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*William A. Paton*  
UNIVERSITY OF MICHIGAN (EMERITUS)

## **RECALLING GEORGE OLIVER MAY AND ME**

**Abstract:** A recollection of the author's contacts with his friend George Oliver May. These personal insights provide an added dimension to the previous article, "May and Paton: Two Giants Revisited," authored by Henry Francis Stabler and Norman X. Dressel.

Included in the papers presented at the Third International Congress of Accounting Historians in London on August 15-17, 1980, was a lengthy piece entitled "May and Paton: Two Giants Revisited," authored by Professors Henry Francis Stabler and Norman X. Dressel of Georgia State University. The authors have made an effort to weave us both into their account, as they go along, and they have managed to keep us nearly abreast with their 191 references. My only complaint of any consequence is the failure of the authors to give some consideration to my writing after the late 1940s—the period in which I did most of my best work. At the conclusion of the Stabler/Dressel paper, however, there is a lengthy quotation from a minor article of mine taken from the June 1974 issue of *The Michigan CPA*. It is this reference that has spurred me into writing these recollections of my contacts with Mr. May with the thought that they may be of some interest as a supplement to the Stabler/Dressel study.

Prior to my membership on the Committee on Accounting Procedure, my contacts with Mr. May were slight, and not particularly friendly. I recall one spat with him (about 1936) in which he took offense at some comment regarding him in one of my articles. He wrote a caustic note, virtually consigning me to outer darkness. He had a point, and I finally replied with a conciliatory letter. Mr. May was a very conceited Englishman, and hypersensitive to criticism, even when somewhat justified. He finally forgave me for this affront, and I've always been glad he did. But when Eric Kohler had the nerve to attack him in *The Accounting Review* (of which Eric was editor at the time), he resigned from the American Accounting Association and never spoke a word to Eric again. I

was made painfully aware of this at a meeting of the American Institute of Accountants (the old name, and a good one). Eric and I were chatting one morning. Mr. May walked up to where we were standing, greeted me cordially and shook my hand. Eric said, "Good morning, Mr. May." George never even turned his head, made a few comments to me about the meeting, and went on his way.

I shouldn't dwell unduly on what I regard as a major fault in my old friend, but I believe his high level of self-esteem, habitually very much in evidence in his demeanor, made him somewhat less effective in his profession. I recall a visit to his office at 56 Pine Street, New York. Mr. May was dressed in a dark, Prince Albert suit, and looked both dignified and forbidding. There was an air of subservience in the way he was treated by all hands. Even Percy Brundage bustled about running errands for Mr. May like an office boy. Percy blossomed after Mr. May retired. He was a man of top-flight professional stature, as I learned when working on a case with him.

One other occasion comes to mind that I can't forbear mentioning. One fall semester (I don't recall the year), I persuaded Mr. May to come to Ann Arbor to address a group of faculty members and advanced students in accounting, at the University of Michigan. We had a good dinner and then Mr. May talked. I thought he did well, and I believe that was the feeling of the group. But during the question-and-answer period following his remarks, his brusque way of disposing of questions he didn't like, and his rather domineering attitude toward all those daring to ask questions, annoyed both faculty and students. I was scolded later for inviting Mr. May, and was told not to do it again.

I would never have had the opportunity to become well acquainted with Mr. May if my career had been confined to "academia," as assumed by Stabler/Dressel in their concluding section. Beginning back in 1914, I was engaged in practical accounting work rather than teaching in summer sessions. I delayed unduly in sitting for the CPA exam, but finally, in 1927, yielding to the urging of two persistent friends, I took the examination in Michigan and was lucky enough to pass. The delay was due in part to the fact that I had the status of a full professor in 1921 and had achieved some reputation as a writer. I didn't fully appreciate the importance of CPA status. Looking back I can see that acquiring the certificate was a most fortunate move for me. It opened a lot of doors. I joined the Institute and made many friends among leaders in professional accounting. For some years, I was a partner in a local firm. Im-

portant consulting jobs came my way. From time to time I was involved in valuation cases, including problems of rate-determination in our public utilities (a field in which Mr. May was also much interested).

In 1939, when the Committee on Accounting Procedure (CAP) was launched, I became a member and served for eleven years. Mr. May was our first chairman. It was during the years of our joint membership that I became well acquainted with Mr. May and we became friends, eventually warm friends. Yes, we did clash at the first meeting. At this meeting, I suggested that we undertake as our first project preparation of a condensed statement of fundamentals, primary considerations. Mr. May dismissed this idea as clearly undesirable, insisting that the Committee's objective was to study practical problems confronting practicing accountants and issue reports that would be helpful in dealing with them. Partners in leading CPA firms were in the majority, and he had no trouble in gaining support for his view. Perhaps he was suggesting a wise course. The subject selected to be examined first, if I recall correctly, was the problem of accounting for bond redemptions prior to maturity, to take advantage of falling interest rates or for other reasons.

We had other disagreements, but as the years went by our views began to diverge less sharply. I like to think that this was partly due to Mr. May's growing interest in and respect for my views on problems of valuation and income determination. At any rate, we began to pull together quite often in Committee discussions as time passed. We would have accomplished more except for the fact that several new members came on about once a year, and this tended to make sustained progress difficult. Another roadblock was the persistent interference by the SEC, and our tendency to knuckle under.

I'm pleased to report that I was on friendly terms with practically all of the members of CAP that served during my long tenure (the longest on record) despite my many dissents. I attended virtually all meetings during my eleven-year membership, worked very hard, and paid all my travel and other expenses during that period. (Perhaps the Institute did treat us to a lunch.) What a contrast we see now in the case of our dictatorial successor, the Financial Accounting Standards Board!

Mr. May was a clear thinker, for the most part, and his interests were broader than those of most professional accountants. As I began to understand him better, I become less disturbed by his

tyrannical ways at times, and his annoying habit, at virtually every session of the CAP, of reading from his own notes and other writings. He was a close friend of the noted economist, Wesley Clair Mitchell, research director of the National Bureau of Economic Research, an organization highly regarded to this day. Mitchell was the author of a monumental work on "Business Cycles" which I remember reading. If I recall correctly Mr. May served for some time on the board of directors of the Bureau.

In 1940 I was appointed Dickinson Lecturer at the Harvard Graduate School of Business Administration. I felt much honored by this appointment, following the first two series given by Mr. May and Sir Laurence Halsey, who was in charge of the London office of Price Waterhouse & Co. I undoubtedly owed this to Mr. May's influence, at least in part. Mr. May attended my second lecture, and the dinner held that evening with a group of six or seven Harvard professors. In the course of our after-dinner discussion, largely in the form of an argument between Mr. May and myself, I still recall becoming a bit irritated by his manner and saying: "Please don't forget, Mr. May, that I can be just as pigheaded as you are." The Harvard professors, somewhat beholden to Price Waterhouse & Co., turned pale; you could have heard a pin drop. Mr. May got very red in the face but bottled his wrath; someone suggested that it was bedtime and we broke up. This recollection continues to plague me, not because George and I were having an argument, but because of my unnecessary rudeness.

I never kowtowed to Mr. May, nor was I ever afraid to oppose him. I believe that is one reason he became a friend of mine. Though tending to demand it by his manner, I believe that he became tired of the extreme deference accorded him throughout his firm. I understand that I was one of only three people who dared to call him "George." We became "George" and "Bill" in the early 1940s, and genuine friends. For the last fifteen or more years of our acquaintance there were no unpleasant incidents.

Mr. May was a man of great courage, determination, and loyalty to his firm and his profession. I believe he was semiretired when the McKesson-Robbins scandal came to light. At any rate, during the period of investigation that followed he was much in evidence, attending conferences and other accounting meetings all over the country. He made it very plain that he had the utmost confidence in the competence and integrity of Price Waterhouse & Co.

Perhaps I should mention the fact that May, Montgomery, and I were the three persons elected to the "Accounting Hall of Fame"

when that honorary roster was launched at Ohio State University in 1950. Mr. May was on a trip to England and didn't attend the ceremony, but Bob Montgomery and I decided to go, though not very enthusiastic about the venture. I might add that the "Hall" has been conducted efficiently, and has acquired a considerable aura of prestige over the years.

A memorable occasion for me was a visit to Mr. May's home in Southport, Connecticut. I was in Boston attending a meeting. Mr. May picked me up in his car (with his "man" driving), and we were off for Southport. I recall that the weather was very bad, and we were pelted with a cold rain all the way. The car wasn't warm, my coat was too light, and I was very chilly when we arrived, though I didn't admit it. Mr. May was a widower, but he had good help. The house was in perfect order and we had an excellent dinner, well served. We chatted, but I don't recall anything of our conversation, or of how I passed the night. Of the house and surroundings the main thing I remember is that Mr. May's land was directly on the ocean, and the area was protected by a very substantial stone wall running along the shoreline as far as I could see. After breakfast Mr. May's man drove me to the station to catch a commuter train back to Boston.

According to the entry in *Who's Who in America*, Mr. May was born in 1875, which made him fourteen years my senior. I received a hearty invitation in the summer of 1955 to attend his 80th birthday party in New York, and I've always regretted that I couldn't make it.

In the fall of 1958, shortly after the AICPA convention in Detroit, some friends of mine staged a "retirement dinner" for me in Detroit, which turned out to be a very pleasant occasion to look back on. Mr. May, well into his 80s, came to participate in this affair. He invited me to have dinner with him the night before, and this was a very enjoyable occasion for me. At the moment I don't recall the names of all those who sat at the speaker's table the night of my party, but I do know that John Carey and Hi Scovill were there. I sat next to Mr. May and recall something of his toast. I'm not going to try to quote him, but I'll never forget how well he spoke, with not a note of any sort in front of him. His remarks were the big event of the evening. I never saw George again.