

RARE BREED

The Entrepreneur, An American Culture

Interviews with:

Mary Kay Ash of Mary Kay Cosmetics
Melvyn Bell of Environmental Systems Co.

Helen F. Boehm

of The Boehm Porcelain Studios

J. B. Hunt of J. B. Hunt Transport

Paul Klipsch of Klipsch Loudspeaker
Systems

Robert Mondavi

of Robert Mondavi Winery

John L. Morris of Bass Pro Shops, Inc.

Jack Simplot of J.R. Simplot Co.

Gerald Smith of Allied Bankshares

Donald Tyson of Tyson Foods, Inc.

Roy Weatherby of Weatherby Firearms

Forrest and Nina Wood of Ranger Boats

William MacPhee

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**The Entrepreneur,
An American Culture**

William MacPhee

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Acknowledgements

The title, *Rare Breed*, is dedicated to Edward Marshall Boehm (1913-1969) in recognition of his accomplishments and contributions in the field of fine porcelain. He was a man of quality and integrity—in life and art. His porcelain creations are everlasting reminders of the “quest for the best” that *is* the American Spirit.

To you, Mr. Boehm, we dedicate this work, and we thank you. You truly personified the Rare Breed, America’s great natural resource.

We are grateful to Helen Boehm, wife of the late artist, for her contribution to this book.

This work is the combined effort of thirteen entrepreneurs who have dedicated their lives to perpetuating their species. By sharing their stories, often emotionally, they have contributed significantly to the rejuvenation of the entrepreneurial spirit, the driving force behind America’s success and continued vitality.

I thank you Mary K. Short and the Short/Wiley family for your friendship, tenacity, love, encouragement, and devotion, which were *vital*ly needed for me to accomplish this book particularly in the face of significant obstacles.

One thanks one’s parents with achievements inspired by their input and direction, and by sustaining their example, in one’s endeavors.

Acknowledgements

On January 24, 1987, the entrepreneurs interviewed in this book and 200 of their invited guests convened in Phoenix, Arizona for "An Evening With the Rare Breed." Each entrepreneur was presented with a leather bound, gold leaf copy of *Rare Breed* which was numbered and signed by all thirteen entrepreneurs. Also, nine copies of the special edition were auctioned and \$21,000 was raised for various charities. The success of this event was due in large part to Mr. Eugene Rondeau and Ms. Nancy Casper of American Airlines, who coordinated the transportation, and to the staff at Pointe Tapatio Cliffs Resort.

Special appreciation goes to Al and Susan Attee, whose efforts made the unveiling of *Rare Breed* a total success.

This effort faced numerous obstacles and at times I wondered if it would be completed. Its completion was due, in large part, to the professionalism, conviction, and support of Phil Kaplan, my attorney; Brent Leslie, my CPA with Arthur Young; and some very special people: David Hayes, Mark and Laura Yarbrough, Allen and Susan Attee, and Jim and Linda Short. These people certainly are Rare Breeds.

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Chapter 1

The Rare Breed

The Rare Breed

The twentieth century, and particularly the part of the century in which we live, is decidedly anti-heroic. In a world dulled by mediocrity and the constant intrusion of mass media, we have come to regard heroism with skepticism, accepting it only as parody and the stuff of fiction. Yet, ironically, the need for real flesh-and-blood heroes has not diminished in our culture, and this is no less true for our business culture. The hero is an important rallying point and role model, a tangible example to others that feats of incredible difficulty can be accomplished, that seemingly insurmountable obstacles can be overcome, and that strongly held beliefs and traditional values are far worthier human characteristics than cynicism and the self-absorbed obsessions of the “me-generation”.

The Rare Breed is about true American heroes of the business world. They are, each and every one of them, entrepreneurs *par excellence* whose individual business accomplishments are unique and nothing short of remarkable and whose positive influence reaches well beyond their particular enterprises and personal successes.

The Rare Breed is also about rediscovering and rejuvenating the American entrepreneurial spirit, which had lain dormant in this country for so many years, in the face of stiff foreign

competition, inflexible numbers-oriented management styles and laxness in product and service quality.

When we first undertook to write this book, our intention was to explore the specific characteristics that led to the considerable successes of some of this country's most remarkable entrepreneurs. To this end, we specifically selected thirteen entrepreneurs in twelve distinct industries to reveal the special qualities they possess that enabled them to achieve as they have. We found that although they are truly distinct personalities they nonetheless share many common characteristics and many of the same values and attitudes about business and life in general.

Rare Breed is a biographical exploration of the human side of enterprise, with all its personal joys of success and travails of failure, to which we now turn.

Our Rare Breed Entrepreneurs

Mary Kay Ash—Founder and Chairwoman of Mary Kay Cosmetics. In addition to producing an excellent cosmetics line, Mary Kay is highly regarded for the humanistic work environment she has established at her company, which encourages God, family, and Mary Kay Cosmetics, in that order. Her people skills, which are set forth in her book, *On People Management* (Warner Books, 1984) are held in high esteem internationally. Mary Kay also is respected for her optimistic and motivating leadership style, which, as you will read in our interview with her, she developed while overcoming incredible personal hardships over the course of her life.

Melvyn Bell—Founder, Chairman, and CEO of Environmental Systems Company (ENSCO), which is considered the largest, the most safety conscious, and the most efficient incinerator waste treatment company in America. Bell is highly respected for his tenacity in purchasing financially weak com-

panies and successfully turning them around. He is reknowned for his ability to identify and attract brilliant people to his team and to motivate them and direct their collective energies to the successful achievement of mutual goals.

Helen Boehm—Co-founder and Chairwoman of the Edward Marshall Boehm Company, the producer of the world's finest hard-paste porcelain figurines. She is respected for her exceptional promotional abilities which have enabled her, within the period of a decade, to launch her late husband's porcelain work into the international art arena, a task that normally would be expected to take several decades. Every U.S. President since Eisenhower has given Boehm porcelain as gifts of State.

J.B. Hunt—Founder and Chairman of J.B. Hunt Transport, one of the youngest and most profitable major commercial trucking companies in America. Hunt is known for his excellent business timing, often courageously taking positions contrary to popular trends. He also has applied his highly successful management style and business acumen to industries other than trucking, including banking.

Paul Klipsch—Founder and Chairman of Klipsch and Associates, a company with the reputation for building the finest stereo speakers in the world. Although Japan dominates the electronics industry worldwide, Klipsch is able to export 30 percent of its production, with much of it going to Japan. Japanese electronic manufacturers, in fact, are known to use Klipsch speakers to test their own products. "Your stereo system is only as good as your speakers!"

Robert Mondavi—Founder and President of Robert Mondavi Winery, producer of some of the world's finest wines. He is highly regarded for the technological advances he has applied to winemaking and for his innovative and participative management style, which relies on full contributions from all his people. He sees this as a key to the success and credibility of Mondavi wines around the world.

John L. Morris—Founder and President of Bass Pro Shops, the world's largest retail sports outlet and one of Missouri's most popular tourist attractions. Bass Pro is known for the excellent

full-color fishing catalogue it issues, considered by many professional sports fisherman to be the "industry bible." Morris is also respected for his ability to successfully manage three quite different types of businesses; retail outlets, catalogue sales, and boat manufacturing.

J.R. (Jack) Simplot—Founder and Chairman of the J.R. Simplot Company, which is the largest U.S. potato processor, the third largest U.S. cattle operation, the largest U.S. phosphate fertilizer producer, and a recent entry into the highly competitive electronic microchip industry. Simplot is highly regarded for his ability to manage waste efficiently and develop creative and profitable commercial applications for its re-use.

Gerald Smith—Co-founder of Allied Bankshares, one of the nation's most profitable commercial banks. Smith is respected for his ability to attract and motivate people and for his acute marketing savvy, through which he was able to focus the bank's efforts on a select and profitable banking market niche. He is known for his eagerness and ability to instill the entrepreneurial spirit in his employees, most of whom are stockholders in the bank.

Donald Tyson—Chairman of Tyson Foods Inc., the world's largest poultry processor. Tyson is respected for leading his company through the most protracted industry downturn ever, and having it emerge as the world's leading poultry processor. Tyson Foods was ranked first among Fortune 500 companies for return on equity in 1985 and was eighth over a ten-year period.

Roy Weatherby—Founder and Chairman of Weatherby, Inc., makers of the highest quality, safest, and most elegant sports firearms, which are often given as gifts of State by the U.S. government. Weatherby is credited with introducing the most innovations to sports firearms in the past 100 years.

Forrest and Nina Wood—Founders of Wood Manufacturing, the producers of Ranger boats, which are considered the world's leading sports fishing boats. Ranger boats are highly regarded for their safety, durability, effectiveness, and styling. The Woods are credited with numerable contributions to the multi-billion-dollar sports fishing industry.

Twelve Key Entrepreneurial Characteristics

In preparing to write *The Rare Breed*, we commissioned students at Stanford, Harvard and Vanderbilt

Universities to conduct research on the characteristics that are important to entrepreneurial success. We also surveyed 1,500 entrepreneurs by mail, soliciting their assessments of the traits they felt primarily shaped their business careers and lives.

Our reasons for conducting the research and survey were two-fold. First, we wanted to see what differences there were, if any, between the theoretical, conventionally held perceptions of the traits that lead to entrepreneurial success and those of real-world entrepreneurs. And, secondly, we wanted to use the results of the studies to establish a framework for our interviews with the thirteen entrepreneurs interviewed for the book.

One interesting thing we discovered in our research was that many of the entrepreneurial characteristics uncovered in the student research — including such traits as “decisive” and “well organized” — were not considered vital by the practicing entrepreneurs in our survey. We further confirmed these differences in the interviews with our 13 Rare Breed entrepreneurs, one of whom indicated that most of the traits identified by the student research were more appropriate for a book entitled “Effective Management” than in one about entrepreneurship. Thus the 12 traits that we decided on, which are listed below, were derived primarily from our survey of entrepreneurs and further confirmed by our interviews with the 13 entrepreneurs we introduced earlier in the chapter.

As you review the 12 traits, please keep in mind that the list is not meant to be all encompassing, nor do all the traits apply to all entrepreneurs to the same degree. The list merely reflects the traits that our sample of entrepreneurs felt were the most important in shaping their business successes.

The 12 characteristics are:

- | | |
|-------------------------------|-----------------------------|
| 1. Vision | 7. Independence |
| 2. Desire to Achieve | 8. Competitiveness |
| 3. Self-Confidence | 9. Possessiveness |
| 4. Desire for Recognition | 10. High Energy and Drive |
| 5. Opportunistic | 11. Promotional Orientation |
| 6. Ability to Make Sacrifices | 12. Resourcefulness |

Below is a brief explanation of each characteristic as it relates to the interviews in the chapters that follow:

Vision

This trait was ranked the most important by our entrepreneur survey respondents and was discussed most frequently by our 13 Rare Breed interviewees.

Entrepreneurs have always been thought of as having that rare talent of being able to “see” things in their environment — unexploited market opportunities, unmet consumer needs, new products, and so forth — that others cannot.

Entrepreneurs have described to us their ability to see in their mind’s eye the end result of what they want to achieve. If it is a new product they plan to develop, for instance, they actually can envision the physical characteristics of the product and can see customers buying the product and using it. Even before starting their companies, they are able to picture what their company will be and can see themselves managing employees and running operations that exist only in their imaginations.

This trait has been compared to daydreaming with a purpose and is not unlike the visualization or simulation techniques regularly used by successful performers and athletes. Many pro golfers, for example, will visualize a golf shot before actually hitting the ball. They will picture themselves making a perfect swing, seeing the club head strike the ball and watching the ball in flight landing on the green and rolling to a spot next to the hole. This mental simulation helps them program

their minds and bodies to accomplish the task at hand, according to Dr. Dennis Waitley, who has conducted extensive research on the subject for his work *The Psychology of Winning*.

Being able to visualize the successful result of their efforts helps entrepreneurs to overcome the assorted obstacles they may encounter along the way. It gives them the confidence and provides them with the energy and driving force to work their way through seemingly insurmountable problems and to buck discouraging trends and contrary thinking to reach their visualized goals.

Desire to Achieve Most successful entrepreneurs are goal oriented and have a strong desire to achieve the demanding objectives they establish for themselves.

Although all the entrepreneur survey respondents and Rare Breed interviewees agreed that money or wealth is a source of motivation, most contend that it was not their primary motivation. In most cases the accumulation of money is most valued for its ability to provide the entrepreneur with the independence to pursue his or her other goals. According to Nina and Forrest Wood, "Money is how you keep score, but once a minimal level was achieved for our independence to pursue our boat ideas, it was no longer an issue. The issue became accomplishment and watching our people at Ranger grow individually and collectively."

Some entrepreneurs talked about their desire to achieve simply for its own sake — J. R. Simplot, for instance, spoke of the appeal to him of "the hunt and the chase" — but others had more definite goals in mind, such as making the best product, providing the best service, being the most innovative, or developing the best people.

Self-Confidence

The very act of undertaking an entrepreneurial venture requires an incredible amount of optimism and confidence in one's abilities to survive and thrive in the world of business. It is this characteristic, coupled with their vision of the end results, that enables entrepreneurs to achieve their goals in the face of opposition. Entrepreneurs often can be quite alone in their business pursuits. They often choose to disregard "conventional wisdom" in achieving their goals, and thereby, often are questioned and even ridiculed by others. It is confidence in one's self and in one's goals and an optimistic attitude that help them endure. According to J. R. Simplot "nothing will ever be attempted if all possible objections must first be overcome."

Desire for Recognition

This is the entrepreneur's primary reward for his or her efforts, risks and sacrifices. As we touched on earlier in the discussion of achievement, money is not the principal motivator of entrepreneurs. They want to be recognized as doing the undoable, as providing the best products and service, employing the best people, and so forth.

According to Helen Boehm, "When President Eisenhower commissioned Boehm to create the porcelain 'Polo Player' as a gift of State for Queen Elizabeth and Prince Phillip, we finally gained the international recognition we worked for and deserved." This theme runs throughout our interviews: To build the best and to be number one. As Roy Weatherby said, "Ego and recognition for achievement are powerful driving forces. Everybody appreciates being recognized, but the entrepreneur thrives on it."

Opportunistic as to Luck and Timing

As Gary Player, the professional golfer, is quoted as saying, "Sure, luck is important, but the more I practice, the luckier I get."

Most of the entrepreneurs we talked to readily admit the