. I'm wondering how you reacted to the news of the president's death?

E: It wasn't shocking because I felt he shouldn't have run the last time. He was mortally ill, as everyone could see. It was certain that he wasn't going to survive another term. That was why there was so much speculation on who was going to be vice president. Truman had made quite a record in the Senate as Chair of the Investigating Committee to try and keep profiteers out of the war effort. So when he was named vice president everybody kind of took for granted he was going to become president, though he wasn't very highly regarded at first because he was identified with the Pendergast machine, in Kansas City. So when Roosevelt died it wasn't, it was a profound loss because people had spent most of their lives under him as president and they could hardly imagine anyone else as president. So it was a traumatic condition, but it was in a way expected. The main regret was that he couldn't have lived to see the peace, see the war end.

T: Yes. Which he missed just by a few months, in the case of Japan. As the war began to wind down as 1945 came, it was clear that sooner or later we were going to defeat both Germany and Japan. As you saw your own business at that time, were you already beginning to think of the post-war period?

E: Oh, yes. We were just going to continue doing what we were doing, only faster, and that was starting branch plants around the country. From Kansas City we went to Cincinnati, Ohio in order to have a plant near the Indianapolis packing place. We didn't think Indianapolis had quite the diversity of industry that Cincinnati did, so we went to Cincinnati. Then we knew we were going to have to be in the West Coast so we went to San Francisco. Then we went to Atlanta. We finally had twelve plants in different parts of the country. So we knew exactly what we wanted to do. It was just a matter of getting to it.

T: When the war ended in 1945 how many of those twelve plants were already functioning?

E: Kansas City and Cincinnati. Just two.

T: And in the years following then you continued to add others.

E: Yes.

T: How did your company's product line change or diversify as the war ended? Because there were new opportunities now.

E: We carried on research and began to invest in research and develop new products and get into new industries. I won't get into the details, but one industry that we hadn't been in much that uses lots of adhesive is bookbinding and publishing.

T: That's right.

E: And the glue for binding a book is very technical and at one time...

T: You mean it's complex in the way it's put together?

E: Flexibility is the key, so that the book would open as flat as possible. In the early days you could hardly open them. If you pressed too hard you'd break the back, because the glue would get brittle. So what was needed was an adhesive that would give and give and not break.

T: It would bend in a sense, I guess.

E: That eventually became a synthetic product rather than an animal glue product. A resin product. And then we began to try and get our raw materials more integrated. Polyvinyl acetate emulsion became quite an ingredient that we were buying from DuPont. But we could buy the vinyl acetate cheaper if we knew how to emulsify it ourselves and we didn't want to pay royalty on somebody else's emulsification plan. So we experimented. We had some interesting results because in the process of emulsifying if it's done wrong it explodes.

T: That's encouraging! (*chuckles*)

(1, B, 729)

E: I remember once in our Cincinnati plant they were experimenting with it on an upper floor and with an exhaust through the roof so if there was an explosion accident it would go off the roof. But it went so strong it not only went through the roof but sprayed all the cars around in the vicinity and we had to repaint a whole bunch of automobiles. We were learning how to emulsify. So we paid.

Then there was a desire. I quickly came to the view that covering the United States wasn't enough. That in order to be an essential industry you had to have overseas activity. So we began to look for ways of doing that. The first thing was a little branch plant in Winnipeg. Then after the war we were looking around where to try to do something, and DuPont who kind of took us under their wing, they had me in their boardroom. Showed me how they charted. They added to my education. They had an agent in Buenos Aires who they thought highly of and was fluent in English. They said, if you want to start outside the country somewhere we'd put him in touch with you and he could help you. So our first major effort outside the United States was in Buenos Aires, Argentina. Then that led to other things. We had operations in Australia and eventually Fuller, we used to watch the Fortune 500 List. We knew we were going to be a Fortune 500 company because our sales were growing faster than the threshold to the Fortune 500. It took higher sales each year to get in, but we were growing faster. So it was just a question of when. It occurred in 1980. We became a Fortune 500 company, and I think our sales then were \$500,000,000.

T: Quite a leap from where you jumped in, in 1930.

E: Yes. But what was even more satisfying than making Fortune 500 a book was published giving the hundred best companies in the country to work for. The one hundred best companies in the country to work for, and they singled out Fuller, a relatively unknown smaller company. Not a big well-known name as one of the one hundred best companies. One rank I remember, I remember they ranked different qualities by stars. Five star was the highest rating. And our rating that pleased me so much was job security. Five stars. We never laid off anybody. When times were tough we put people to painting the factory or cleaning up or remodeling or doing something, but we didn't lay them off.

T: You know the way you describe the situation, I hear you saying that the war years for Fuller anyway were very good years.

E: Yes, they were.

End of Tape 1. Tape 2, Side A begins at counter 000.

E: Any years can be good years. It depends on strategy and the spirit of the enterprise and the kind of enthusiasm that's generated. There are some people that have trouble running the business in the best of times and there are other people who run successfully no matter how tough the times. That's true in agriculture, farming, business, journalism, anything. It depends on the people more than on the conditions.

T: So you would say that you ran an effective company. You had good people working for you.

E: We hired good people and released their potential. When they'd go down to be a manager somewhere I had a set speech. I said, you're going down now as manager of this certain company and it's your company. We had a method of stock equity interest that gave them a direct interest in the company. I said you may have some problems and if you have a problem and you want to know what I think call me up and I'll tell you, but don't go by what I think necessarily. If you know what you want to do and what you ought to do, go ahead and do it and don't bother me. But if you do call me and I give you some advice and you think better of it and do something else and it goes wrong you'll get no criticism from me. That's part of learning. You learn more from your mistakes than from your successes. So go down there and be a manager and let it be your management. So we developed highly motivated individual managers.

T: Let me ask you, final questions here. When the war was on you were not in uniform but you were part of a very productive and profitable company here at home. What did the war mean for you personally? What was it all about?

(2, A, 45)

E: Well, I think the main thing it was about was saving England, because if England fell the time would come when Hitler would be after us. So Hitler had to be stopped. So we were fighting for our own freedom when we were fighting to protect Britain.

T: What do you think is the most important way that the war experience changed your life?

E: I think I gained an abhorrence of war as a method of diplomacy, because it became evident that successful as it was, and the Normandy Invasion was a magnificent organized effort, but it was a costly one of lives. Cripples and injured people. So it gave me an abhorrence of war.

I oppose going into Iraq. [This interview took place approximately two weeks before the United States launched its war against Iraq.] I oppose preemptive strikes. I was the governor when Kennedy was dealing with the Cuban Crisis [in 1962]. I was a member of the Civil Defense Committee of Governors, and civil defense in the Cold War was a big activity. Anyway, we were called to Washington to be briefed, and here we could see U-2 pictures of silos loaded with missiles aimed at the United States ninety miles away and the military was insisting that they make a preemptive strike in order to save millions of lives. Kennedy thought it would be ridiculous for Russia and the United States to go to war over Cuba, but he made the firm resolve that they couldn't let those ships land and they couldn't let it go any further. And Bobby Kennedy, in efforts with Ambassador Dobrynin, finally convinced Russia that we didn't want war. We thought war was a terrible solution to the problem. That diplomacy could resolve the differences and the ships turned around and the silos were unloaded.

T: That's right.

E: So if there wasn't a preemptive strike necessary with missiles pointing us ninety miles away, I can't conceive of the reason to strike preemptively at Iraq.

T: Which seems more and more a possibility as the days go on.

E: Within two weeks.

T: That's what you think?

E: Yes. [this prediction turned out to be correct, almost to the day]

Interview paused for discussion of current political situation in Iraq.

T: First of all, back on the record now, let me thank you for your time today.

E: Has this been helpful?

T: It's been very helpful, because I was really interested to speak to someone who was involved in a business from a managerial and entrepreneurial sense. We haven't talked to someone like that. I know only anecdotally what I read about the business climate, about winners and losers, and through some fortunate turns of events your company did quite well. So thanks very much.

E: You're welcome.

END OF INTERVIEW