

CHEMICAL HERITAGE FOUNDATION

WILLIAM WISHNICK

Transcript of an Interview
Conducted by

James J. Bohning

at

Witco Corporation
New York, New York

on

13 May 1991

(With Subsequent Additions and Corrections)

THE BECKMAN CENTER FOR THE HISTORY OF CHEMISTRY
Oral History Program

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William Wishnick

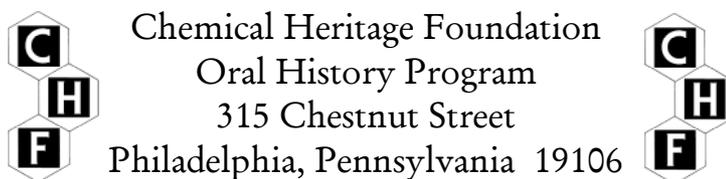
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WILLIAM WISHNICK

1924 Born in Brooklyn, New York on 9 November

Education

1949 B.A., business administration, University of Texas

Professional Experience

Witco Corporation

1949-1950 Manufacturing Department, Chicago, Illinois
1950-1951 Chief, Manufacturing Operations,
Perth Amboy, New Jersey
1951-1953 Sales Department, Organic Division, New York
1953-1955 Vice President and Treasurer
1955-1960 Executive Vice President
1960-1964 Vice Chairman of the Board
1964-1990 Chairman of the Board
1971-1975 President
1971-1990 Chief Executive Officer

Honors

1989 D. Eng. (honorary), Polytechnic University

ABSTRACT

William Wishnick begins this interview by describing his parents' careers and the founding of the Wishnick-Tumpeer Chemical Company in 1920. His father's company—now called Witco—expanded with the acquisition of several domestic and international companies and went public in 1958. After serving in the military and completing his education, Wishnick began working for the company in 1949. Wishnick served as vice president and treasurer, executive vice president, president, and chairman of the board and chief operating officer until his retirement in 1990. Wishnick discusses how the company grew with the addition of manufacturing and marketing, the purchase of other companies, and the diversification of product lines. Wishnick concludes the interview by discussing how the nature of doing business has changed over the years.

INTERVIEWER

James J. Bohning, Assistant Director for Oral History at the Chemical Heritage Foundation, holds the B.S., M.S., and Ph.D. degrees in chemistry. He was a member of the chemistry faculty at Wilkes University from 1959 until 1990, where he served as chair of the Chemistry Department for sixteen years, and chair of the Earth and Environmental Sciences Department for three years. He was Chair of the Division of the History of Chemistry of the American Chemical Society in 1986, and has been associated with the development and management of the Foundations's oral history program since 1985.

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INTERVIEWEE: William Wishnick
INTERVIEWER: James J. Bohning
LOCATION: Witco Corporation, New York City
DATE: 13 May 1991

BOHNING: I know that you were born on November 9, 1924, in Brooklyn, and that you are the youngest of three children. I've read a lot about your father, but could you start by telling me something about your mother?

WISHNICK: My mother [Freda Frankel] was born in Eagle River, Wisconsin, number five of five children. It was a little lumber town up in the north woods of Wisconsin. Later in life, my father bought a place up there where I used to spend summers as a kid.

The eldest two of the five children, following the tradition of families, went to work in the family store. My grandfather had a soft goods store, selling shoes, dresses, cloth, and things like that, for this little town of Eagle River, Wisconsin. The other three went to college, and don't ask me how they did it. One uncle was a doctor, one uncle was a dentist, and my mother, who graduated from the University of Wisconsin, was a school teacher. She went back to this little town of Eagle River, Wisconsin to teach. It was a one-room schoolhouse. To this day, when you drive to Eagle River the sign says 1,491 people, so I don't know how many kids they had in school fifty or sixty years ago. My father was born in 1892, and my mother was born in 1896, so she probably graduated from college in 1917. She taught twelve grades because she was the only schoolteacher. It was a one-room schoolhouse and whatever child came in she taught. She was a math major, but minored in other things. She used to tell us that when somebody would ask a question in, say history, she'd always say, "That's ahead of the class. You've just got to wait and we'll cover that next week." That night she'd go home and study that. [laughter] So she studied with the students.

So that's her background, a schoolteacher from the University of Wisconsin. She met my father at the wedding of her college roommate. Her roommate married my father's boss, Max Wollenberg, who owned a chemical jobbing company. They met at the wedding and forty-one days later my mother and father were married. My father was impetuous. [laughter] He wanted to get it done, and was not going to wait, so forty-one days after they met they were married. Later on they moved to New York.

She was from this small town in Wisconsin and just a wonderful woman. She loved to fish. I have some pictures here

that we've taken down from the wall because we are moving. This is a picture of her with her fishing rod, catching fish in Wisconsin. Those two pictures over there are of my grandparents' fiftieth wedding anniversary in 1929. Here are the five children. [pointing to photograph] He [Uncle Dave Frankel] went to work in the store, and she [Aunt Susie] went to work in the store and married there. He [Uncle Andrew Frankel] was the doctor, and traveled with the John Philip Sousa band. The Influenza epidemic was killing tens of thousands during World War I. The books about John Philip Sousa say that Doctor Frankel was the band doctor and nobody died of Influenza. He [Uncle Joe] was a dentist out of Milwaukee. That's my mother and my father, and all the little kids.

BOHNING: That's very nice. It goes back a long time.

WISHNICK: Yes, this goes back. It's good; that's what history's about.

BOHNING: Yes. You've written in your Newcomen address (1) about your father [Robert I. Wishnick] and how he arrived in this country when he was about four years old.

WISHNICK: That's right, something like that.

BOHNING: When he went to school at Armour, was that just at the beginning of World War I?

WISHNICK: Yes, he was born in 1892 and I think there's a picture of him in 1914 as a chemist. So it was just before World War I. Remember that the chemical industry before World War I was mostly German; there was a small American chemical industry. The dyestuffs and the sophisticated things all came from Germany. We had sulfur and caustic soda and things like that, but nothing was really sophisticated.

BOHNING: How did he get that interest in chemistry?

WISHNICK: The story he tells, which I believe, is that he initially went into fire protection engineering. It was a big thing because of the many fires, like the Chicago fire, and the chemical industry was nothing. I guess that fire protection was very important at that time. He had lost one arm in a boyhood accident. The first semester in the wintertime he was climbing ice-covered fire escapes, and he decided that wasn't for him. [laughter] So he switched, and one of the few other things that

they offered was chemical engineering. A poor Russian immigrant with one arm doesn't usually take chemical engineering in 1910, or whenever he took it, but he did. He switched from fire protection engineering to chemical engineering.

Armour Tech became Illinois Tech. My father was on the Board of Armour Tech and Illinois Tech. A fellow named Harris Pearlstein, who in the past was the head of Pabst, was also a graduate. It was named after the Armours, but when the Armour family in the 1930s couldn't support the school financially, my father and Harris Pearlstein put together a group of old alumni and picked it up and kept that school going.

So it was the Armour Institute of Technology then, and when my father graduated from Armour, he continued night school. That was how he became a lawyer. He went to a downtown school called Kent College of Law. First Armour became Illinois Tech, and Illinois Tech merged Kent in with them as their law school, so both his law school and his undergraduate school became part of Illinois Tech. He was on the Board of Trustees almost until he died.

BOHNING: You've commented also in that Newcomen address (1) about how well he was able to function from a young age with only one arm.

WISHNICK: Amazing, amazing.

BOHNING: Was he seven or eight when it happened?

WISHNICK: Nine.

BOHNING: Going into chemical engineering and working in a laboratory must have been quite a challenge.

WISHNICK: He used to tell stories of how he did it. He said the best thing that ever happened was that his mother wouldn't help him. She made him do everything for himself. And he started doing things for himself. You wear shoelaces. I don't; I'm just lazy. But he always wore shoelaces. He could tie shoelaces and ties, clean fingernails, eat. If you spent ten minutes with him I think you'd forget that he didn't have an arm. He played a good game of golf, he played tennis, he drove cars when the shift was on the floor and he figured out ways to hold the wheel with his elbow while he shifted gears. The only thing that he really needed help for, and it killed him, was lobster. [laughter] You really can't eat lobster with one hand. You really can't hold it and do it. So with lobster he'd let them take the meat out of

the shell. Otherwise, he'd kill you if you ever went to help him. He developed ways to hold things. He had half an arm, so he could hold things underneath. Later in life, he developed for himself a very lightweight arm. It didn't function, except that he could snap the fingers open so it would hold cards. He was a fine bridge player, so he could snap them open, put the cards in, and then hold the cards to play bridge. It was just short, very lightweight, with a glove on it, which made it easier.

BOHNING: Do you think that early experience helped his determination through life?

WISHNICK: Definitely. He was the most determined man I ever knew. He really was. A very bright man.

BOHNING: Do you know why he pursued a law degree after he had his chemistry degree?

WISHNICK: I don't know. I guess it was just a habit of work. Today we go home and we watch television. In those days I don't think they even had radio. I don't think there was radio. I can remember a car radio in 1929, when we'd pull along the side of the road and listen to Eddie Cantor sing on Sunday night or something like that, but around World War I I don't think people had radios. So there was nothing to do at night. You read a paper, you read a book, spent time with the family, but there were no diversions. So school was just the normal way of life, completing education, continuing it. There was no obstacle that he felt he couldn't surmount.

BOHNING: Well, you certainly made that point clear when you described the fire that he accidentally started (1).

WISHNICK: It is a true story. That was when he was working as a chemist in somebody's [American Magnesium Products Company] little laboratory. He literally was the production foreman, chemist, salesman, bookkeeper, and answered the phone. At the time they were buying some kind of wax. My father went to the John Crerar Library in Chicago and found a formula blending two waxes. He put the two waxes together and heated them with a Bunsen burner. When he went to answer the phone, the wax boiled over and caught fire. That rented space caught fire and it spread. The big fire was next door, with the complete flour warehouse just [clap] gone.

BOHNING: How long was it between that fire and the time he got the job with A. Daiger & Company? Was he unemployed?

WISHNICK: He graduated from school around 1914. My parents were married in 1918, and the company was founded in 1920. So he worked in different jobs for about four years for other people, and then got married and struck out on his own.

BOHNING: Why did he go out on his own? How did he meet the Tumpeers?

WISHNICK: I don't know. In Chicago he met the Tumpeers through somebody through somebody. I showed you that picture of all three of the Tumpeers, but all three didn't start at the same time. The company was founded in May of 1920. My father owned 51%, and the older two Tumpeers had the rest. David Tumpeer was an inside man; today you would call him an administrator. He was an efficient guy, doing order processing, records, books, watching sales expenses. Julius, the eldest brother, was a great salesman. I didn't know Julius, because he retired before I came to work for the company. But they said he was one of the greatest salesmen ever alive. So he was the outside man, Dave was the inside man, and my father was the businessman. Julius and my father covered Akron and the rubber industry. You've got to remember there was no plastics industry then. Chicago in those days was tanning, leather chemicals, and ink. A lot of printing was done in the Midwest, like the Sears Roebuck catalog, but there was no rubber. But the products that they jobbed in those days had some application for rubber—fillers, clays. There was some rubber processing—a little belting, some hosing. But rubber was Akron, so my father covered the major accounts in Akron, which were big volume accounts. Julius Tumpeer covered Minnesota and Illinois and I guess Indiana, places like that.

So it started with the two brothers. How did he meet them? I guess through people. If you want to know, there's an old-timer I'm going to see in two weeks, whose name is Jerome Harrison. He was part of the Tumpeer family. He's eighty-two and retired now. I'm taking him to Las Vegas. I always get a little vacation, with another old employee. When I first started with the company he was very nice to me. I started working in Chicago with Jerome Harrison. Jerome Harrison's cousin was a doctor, I. Harrison Tumpeer. (Don't ask me. [laughter]) I. Harrison Tumpeer was also an original stockholder in the company; the original of the Tumpeer's 49% was split up and Dr. Tumpeer had some stock. I have a feeling that my father knew I. Harrison Tumpeer socially, probably meeting him when he was working. The Tumpeer brothers were his cousins, and they met. I don't know if Julius had sold before, but my father had some capital he had saved. In those days people saved, they didn't go to Las Vegas and spend it. [laughter] The original capital was \$50,000; I think they put this in to start. The two Tumpeer brothers and the doctor, I. Harrison Tumpeer, collected \$24,000 or \$24,500,

and my father had saved and borrowed \$25,000. That was the original capitalization of the company.

BOHNING: That's a good sum of money for that time.

WISHNICK: Yes. I guess as a jobber they bought carloads and sold LCL [less than carload lots]. It isn't like today, when you are a representative and don't have to take any credit risks or carry inventory. In those days they were true jobbers. I've got some pictures here of some really old trucks. They are beautiful pictures of real old chain-driven trucks with the name Wishnick-Tumpeer on them. They had to deliver in the area, so they had to buy a truck. They had to get a warehouse, and when they bought they had to pay their bills. My father was also a very smart financial man. He always believed in getting money when you didn't need it, because when you do need it you may not get it. We've always as a company inventoried money. A couple of years ago we borrowed \$150 million at 5 1/2%. We didn't need it, because we had money on the balance sheet. That's why I think we grew, because money was never a problem with the company. Projects were always approved. Since I've been with the company nothing has ever not been approved. If you look at our balance sheets, you'll always see \$100 or \$150 million in cash or equivalents. Now we're down. We just bought the DeSoto Chemical operation in Texas for \$65 million and last year I bought in \$24 million of our stock. They said, "We have authorization to buy \$100 million. Why don't you do it?" I said, "When we were working on the DeSoto deal it was a bidding game. I didn't know if we were going to buy it or not, so you follow the process of buying in our stock." But the minute it was a done deal, or almost a done deal with DeSoto, we quit buying the stock, we bought DeSoto instead, but used up almost \$100 million. It was 65 and 24.

Even to this day, I'm still looking. Our balance sheet shows \$84 million cash at the end of March. I'm not talking inventory, I'm talking cash cash. At the finance meeting next week I feel we should go and get another \$100 million. Get it while you can get it. Interest rates are down, stock prices are up. That's the way we built the company. We built the company by internal growth and acquisitions, and we always had the money.

Yes, it was a lot of money in 1920, but it was soundly financed and it was going to pay the bills. With that \$50,000, you buy a truck and you get an office and you start buying a carload of this and a carload of that and bring them into the warehouse; you've got to pay the bill. Now you've got to slowly sell them out. That's why both of us were crazy on inventory. Crazy by getting the company to keep inventories down, because he went through not having the money or needing the money to buy the next round.

BOHNING: How many employees did he have when they started out?

WISHNICK: I'm glad you asked. I've been going through some of my father's old papers here. He had lots of papers from those days. Now we don't save anything. My secretary won't let me save a note. If I confirm something to you, she makes me throw everything away. Every year. This is 1991, and the 1989 files are finished. I've got here a list of every employee on the day we went public in 1958. I found it in his old files. It's interesting, because I knew everybody by name. Almost everybody by first name. I've never counted them, but it was 1958 and by then we had four factories. We didn't have that many people.

BOHNING: What are you going to do to preserve these papers?

WISHNICK: I give them off and on to the people here at our own archives.

BOHNING: So you do have a company archives?

WISHNICK: Yes.

BOHNING: That's good.

WISHNICK: For example, stuff like this. Everybody who went to war in World War II, he wrote to. He sent everybody a present, and told them their job was held for them. The answers here are really great. Almost everyone answered in 1944 and 1945, longhand or V-Mail or anything else. It's so interesting. He was a very considerate man.

He was all company. He never drew more than \$48,000 in his life from this company.

BOHNING: That's incredible.

WISHNICK: I'll show you his pension; it's right here. He was the founder of the company, a very generous man, but never had much money. [leafing through pages] We went public in 1958. In 1957 his pension benefits were \$500 a month. And he was a consultant for \$10,000 a year. That was all he wanted. He was the boss; I'm telling you, he was the boss! [laughter]

BOHNING: That's amazing.

WISHNICK: That isn't today, is it.

BOHNING: No.

WISHNICK: Even with me, it isn't the same today. [laughter] Of course, that's in 1958, before inflation.

BOHNING: Still, considering everything, that's still not very much.

WISHNICK: His pension was \$500 and \$10,000 he took.

You asked how many employees did they have? I don't know, but they had the one office. There were the two Tumpeers, and my father made three. I'm sure there must have been a girl; that's four. Maybe there was a bookkeeper, maybe not, maybe an accountant. Maybe six or seven people to start off with. I'm sure, if I know my father, he just started off with the two Tumpeers and himself, and then they worked their way into a secretary.

If you want copies of any of this I'll be happy to make them.

BOHNING: Yes, if you don't mind.

WISHNICK: [reading from document] But 1958, August 20th. Sales office, Akron, main office, Boston. These are sales offices. We had the Brooklyn plant on the fourth floor of Bush Terminal, making metallic stearates. The warehouse for jobbing items, general trucking, Chicago office, which were sales and some purchasing, but then we had the Chicago plant. So we had the Chicago plant in 1958, Chicago plant research, Houston office. Lawrenceville was an asphalt plant; that's two. Lynwood, California, a small plant we bought from a paint company, makes three. Perth Amboy was another location; four, and that's it. We had a little plant we started in Georgia, so we had four locations. If you want copies I'll be happy to make them.

BOHNING: Yes, I'd like copies of that sheet.

WISHNICK: It's no problem. This is the retirement agreement. [see following page]

BOHNING: It's absolutely amazing.

WISHNICK: Well, I take it back. [looking at another document] He was astute. He was frugal in 1957, but five years later compensation for service is in this agreement. "We agree to pay to Mr. Wishnick the sum of \$20,000 per annum for the remainder of his life, effective January 1, 1962." So for the first five years he took \$10,000 a year, but then he covered himself in case of inflation. [laughter] "Payable in quarterly installments for the rest of his life." So he took \$10,000, then \$20,000 after five years.

BOHNING: In 1962 he would have been seventy?

WISHNICK: He was born in 1892, so yes, in 1962 he would have been seventy.

What was the question, "How many employees?"? It's funny, I knew everybody here personally, I can add these up. [referring to document] This is from the day we went public in May of 1958 and these were all the employees of the company. I've worked in practically every location. All the sales offices worked for me. I was in charge of the chemical division which was the Chicago and Perth Amboy plants, and I knew everybody by first name in the whole company.

BOHNING: By comparison, what is the company today?

WISHNICK: Well, too many. [laughter] As my father got older, it was harder for him to comprehend it. It's one thing running a business, another thing building one, and when you build you need some long-range planning. We would have a Christmas party, and when we were fairly small, you could look around and recognize people. Then we bought companies and grew. We bought Argus in Brooklyn and we brought them over to the party. He'd look around and say, "Who are all these people?" And I said, "Pa, they are from Argus, and there are some people from Sonneborn." We bought Sonneborn Chemical and Refining Company in 1960. It was a big company. And he said, "Do they all work here?" I said, "They all work for the company, Pa." He said, "Do me a favor. Fire one." [laughter] He said, "Can't the company get along with one less person?" I said, "You're right. You can always get along with one less person, but you're building the future. If things get tough we will, but right now, we're going to keep building for the future." But he could never understand. A lot of people, a lot of non-productive people.

Salespeople he loved. Whenever things were tough he would say to the sales department, "Get holes in your shoes, and I'll buy you new shoes." To this day I have bets on the company shoes. But he loved salespeople. He just couldn't understand, as business got more complex, the problems of the departments that we have here today. We have twenty-one people in the safety, health and environmental area. The legal department. He never had a lawyer. When you needed a lawyer you picked up the phone and you called your friend the lawyer. Now we've got a patent lawyer and we have an ecology lawyer, and we have this, and we have that. It's tough today, it really is, for a small business. It's very difficult for a small business to survive in this environment. You've got to be big to be able to afford the staff that you've got to have to exist, to stay alive. I don't know how a small, \$30, \$40, \$50 million dollar sales company survives today, with the amount of people that they need, that are not productive.

So how many people did we have then? I'd say six at the beginning. We went public in 1958 and I'll give you a copy of this and you can count them yourself.

BOHNING: Okay.

WISHNICK: But again, I say, to every one of these people, you've got a story, every one. My God, there's a name I forgot. She was my secretary, Nadine Grouse. [laughter] That's thirty-three years ago.

BOHNING: Let's go back to the early days again. As I understand it, your father came to New York because one of the Tumpeers didn't like it here and they switched.

WISHNICK: Yes. They felt that New York was growing. After World War I, New York industries changed. Paint was very big in New York. Remember, they were jobbers, distributors, and as they got a line, you just couldn't buy a carload. You had to be a bona fide distributor, warehouse, so you wouldn't be double competition. Before I mentioned Chicago, and I talked of tanning, some rubber, and ink. But not paint. For some reason, New York was the paint area. As they developed, they got other lines, more towards paint. Magnesium carbonate, some colors, siennas and umbers and things that went into paint. In those days it was lithopone, before titanium dioxide was around. They came to New York. I think it was Julius who came here, but he wasn't here long. He just didn't like New York. They were Chicago people, and his brothers and family were there. So my father said, "If you don't want to do it, I will." That's when he came in. I know my brother and sister were born in Chicago, and I was conceived in Chicago, and carried and born in New York.

So it must have been in the summer of 1924 that we came because I was born here in New York in 1924 in November.

[END OF TAPE, SIDE 1]

[Wishnick's secretary, Dorothy Rubinovitz, enters]

WISHNICK: He would get mad just to show you, and he'd do it, too.

RUBINOVITZ: He was a tough guy. He was one tough guy.
[laughter]

WISHNICK: We've been jumping around. When he retired in 1958, we went public.

I'm moving out because I retired. We want to move out, don't we Dorothy?

RUBINOVITZ: Oh, God, yes.

WISHNICK: He stayed in the office until he died in 1988. He wanted something to do. We said, "Okay, take the international division." Well, we jumped on an airplane and went over. Within a year we had bought a company in England, we bought a company in France, and we bought a company in Belgium. We had a big international business within a year. I couldn't believe how fast. He worked with the banks and he worked with consultants. He found three or four companies we could acquire very quickly, in one year. I'm talking manufacturing, I'm not talking sales. That was about 1959 or 1960 that he went over and within a year we had an ongoing operation. Then he turned over the operations, and that's when the problems started, with the prima donnas and the principals and the language problems and financing. But he did it, I'll tell you. He kept busy.

So I'd say he came east in the summer of 1924. Over the years this territory developed more. It became the international center, the banking center. Chicago stayed as just manufacturing. We had the one plant in Lawrenceville in 1924.

BOHNING: Is that the asphalt plant?

WISHNICK: Yes. The Pioneer Asphalt Company was owned by Sir William McKenzie of Canada. It was built in 1903. They sold it

to Wishnick-Tumpeer, who were distributors. That's one of the few companies that made what we call today MR, which is Mineral Rubber. It is a very hard asphalt, like a rock, an oxidized asphalt. When you make asphalt you take a flux, a petroleum by-product, blow air through it and in the air process, it actually oxidizes. The more air you blow through it, the melting point goes up on the asphalt and down on the penetration, which is the hardness. I won't get technical on how you measure penetration—it's in a fixed water bath with a fixed ball dropping through a certain distance, and then the temperature must go up at a very steady rate.

Today roofing asphalt would be 160° melting point. In MR, the Mineral Rubber, it was over 300°. It was like a rock. It was actually oxidized to death, which knocked out all the low ends of the volatiles. This is exactly what oxidation does; it changes the melting point and the hardness. They pour it into big pans, and let it solidify for two to seven days; the heat in there is tremendous. In the old days it was broken up with pick axes and put through grinders. When I first went to work in 1950 in Perth Amboy, they were making MR. You take hard asphalt and grind it, and the fine dust gets in your hair and your ears and your nose, and there's no way to get it out. Solvents are the only way to get it out, but you really can't put kerosene in your ears. I was a newlywed [laughter] and I'd come home and on my beautiful sheets in the morning, you'd see nothing but black. Shampoo didn't help the hair either.

That was the first plant that was bought in 1924 from Sir William McKenzie. They sold MR to the rubber trade, who used it as an extender in compounding rubber. When they compound rubber in a Banbury mixer they add the MR. A Banbury is hot and there's a lot of sheer. By putting the asphalt in, it was really extending the rubber, but also adding certain softening properties to rubber as the asphalt MR melted down.

So they represented the company, and knew the company, before they bought it in 1924. After 1924, as I read the files of the company, there was a slight divergence between the Tumpeers and my father. I've got some legal files on it. They really didn't want to go into manufacturing. They couldn't quite see putting the capital into fixed equipment. They liked the idea of buying and selling. Whatever's left over you can keep, and you don't have any great fixed investment. My father always felt that manufacturing was the future. Although they stayed comfortable together all those years, I can see in the Board minutes what was happening. They were good friends, and they got along fine, but there was this divergence about the goals of the company, between manufacturing and buying and selling. Although it never came to it, my father, as I see in the files, was prepared to go with his 51% and say, "Goddamn it, that's it." It never came to that. He got good legal advice about what he could and couldn't do at the Board level, as ownership versus being outvoted, two of them to one of him. By then there were three,

because Joe Tumpeer had come. So that was the goal of manufacturing, a lot of investment into equipment, inventories, receivables, people.

BOHNING: When was the plant built in Perth Amboy?

WISHNICK: I'll say this, for the record. I've never been sued, personally. I've never sued anybody, personally. I've never been in court my whole life, except as a juror. I have a very bad memory and can't remember anything. I don't keep any files. So I've never really given more than one deposition that I can remember. My father was the same way. He had never been in court, never sued anybody, never been sued. He felt that it was better to settle and go back to work. Don't waste your time. He used to laugh at me when I wanted to go to court. I knew we were right. "I want to go to the wall. I'll pay the bills," I'd say. "I'll pledge all my stock. The sonofabitch isn't going to get away with it. I don't care if it costs me a million, I'm not going to pay the \$50,000!" They'd laugh at me. [laughter] He was a very practical man.

I bring this up because of Perth Amboy. Perth Amboy was built in 1948. It was built adjacent to what is called the California Refining Company. California Refining still is there. It's a big plant, but it's now mothballed. We were to take the flux and become their distributor for the whole Northeast area, including paving grades; not just hard asphalt but all asphalt. We were to be their asphalt distributor by taking and upgrading. They had a gasoline refinery and we took all the asphalt bottoms. We built the plant, and by the time the plant was built they changed their minds, and we were only to get asphalt flux for our own oxidation, roofing asphalt, with nothing to do with paving, which is the big thing. Paving is 100 to 1, practically. American Bitumuls, which was one of their divisions, took over the marketing. We had a big plant there and no sales. Again, if you look in the files, everybody was mad, but we didn't go to court. He wanted to go to court, but changed his mind, and didn't go to court. We built up an asphalt specialty business instead. It was a small volume.

I went to work in Perth Amboy after I started in Chicago. That was built in 1948, started up in 1949, blew up in 1949, started up in 1950, blew up in 1950. It kept blowing up. [laughter] We'd get these flashes, so much so that the tops of the asphalt stills where they're oxidizing would blow off. When we rebuilt it was nothing but extremely heavy welds, and nothing practically but chicken wire, like blowout patches. You almost couldn't walk on the roof because it was so fragile, so that the explosions would pop. Boom! Off would go the whole roof like a flying saucer. [laughter] They never popped. We never could figure out why. They were just chicken wire with a little bit of asbestos and stuff on them. They still blew. So we changed the

whole process from vertical stills to horizontal stills.

BOHNING: Let me come back to your early life for a moment. We're probably going to end up jumping around because so many things are intertwined.

WISHNICK: Okay. I jump around a lot worse! [laughter]

BOHNING: What was it like growing up in Brooklyn?

WISHNICK: I loved it. I always loved it. I was a happy kid, always was.

BOHNING: Where were you in Brooklyn?

WISHNICK: 858 East 24th Street. 24th Street and Avenue I in Brooklyn. Typically, as you made a few more dollars, people moved from Flatbush to Eastern Parkway. You wouldn't know Brooklyn now. Eastern Parkway is probably one of the worst areas in New York. The Grand Army Plaza was magnificent; it was built like in France, with big avenues. It was just beautiful. So you made a little money and you moved to Eastern Parkway to an apartment building or a two-family house. You made a little more money and you went to Westchester. This was the Jewish trend out of New York City, first to Mount Vernon and then to New Rochelle, where I went to high school. My parents bought a house there in 1936 or 1937, and I graduated from high school in 1942. The banks in those days swore they'd never lend more than 50% on anything, because they all got burned, and the banks owned the houses. They're right back doing it again. They're getting burned, because they loan them more than 50% of the value. The value on most of these properties hasn't come down that much, but they lend 70, 80, 90%, sometimes 100%. My son-in-law in California thinks he's a genius when he refinances his house. I say, "You're borrowing more money, that's all you're doing." The banks are lending more and more, and then when you're turned down the banks get stuck.

So they bought the house in 1937 in New Rochelle.

BOHNING: I've read that you have said that you always knew you were going to work for your father. How early did you have that feeling?

WISHNICK: I started working when I was twelve, in 1936. The Chemical Exposition of New York in Grand Central Palace. It was

in Grand Central Palace and nobody remembers it. It was an exhibition hall. I remember going to Lexington Avenue, the Grand Central Palace. We had a little display booth with little jars of chemicals for the paint industry. I was a page boy in blackface, Johnny, "Call for Phillip Morris," starting at twelve. In the summers I'd work in the plant or laboratory, and at Christmas vacation I'd go to the downtown warehouse and push barrels. I always knew.

BOHNING: What about your brother and sister?

WISHNICK: My sister is in the art world. She's got the culture of the family, really, great culture. I'm proud of her, really proud of her. She's kept a very low profile until recently, but in contemporary music and contemporary arts, she's been supporting musicians and artists for the last thirty years, like the Italians used to do. Most have become very famous. She's got very good taste in composers and artists. She's finally come out of the closet as a major supporter of avant garde things. She graduated from Wellesley, and she's got all the culture.

My brother's his own boss. My brother likes things his own way. He's not a corporate man, he's an entrepreneur. He's now retired, but he was more entrepreneurial, doing things his way.

BOHNING: So he stayed away from the company.

WISHNICK: No, he was with the company for many years. He was with the company in Texas, he was with the company in Chicago, he was with the company in New York, but it didn't work out.

BOHNING: He was on the board, though.

WISHNICK: Oh, yes.

BOHNING: Was your sister on the board?

WISHNICK: No, she was never on the board.

BOHNING: Oh, her husband was on the board.

WISHNICK: Her husband worked for the company. He was our west coast manager, did a very good job and got promoted to national sales manager here in the east, and within the first month I knew

it was wrong. [laughter] Californians have a different way of life, I'm telling you. They don't work like we work here. You may laugh, but I've seldom been successful in promoting people from California. Chicago, Houston, yes. But California, no.

BOHNING: That's fascinating.

WISHNICK: Let me get a knife. Is that a big enough sandwich for you?

BOHNING: That is a typical New York sandwich.

WISHNICK: That's the small size. [laughter]

So my brother developed some entrepreneurial businesses, one of which he sold to Zurn Industries. He made hydraulic steering mechanisms and automatic bilge pumps for the marine industry. He liked antique cars, and was very big into antique car museums.

Nepotism never played much of a part here. I think I made it on my own because I was good. [laughter] We never had any relatives. My father personally asked his son-in-law to leave when he wasn't working out too well, and the same with my brother. They never had any hard feelings. They just weren't happy with the company.

BOHNING: But you were.

WISHNICK: I loved it. Up to a point! [laughter] After forty years it got tougher and tougher.

BOHNING: So you went to high school in New Rochelle? Did you have any early schooling in Brooklyn?

WISHNICK: If so, I don't remember. I remember Mount Vernon. In 1937 we moved to New Rochelle, when I was thirteen. Before that we lived in Mount Vernon and Pelham Manor. I'm sure I must have had a little schooling there but I just don't remember it.

It's amazing. I have a fifteen-year-old daughter now, and of course I have grandchildren, but it's hard to realize, when they're four, five, or six, they're not going to remember one damn thing that happened to them, you know? [laughter]

BOHNING: Yes.

WISHNICK: They won't remember. At what age do you really start remembering? Ten, eleven, twelve, I guess. What's the earliest you really remember?

BOHNING: I can remember some things at six, but only because it was a traumatic experience.

WISHNICK: Little things. But I mean, everyday things.

BOHNING: No, you're right.

WISHNICK: It's amazing. [laughter] They don't remember a damn thing of what I'm doing with them. I'm going to California on the 27th to see my four grandchildren, and they won't remember. Okay, that's life though; you can't help it.

BOHNING: What about high school? Did you have any special experiences?

WISHNICK: No, it was just straightforward high school. Chased girls, didn't do too well. No sports, no Boy Scouts. I was not much of a student. I didn't really care for studying. When World War II came along, I was sort of happy; [laughter] it got me out of school.

BOHNING: But you did go to Carnegie Tech before the war started.

WISHNICK: Yes.

BOHNING: How did you end up out there?

WISHNICK: I went to look at different engineering schools. The day I went to Pittsburgh was probably the one good day of the year they had that year. Pittsburgh was an awful town in the 1940s and 1950s, until they started cleaning it up. It's now a nice town. But it was probably the one good day. The Kiltie Band was playing, the sun was shining, the girls were laying around watching the band, there was a little football field there—what heaven! And it was close to New York. The old airport in Pittsburgh was on the Carnegie Tech side. To get to the new airport now you've got to go through downtown and all the way out. But the old airport, which was built on a slag heap,

was only about twenty-five minutes. Carnegie Tech was on the right side of town also, if you're driving back to New York. It was close, convenient, beautiful school, engineering school, small, ideal. But I never saw the sun again. [laughter]

BOHNING: Were you then drafted or did you volunteer?

WISHNICK: I was drafted. I graduated from high school in June of 1942, and went to Carnegie Tech in September. I was drafted in January or February of 1943. I was going to enlist, and decided not to enlist. They would come to get me anyway. You could tell that right away. I went off to the army in early 1943, and went to Jefferson Barracks in St. Louis for basic training. My group was shipped out to go overseas, but I got mononucleosis. I was left back from my class and picked up another class. I went overseas to the Pacific in late 1943 or early 1944. When I was overseas something came through about "who wanted to go to West Point?"

BOHNING: Where were you in the Pacific?

WISHNICK: I was in Hawaii at that time. It was an aviation engineer battalion building air strips. Our group built the air strip at Makin, which was right next to Tarawa. The marines landed at Tarawa, and the army landed at Makin. It was the 804th Aviation Engineer Battalion. They worked out of Hawaii, and would come back and re-equip. Something came through in late 1944, about applications for West Point. To make a long story short, I applied. They picked a certain number from the central Pacific to come back and study for the class of 1945. I think there were five picked from the central Pacific from the army. I came back and went to Lehigh University, in what was called USMAP, US Military Academy Preparatory School. It was Cornell, Lehigh, and another school. There were sixty in each, a total of one hundred and eighty, competing for a few openings for the army. There were also navy and political appointments and things like that. So I came back and went to school at Lehigh in early 1945, and in April of 1945 I took the test. I'm color blind, but I talked my way through. I was a pretty good talker. [laughter] I somehow pleaded to have them not give the Ishihara test, which is the dots. I couldn't see black on white practically. They fool you, making a five look like an eight by adding some brown to green or something. I asked for the String test, which I could pass. The basic colors I could tell, but not the shadings.

I took an oath for eight years in the service and went to the Military Academy on July 2, 1945. It was an eight-year hitch—four years in the Academy, and a four-year hitch in the army, "unless earlier discharged." The atom bomb went off in August. The war was over. I went there in July, but they kept

threatening everybody. They claimed that my class of entry in 1945 was the largest single starting class in the history of the Academy and the graduating class of 1948 or 1949 was one of the smallest of the last decades. Everybody who knew a congressman or a senator and had some clout could or would get appointments so their son wouldn't get killed, and in 1944 or 1945, a lot of kids went there. There was a tremendous waiting line to get out. You got in line to resign. They had hearings, "Why do you want to resign," and everything else. I think they didn't want to spend all that money on the education. So I put in at the Academy in July and I was out by September 3rd or 4th. It was quick. There were plenty of people ahead of me. There were lots of people resigning because the war ended in August. They kept threatening they were going to redraft you but I had so many points for months in the service, so many points for overseas service, for battle stars.

So in September of 1945 I went back to Carnegie Tech. Now remember, I went there in 1942, and I was not a good student. I went back as a sophomore. I should have gone back as a freshman. What little I knew I completely forgot three years later. But I went back as a sophomore and I was completely lost. I went the fall of 1945, the spring of 1946. In those days you had to go straight through. They accelerated everything. Three continuous semesters, and I had to go for the summer of 1946. By the summer of 1946 I'd had it up to here. I'd had army, and then I'd had college, and I'd just had it up to here. I also had a girlfriend in Johnstown, Pennsylvania. I had a nice old 1934 Ford, which I'd just bought. It was just the most magnificent 1934 Ford four-door convertible. But this 1934 Ford was my own car in Pittsburgh. I'd drive to Johnstown every night. To make a long story short, I really flunked the summer of 1946.

BOHNING: This was still in engineering.

WISHNICK: Yes. I had four R's and one D. How I ever got the D I'll never know because I never went to class. I guess they felt sorry for me. I had a .21 factor, .21 in chemical engineering. Point 21! [laughter] Now you figure, four repeats and a D. School was accelerated, so you couldn't fall back; the classes were full with all the veterans. The dean of engineering happened to be a friend of my father's, a fellow named Webster Newton Jones, who had been director of research or something of engineering at either Goodyear or Goodrich. Web Jones was a hell of a nice man. He called me in and said, "You've got to leave, you've got to go. There's no place for you. You've got the worst marks I ever saw in my life." [laughter] I said, "I don't know what to do!" And he said, "Well, that's your problem." He was a nice man, but tough. Then he said, "Maybe we could work a little course for you that would be acceptable to transfer, and then you could transfer later on. I'll work some courses for you at Margaret Morrison Carnegie College," which was the girls' school at Carnegie Tech. Carnegie was an all-male engineering

school. He said, "I'll work some courses in government or history or economics. I won't give you sewing or cooking, but I'll get you a couple of courses."

So I stayed after the summer of 1946, for the fall of 1946 and the spring of 1947. I went to the Margaret Morrison Carnegie College part of Carnegie Tech and took liberal arts courses. I did very well. I got straight As. The courses were easy. Then I ran out of courses so I had to transfer. I wrote to all the colleges, and the only school that wanted your last two semesters, or graded you on your last two semesters rather than your whole college, was the University of Texas. Others wanted to know the whole background, and they'd look at the .21. The University of Texas accepted me as an out-of-state student; I went there the fall of 1947 and graduated the spring of 1949. That's the history of college.

BOHNING: What was your major at Texas?

WISHNICK: Business.

I keep talking vaguely about how long I've worked for Witco. You've got to remember I worked for Witco full time in Lawrenceville, Illinois, in 1942, after graduating from high school. I came back in the fall of 1942 and went to college. That's counted as a leave of absence. We're a liberal company and that was not counted. My father wanted to encourage people to come back, and therefore that was a leave of absence. So I took a leave of absence in 1942 and right from there I went in the army. Military leave was considered leave of absence. I came back from the military and went back to college almost three days later, so that was still continuing education. Then I transferred and went again. So as far as the company records show I started working here in 1942, but I was on a leave of absence from 1943 to 1949. My personnel records show starting in 1942, so that makes it almost forty-nine years, but really I started working in 1949, so it's been forty-two years.

[END OF TAPE, SIDE 2]

BOHNING: There was no question, though, that you were going to come back here when you finished in Texas?

WISHNICK: No question. I started working in Chicago. After I graduated from college in June of 1949 I got married in June of 1949, took a short honeymoon in California, and went to work in Chicago in August of 1949. Now, my father was a smart man. I tell young people today, "Don't ever work for your father

directly in the beginning. Don't do it, because, first of all you're pretty dumb, and your father is pretty smart. To work directly for him really isn't good." So I never, never ever worked directly for my father. I think people that have had problems started working for their fathers too early. So I went to Chicago in 1949. I moved to Perth Amboy and the asphalt division after the explosions and the plant was shut down for five or six months. I got it rebuilt and got it started in 1950. I moved to New York in 1951 in chemical sales, I worked for somebody else, and then moved to Washington. I never worked directly for my father. Indirectly, of course, I worked for him. So it made it easier. That's the advice I give young people.

BOHNING: How do you think the people you worked for reacted, knowing who your father was?

WISHNICK: Well, it was a small company. I just keep looking at the list here, and I knew everybody by first name. In 1949, of course, it was a lot easier. That list is 1958, after we had some factories. No, I don't think there was any jealousy. That's why I mentioned before I'm going to Las Vegas and I'm taking Jerome Harrison. He was in Chicago, he was in sales. He was so helpful, so nice. I didn't feel any resentment in the company at all. There were no great politics. It wasn't much of a company. You've got to remember, it's not like you were fighting for General Motors. It was a little trading company and anybody could be traders in those days. There was one little asphalt plant down in Lawrenceville, and Perth Amboy was built in the late 1940s. Chicago was an asphalt plant, and then converted to a chemical plant. The Chicago plant was also built about 1939, just before the war. So that Chicago plant, which is a major chemical plant even today, started in 1939 as an asphalt plant and after the war we slowly got out of asphalt and converted more and more to chemicals.

BOHNING: But prior to the war your father had already expanded to Europe, to England.

WISHNICK: Yes, that's right. Harold Wilson and Company was the name of it. I think they started with 42% or 49%. They developed trading and good sources in Europe. It was strictly a jobbing company.

BOHNING: What gave him the impetus to look for a European connection?

WISHNICK: Very simple. The major product line of the company, the major carrier of the company, was carbon black. We did other

things for paint and for ink, but rubber was the big industry. Carbon black was a major product. We had an investment in the carbon black business down in Texas. Those days it was gas black. You pumped out oil, you're familiar with this, and gas flaring. When flaring became unacceptable, they just put little metal plates over the gas and moved the plates back and forth. They scraped the soot off and put it in bags. It was not very professional, but that was the major product. There was no gas or oil around the whole world except the USA. So carbon black was 100% made in America, 100%. We ended up in partnership with Phillips and with Continental Oil Company. We built many plants here and overseas. It's a long story, but we eventually bought back our own carbon black business that had been sold to Continental. We had 20%, and sold it to them when we got forced out of sales, which I'll tell you about. We then bought the whole thing back from Du Pont. That's one of my better deals. It was a one year payoff, and it was a big one.

So everything was export. The whole world, wherever they built tires, had to have American carbon black. There was no other carbon black. We were a distributing company. We had distributors in France and we had distributors in Italy. Wherever there was a tire factory, we had distributors. My father handled that. He would go overseas once or twice a year, and work with distributors. I can remember as a young man calling with him down at Michelin, and going to Italy. And especially the big Firestone factories, which were all over. I still cry to this day when I go to Los Angeles. Out in the suburbs you drive past this unbelievably fine plant. It looks like an English fortress. It was magnificent. I think it's a landmark now. That was the Firestone plant in California. There are no tire plants in California now; they're all out of business. But we called on these big companies overseas. That's why he saw overseas potential, because the carbon black was the impetus. With the advent of oil blacks being made out of oil, feedstocks rather than gas, you could build a carbon black plant almost anyplace and ship the oil, even if it's from Indonesia. You couldn't ship the gas economically.

It's interesting how one thing develops another thing. International came because of my father, and because of carbon black, which put us in the business overseas, with a good distribution network. Harold Wilson was one move. We ended up buying part of it, then buying all of it. Then the manufacturing followed the sales.

BOHNING: In your Newcomen address (1), you mentioned briefly the effect of the Depression. You were only five.

WISHNICK: Five, six, seven, eight—the Depression lasted a long time.

BOHNING: How did it affect your family and how did it affect the company?

WISHNICK: I was too young to really realize it. In 1932 I was still only eight. No, I don't really remember the Depression. Six days of work was normal anyway, even after the Depression. Everybody just worked six days. Then it became five and a half days, then five, now almost four and a half. [laughter] Everybody leaves pretty early on Fridays! The extra traffic in New York City at three o'clock is really something.

BOHNING: What about the company? How did it survive during the Depression?

WISHNICK: Theoretically, we always made a profit. [sorting through files] I don't think this goes back to the Depression years. This would be 1952, going back ten years to the war years, not the Depression. We've got them in the archives. But this shows the profits of the company back in 1942, 1943, and 1944. Sales were \$6 million in 1943, depreciation \$41,000, taxes \$70,000, and income after taxes \$93,000 in 1943. It was down to \$71,000 in 1944, and \$63,000 in 1945. But, interestingly, the depreciation schedule kept going; they were adding equipment.

I could get it, but we always made money, we never went a year without. He was tough on that. I'll show you how tough. 1949 was a tough year. I don't know how the new managers do it, but I always followed his steps in that. When business was tough, he took the bosses and cut them big. 50% over a certain salary. He'd say to them, "We'll keep the costs on the books, and if business turns we'll give it back to you." It isn't so much the money, but you can talk to the people who work for you and say, "Look, I've taken my cut. I've taken a cut of 50% over a certain amount. I've already taken mine. If things don't get better, guess who's going to be next? So you'd better get off your ass. You'd better get tough on your people, you'd better watch them, because you're the next one who's going to get it."

Since I've been with the business, it's always been reinstated. Always. Here it is, back in 1949—earnings in excess of \$5000 for the first six months of the year. Let's see. [reading] "On the date of January 5, 1949, we made an arrangement with employees of the company earning in excess of \$10,000 annually, by which the company withheld 50% of their earnings over \$5000 for the six months ending June 30th. The arrangement provided that these amounts would be repaid if the company earned \$70,000 or better after taxes during the first six months. I regret that on the basis of an outside audit, the earnings of the first six months were considerably less than \$70,000. In accordance with the terms, the amounts withheld

during the six months ending June 30, 1949 have been retained by the company and will not be paid to those affected by this announcement." Period. [laughter] Now, that's the bosses. \$10,000 was a lot of money in those days. I started working in 1942 at 37.5 cents an hour at one of those factories.

Now that's followed up again for the last six months. He says that, "We believe certain steps have been taken affecting increased economies all over the company," et cetera, and they reinstated the last six months of the year. They gave it back to them, but not the first six months. They were tough. He was tough. You've got to remember, as a jobber, if you didn't sell, there was no profit and you didn't get paid. It was a very specific accounting system. Anybody making \$10,000 or more in those days had to be in sales. Accountants didn't make \$10,000 and office people didn't make \$10,000; it was the salespeople. If you didn't sell you didn't get the money. It was a straight commission. They used to participate in 20% of the gross profit. Every invoice was "costed." A carload costs theoretically 20 cents a pound, added to that was the freight, and there was the warehousing. If the selling price was 30, the salesman got 20% of that profit. That's what they made. We were tough. They were tough days for a little company.

BOHNING: Most of your employees were salesmen, then. That would be the largest group of people.

WISHNICK: Oh, yes. Are you talking now or are you talking in 1949?

BOHNING: Well, then.

WISHNICK: You could count the number of salespeople we had. A lot of salespeople. It was a selling company. It was not a manufacturing company. There was Lawrenceville in 1924, Chicago in 1939, and Perth Amboy in 1948, and that was it. Those were simple asphalt plants; they were junk. We oxidized asphalt and you spilled it on the ground and that was it. There were really three asphalt plants. By 1947 Chicago was being converted to a chemical plant, but everything else was jobbing. Everything. Part of my job as we grew was to get rid of the jobbing as we added manufacturing. In those days everybody was on commission. I had a fine balance to keep the commissioned salespeople motivated. You couldn't just drop your jobbing and add a little bit of manufacturing. They had to go together. I sold all the jobbing back to the principals. We went to all the principals. They knew the volume, and I offered to sell them the names of the accounts, the volumes, the prices, the bids. I sold Stauffer back the rubber makers sulfur business, and stuff like that.

It was a fine balance as we kept adding manufacturing. It was slow, until we went public. In 1958, before we went public, my father asked me, "Son, what do you think we ought to do? We can stay as we are, we can go public, or we can sell the business. What do you think we ought to do?" I knew him too well. If I had said, "Sell the business," he would have fired me on the spot. [laughter] We knew we couldn't stay the same. So we went public, and that is when we decided we were going to use being public as a way to grow. And we did. We did. From 1958 on we bought, we bought, we bought. Mostly good companies, good people, motivated the people, had a program, a system, and got rid of the jobbing as we added the manufacturing.

BOHNING: How would you compare that period when you were acquiring all these companies as opposed to what goes on in today's world of big buy-outs and major changes?

WISHNICK: First, all the companies we bought wanted to be bought. That's number one. We never bought a company that didn't want to be bought. I wouldn't want to marry a girl if she didn't want to marry me. I've given speeches on this. Marriage is so difficult, how can you marry a girl that doesn't want you? I mean really, there's enough of them around. I said this wrong once, in front of a woman. I said, "Acquisitions are like trolley cars or girls; you miss one and another one's along in five minutes." There was a woman lawyer in the room. I knew I said it wrong; her face got red. [laughter] But, acquisitions, there are so many around. When I did acquisitions there were not many acquisitions around. People just did not sell; it was almost an admission of poor management. Nobody sold businesses in the 1950s. When the raiders got more accustomed to it, then everybody sort of liked selling out. The 1980s were so easy. The 1980s were mind bogging.

I'm going to show you something. It didn't work out. I'll give you a copy of this one (2). During the war, my father sent our people to Washington to get a list of all the properties the government expropriated from Germans. Here's all the summaries of what the government took away from German companies. Dates, stock, and the name of the companies. They were owned by Germans. He checked off and wrote a letter to our legal counsel, and said, "These are the ones we'd be interested in." This is when we were a little jobbing company. [laughter] He wanted to go to Washington to see how he could negotiate to buy the stock.

BOHNING: I see Rohm and Haas on this list.

WISHNICK: Yes. But he wanted to see if we could buy the stock. The government said, "No." At the end of the war they auctioned

these off, when they took all that stuff away from Germans. But he had the imagination back during the war. That letter is dated 1943. If the government owned the chemicals, then let's go buy a chemical company from the government. They wouldn't sell it. [laughter] It was interesting.

BOHNING: That's fascinating.

WISHNICK: They took everything. There are Italian companies here. Rohm and Haas, probably just part of the stock was bought.

BOHNING: I would think so.

WISHNICK: Anyway, we didn't buy them, but the idea was good. We could have bought BASF after the war but we didn't. [laughter]

BOHNING: Were most of these companies that you bought started as small, privately owned companies?

WISHNICK: In the beginning they were all privately owned, and they weren't so small either. Sonneborn Chemical and Refining was in business since 1901. They made white oils, petrolatums, petroleum sulfonates, waxes. They were a leader in their field. The principal owner, Rudolph Sonneborn, had a stroke in 1959 and decided he wanted to sell the business. He did it through his lawyers. He couldn't really walk or talk too much, although he recovered fairly well. So in 1960 we bought that as a private company, but they wanted to be sold. It was run as a private company. It was a great company, it just didn't make much money. I went down there as president, on 23rd Street where their headquarters were here in New York City on Park Avenue South. This is 1960. By then I'd been around awhile. I'd been working full-time since 1949. I went down as president and kept my mouth shut for three months. I learned the business the best I could, learned the people, then reorganized and put it on the Witco system, with motivation and all that stuff. It's been smooth ever since. It's been one of our best, one of our biggest and best divisions today. I don't want to give you exact figures, but it represents almost \$250 million dollars a year. It's a good business. We've added to it. We bought a plant in Holland, we bought a plant in Trainer, Pennsylvania, and another one in Gretna, Louisiana, so we've added to that division a lot.

So we bought a lot of private companies. The first public company we bought was in 1966. They were getting raided, believe it or not, in 1966. It was Kendall Oil and Refining Company in Bradford, Pennsylvania. William Wyckoff Smith, Kewaunee Oil Company at Palm Beach, out of the clear sky made a cash tender

offer. First, Kendall had a deal with Pennzoil. They put them together in a proxy statement, and I read proxy statements. We had a small plant making Pennsylvania-grade motor oil in Franklin, Pennsylvania that came along with Sonneborn. Their brand name was Amalie. It was a two-thousand-barrel-a-day refinery of Pennsylvania grade crude. That was 1960. In 1966, Kendall, who was much bigger, made a deal with Pennzoil to sell it. I saw the proxy and said, "Boy, that's a fair deal. I don't know anybody at Kendall. I don't want to screw up anybody's deal. But give Burt Fisher," who was the president, "a call. Just tell him that we're not the kind of people that want to screw up somebody else's deal, life is too short for that, but if for any reason the deal ever falls apart, we think it's a nice deal. Give us a call."

The day before closing, the Federal Trade Commission had received a protest from a small company called Minard Run Oil Company, claiming that Pennzoil would dominate the Pennsylvania-grade crude. It would be too big. They're an independent producer in crude, and they wouldn't have customers to sell to. To make a long story short, within about a week I got a call from Burt Fisher, who was president of Kendall. I said, "Mr. Fisher, I don't know you, but the deal looks like a very fair deal. We'd be happy to substitute the name Witco for Pennzoil and that's it." He said he had to see people on Wall Street, so we made a date for Thursday. We met Thursday, we talked on Friday, and Saturday morning we had breakfast together. By noon on Monday we had two board meetings and announced the finalized deal. We all held board meetings at eleven o'clock on Monday morning, and we announced it, because he was being raided. After the Pennzoil deal fell through he had a cash tender offer from Kewaunee Oil, which he didn't like and didn't want, but he liked the tax-free aspect. Anyway, by Monday we had a deal. I called the board on the telephone and had a phone board meeting. I sent copies of the Pennzoil prospectus on Sunday and said, "Just substitute the word Witco for Pennzoil." It was a \$2.35 cumulative convertible preferred stock. Kewaunee Oil upped their cash, and we had another meeting. We upped from \$2.35 to \$2.45 cumulative convertible preferred stock. Kewaunee did it again, and we did it again. We ended up with a \$2.65 cumulative convertible preferred, and that was it. And we had that deal. So that was the first public company.

After that there were quite a few little public companies, because of the pollution problems.

[phone rings] "Hello. Hi! He's on the cover? Right now, I'll go buy it. I'll go buy it. Bye bye." My son-in-law's on the cover of TV Guide.

BOHNING: Oh, really?

WISHNICK: Yes, he's doing something with "Murphy Brown."

There were a lot of small, publicly held companies listed over the counter that had great difficulty with pollution. Pearsall Chemical out of Houston, Texas, making aluminum chloride catalysts, just struggling; making money but struggling. There was another one up in Canada. Small public companies seemed so easy to buy in the late 1970s. They struggled with pollution problems just starting and all the legal problems in the late 1970s, very early 1980s. Then they all got into the habit of this lovely bid process. Get a Wall Street firm, everybody is chasing it, put it together in a black book and then the bids come in. We never did that. The only one we just completed was the DeSoto deal, which was just closed in November of 1990. That came in from Wall Street, a black book bid.

I've always been against it. I felt if somebody wants to sell something, you look each other in the eye, you negotiate, pick a fair price, and that's it. This idea of jockeying back and forth I find very distasteful. I don't know how other businessmen feel. So that's the only one we bought from a black book. God, it took a long time. So long. Normally, you've got something, I like it, you want to sell it, sit down and make a deal. The amount of money is really secondary with us, if it's a good business. We were very giving on all the fine print and all the things that they wanted.

It was never any problem with acquisition until the black books were put out by Wall Street. Then everything ground to a halt. Everybody overpaid. You had a full theory of Wall Street people putting the books together, saying, "Don't worry. We'll get you the junk bonds, and you'll be able to pay for it. Don't worry, we'll sell this off for you and sell that for you and get a big high price to pay off the junk bonds." It didn't work.

When I was young, equity was good and debt was terrible. I was brought up that way. Debt is bad, equity is good. All of a sudden, in the 1980s, you were nuts if you had equity and you were nuts if you didn't really have lots of debt. We never went for it. You should see the things that were brought in here. They'd want to give us a billion dollars, and we could hear the projections, "You can buy Reichhold at this price," and I said, "You've got to be kidding! I wouldn't pay that price for it." "Well, then you can sell this off and we'll get you this for that." You look them in the eye and say, "Well, if it's so good, why don't you do it yourself?" [laughter] This excessive debt and easy debt is the ruination of a lot of companies. A lot of the economy, a lot of people have been hurt by it. We never fell into that trap.

So we bought a lot of private companies first, then public companies, and then sort of ground to a halt. When there weren't many acquisitions around, we were the greatest. When everything was around, we were terrible, because we wouldn't get into this

chasing process. Surpass Chemical, in Canada, was a great acquisition for us. It was small, but the technology was great for us. The chasing of the easy dollar, easy credit in personal life or business life, is not sound. They all thought I was nuts. I gave speeches against it. Everybody was borrowing. Some came out like a chain letter. If you get in early or if you get out early, it's like musical chairs. But if you're stuck at the end of musical chairs and there's two people and only one chair, you're dead. That's all there is to it; you're out of the game. It happened to a lot of people, including Donald Trump—easy credit.

So that's the way we built our business—soundly. From the first day of the public issue in 1958, the company never raised any money in equity after that day. Sure, we issued stock for the companies that had inventories in cash. Sure, we issued paper, that was convertible, but it never reached the conversion price, so in effect it was debt that had to be paid off. So we never really added equity into account, other than lots of companies we bought. But we bought them for cash, or cash and stock, or stock, which really is equity. But cash-wise we never got any cash to help build it. We really financed our business from internal cash flow. We had lots of cash flow, always had enough to take care of increased dividends, very secure debt repayment. If you want to see the schedule of our debt payment over the next twenty-five years, there are no peaks and valleys. Everything is long-term debt. There is no short-term debt in this company, zero short-term debt. Except overdrafts, which are used in Europe, and are considered short-term.

BOHNING: How did you select these target companies?

WISHNICK: We didn't select, they were available. We chased some bad ones and some good ones. We were known by getting around at trade associations and meetings of the CMA [Chemical Manufacturers' Association] that we were a good company to join. "If the time ever comes, think of us." We became known as a nice haven for your company and your employees. We worked fast. We didn't dillydally. If the acquisition came in we acted very quickly on it. There weren't that many around in the 1950s and 1960s. Everything was for sale in the 1980s. [laughter] You name it, nobody would turn it down. It all became different. If somebody came in and said, "I'd like to buy your company," I wouldn't talk to them. To this day, I wouldn't talk to them. Obviously, if we wanted to sell the company, I know where it would go. It would be worth a lot more to this company than to the company who came in the front door, so I would never talk to anybody.

BOHNING: When did you get into plastics?

WISHNICK: [laughter] I was afraid you were going to ask that. When did we get in or when did we get out? [laughter] We got into a company making polybutylene. The people who were running our chemical division at that time thought it was a normal growth, a normal adjunct to making resins. A lot of us didn't feel it, but it was a terrible idea. It was an experimental company. Mobil had a little pilot plant that was sold to a group headed by Howard Samuels. Howard put together a group and bought the pilot plant in Beaumont, Texas making polybutylene. It was meant to be a specialty resin, a partial replacement for PVC or polyethylene in certain applications. Our people knew Howard, and Howard wanted some money to build a commercial plant.

I took a position that we're not going to take a partnership. I got soured on partnerships almost from the day I came to the company. When we were small, they were great for us. We were partners with Continental Oil and with Phillips. But as we grew bigger, we were big enough to make our own decisions. Partnerships are great, except you've got to treat your partner like your wife. You've got to sit down, and it takes a lot of time. It's got to be financed properly. In partnerships, sooner or later there comes a point where the parent companies can almost do it better than the partnership. The partnership's limited to making a product, and if there's another product to grow each partner can do it themselves.

I never was for partnerships and Howard wanted a partner. I said, "No." He said, "Take the whole thing." We said, "Yes." So we took the whole thing. The name of the company was PB Incorporated. And we built the commercial plant.

It was a mistake. It was a small unit, and yet for the technical work as a new resin, we needed laboratories as big as people who had two billion pounds of resin. Our whole plant was twenty million pounds of resin. We were blowing film five stories high. We extruded pipe. We did everything you had to do. We had only three problems—we couldn't make it; if we could make it, we couldn't sell it; and if we could make it and we could sell it, we couldn't make a profit. Only three problems.

[END OF TAPE, SIDE 3]

WISHNICK: It was a specialty product, and all of a sudden it had to become a big volume to make any money. The raw material, butene-1, was a stream from synthetic SBR manufacturing, and it was a by-product. They were just dying to get rid of it. The shortages came and they came back and said, "Look, we want to recycle the stream back in to make some more synthetic rubber and customers are dying for it. We can't sell it to you for 4 or 5 cents a pound. We've got to have 25 cents a pound," which was the alternate value of putting it into making polymers. We said,

"We can't pay 25 cents on twenty million pounds." We expanded the plant, and we still couldn't make it. The heat exchangers kept warping and bending.

Then nobody really wanted to buy from us because we were the sole world-wide supplier of this product. They were not about to develop whole new systems around one supplier, and not a dependable supplier either. We'd be down for three or four months, and run for three months and then the heat exchangers would bend again. Nobody really wanted to deal with us, so we raised our prices considerably. Our people were losing about \$500,000 a month. We were still a very small company, and it was always going to be next month, always next month, always this account's going to break, always next month. Finally, after about a year and a half I said, "Guys, we're going out December 31st. I don't give a damn. December 31st we're shutting down. Enough of this \$500,000 a month. We're going to sell it." So we put together books and offered it out. It really belonged with a big company that was in the business and needed a little edge on the little twenty million pounds of mouse milk to go with their billion pounds of this. It was a good product. It replaced chlorinated PVC and was good in hot water pipe applications. It was good for cold water too, but especially hot water. Everybody looked at it, but nobody really rushed.

It was now about August or September. I reported to the board almost weekly in writing where we stood. Everybody turned it down. We had a board meeting in October, and one of our directors said, "I'm not so sure you reached the right people there. It seems logical to fit with their programs, with the stuff that they're doing. It's a peanut, nothing to them. It's a little plant, it's a nothing, it's almost like a pilot plant. You reached the wrong people. Would you mind if I interjected myself at a different level?" I said, "Boy, anything." Within a week I got a call. They sent about sixteen people back again to see the plant and do the economics. I was in California in November. They flew out and we sat down in our Los Angeles office. We made a deal in an hour with a handshake, and that was it; we sold the plant and the business.

They expanded the plant. They know how to make resins; they know how to make heat exchangers, which we didn't. They shut the laboratory down, and put it right in their laboratory. God, what they saved on that laboratory! A couple of million dollars just by not running the laboratory. That's our experience into resins—our sole experience into resins. We lost a lot of money, but gained a lot of experience. But that's true of life.

BOHNING: Yes, it is. You mentioned laboratories. I wanted to ask you about that too, because the company was always concerned about technical service for its customers. When did you start doing your own laboratory applications?

WISHNICK: Well, since I've been with the company there have always been laboratories. Lawrenceville in 1924, the first plant, had to be the first laboratory. It was a jobber, a broker; we didn't do technical work on making paints or making rubber products or anything like that. Lawrenceville developed asphalts, experimented with polymer additives, experimented with catalysts with asphalt, which turned out pretty good. Phosphorous pentoxide, added to the oxidation cycle, would make what they call potting compounds, as you see in transformers. So there was some laboratory work almost from the beginning.

As a manufacturer you have to do it. Now it's a question of whether you overdo it or underdo it. I don't know today. You used to think you needed more. Today, price is getting so prevalent you can do all the laboratory work in the world, and somebody could walk in off the street with a quarter of a cent a pound and you're out. Literally. I can understand it. You see the monstrous losses of Firestone—\$300 million last year. They all want lots of research and development service, but nobody wants to pay for it. So you can overdo it at times too.

BOHNING: In my file here I have something that I'll raise, and you can say whether you want to talk about it or not. It's a report from the American Chemical Society about termination of laboratory employees. Apparently you didn't meet the ACS guidelines, or something like that.

WISHNICK: We got sued. We got a hanging judge. After this was all over, I called our people in. "What did we do wrong? So we don't do it again, tell us what we did wrong! If you want to talk to our legal people, I'll be happy to arrange it. What did we do, so we'll learn from it." They swore on the Bible, with outside consultants, that we did everything right, that there's not one thing we had to change on that layoff—not one thing. But we lost the case.

So we did have a cutback in the laboratory and made that more of a research laboratory. It's now a product technical services laboratory, crossing over divisions. What do we do? Three or four divisions do sulfonations, so we'll do it there, instead of each division doing it. The lab was dedicated now and paid for by Argus, and it has most of its people out there, instead of keeping people in downtown Brooklyn where they get mugged every night. They shut down all the research work and moved everything. The Argus management came here and the Argus technical people went to Oakland. Now it's sort of pure research. We were not looking for another nylon. Most of it is divisional. That's where the layoff came. We lost the case, and we paid. It wasn't big. But we got bad publicity out of it, that we were a bad place to work. Today we follow the same pattern in layoffs. It wasn't worth appealing. For the amount

of money of the settlement, it wasn't worth it.

BOHNING: Reading some of the more current literature, there are some interesting articles about speculation on your successor here.

WISHNICK: Well, it's all in place, as you know.

BOHNING: Yes, I understand. But as I look through some of the articles, I see one name, and then another.

WISHNICK: I was prepared to retire, but after I was sixty-five they asked me to stay for three more years, minimum. I said, "Sure." But after three or five or six months, I decided it was a mistake, that I really wanted to retire. I don't know which lawsuit it was or which case or which problem, but it was just repetition. Business used to be fun. You go out and buy some companies, meet with customers, you had sales—God, it was fun! The last couple of years it was no longer fun. I tell our people here, "If business is no longer fun, you'd better quit the company." I couldn't think of anything worse than getting up in the morning, going to work and saying, "Oh, damn, another day, another dollar." In the beginning, it was exciting, and you liked that. I asked if you retired for a reason. It just was another day, another dollar, and life was dull and boring. I decided that's what I was getting into here.

I have a good successor to replace me. That's one of the reasons I want to get out, while I have a good successor. I said to myself, "I'm going to retire when I'm ninety-nine. What am I going to do then? In a wheelchair, what the hell am I going to do with my life in a wheelchair? If I'm going to retire at ninety-nine, I'm better off at eighty-nine; if I'm going to do it at eighty-nine, I'm better off at seventy-nine; I'm better off at sixty-nine." I'm better off now! I'm still young enough I'm going to go enjoy things. I don't know why people stay after retirement. You went back to work, but you needed the money. [laughter] There's a difference. I can afford to retire. I'm serious. Were you bored being retired?

BOHNING: No, I had arranged to continue on, to move into this position.

WISHNICK: Oh, you just changed jobs.

BOHNING: But I did take the early retirement plan from the university.

WISHNICK: But you never really retired; you changed jobs.

I refused to talk about my successor at the time, because I wasn't prepared to consider it. Things change every year or two; there's a whole new crop of young people coming up. Among the organization compensation committee now, they look at the aging. They said, "Oh, God! Look at the number of people going to retire in the next five years." I said, "So what? Five years ago you would have said the same thing. There's always the movement upward, as long as we're promoting from within. So what? There'll be new people that aren't on the list even that will be with us."

BOHNING: Let me go back to your earlier career now, just so I can get it straight in my mind how you moved through the company. You said earlier you were in sales in Chicago in 1949; in 1950 you were in New Jersey; in 1951 you came here to the New York office. What was your position in 1951? Were you in charge of sales?

WISHNICK: I don't know, it was so long ago. [looking through papers] I was secretary-treasurer in 1952. But we all did everything. It was a nothing company in 1952. Remember that I mentioned carbon black. I'll show you how important it was. Look at this. "Sales, jobbing, carbon black, and manufacturing products." So carbon black was more important than all the rest of the jobbing. Manufacturing was picking up, carbon black was level. Carbon black was the mainstay. That was the major part of the business; that's the international part. Secretary-treasurer—I don't know what I did. I learned the business, I'll tell you that. [laughter]

BOHNING: By 1955 you were executive vice president.

WISHNICK: Let's see if I had a title in 1953. Whatever I was, I had a job, let's put it that way. [laughter] Don't laugh. Here it is. I was executive vice president and treasurer in 1956.

My father was a very impatient man. We had troubles in the Chicago plant, and he'd go out there every month. He'd be unhappy, and whoever was the manager of the plant he'd push aside. A guy would be walking along and he'd say, "Do you want to be plant manager?" [laughter] No joke. That's the way we had eight plant managers in about twelve months. [laughter] He was impatient for results. Eventually he got the right guy. But we didn't lose anybody. The chief engineer would go back to being chief engineer, the maintenance foreman would go back to maintenance.

BOHNING: Did you replace your father as chairman of the board when he retired?

WISHNICK: Yes. He retired in 1958. You saw the retirement card.

BOHNING: But you didn't become CEO until later on. Who was it before you?

WISHNICK: Max Minnig. He grew up in marketing. He was an excellent marketing man. He moved from Akron to New York, and was an excellent outside man. Max left and went to Borden Chemicals in Columbus, Ohio. He was shot and killed at an NPRA meeting in New Orleans. It was a big thing in the industry. He and two of our people were walking down the street, took a wrong turn getting to a restaurant they were going to, and ended up in a housing project. Two kids jumped down with guns on them. Max was a big man, a lovely man, and he said, "Kids, I have grandchildren older than you," and pushed them aside. Bang. Hit him here. He fell down and the kid who shot him walked over and shot him again.

BOHNING: What about the other two?

WISHNICK: They got away. They didn't even get shot at. Ray Saunders had just retired.

There was confusion over who was the boss here. Max was Catholic and had nine children. None of them stayed east. They all moved to the midwest. He wanted to get out of New York, and none of the children stayed here. He was offered a job by Gus Marusi who headed up Borden. (He was originally the head of Borden Chemical and then all of Borden). I didn't want Max to leave. But there was confusion. I don't remember what the titles were, but people came to me for decisions, including Max. I think his title was president and CEO and I was chairman. I was the boss, and Max and I got along fine personally. I'll tell you what year it was. It was 1971, because I was racing overseas. I won the world championship.

BOHNING: I wanted to talk to you about that.

WISHNICK: Here's where I raced [referring to wall collage and chart]. I only missed twenty-four days of work the whole year. I flew over on Thursday nights, raced on Saturdays, and came

back. About July, 1971, Max gave me a sealed envelope. I said, "What is it, Max?" "Well, I've taken a job with Borden." I said, "I'm not going to open the envelope, Max. If I open the envelope, that's the end of my racing. I'm racing for the world championship! I'm first or second! I know my father. If you leave, I've got to take your place. Take it back." And he said, "No, you keep it." I said, "I'm not going to open it." "So don't open it. Nobody knows what's in there." Finally, he said, "You've got to open it. I've applied for schools for my kids out in Ohio. I've got my house on the market. Rumors are out I'm resigning the company." I said, "Max!" Finally I had to open it. And that's where I quit racing. [laughter] You see the listing here—"Did not start." I quit right here. Those last two races, "Did not start. Did not start." But then I had things worked out, and he was going. But I refused to open the letter for about a good month. [laughter]

That's when I took over both jobs. I had two good men. Bill Leistner ran the chemical division under Max, and Henry Sonneborn ran the petroleum part. So we still followed that format, half and half. Both of them were very well off. Both of them are richer than I am. We bought their businesses. Leistner was the principal in Argus. He owned 60% with a woman, Olga Knopcke, who owned 40%. Henry was the nephew of Rudolph, and I guess Rudolph had taken care of the family (he was dead by now). One came to me and said, "Look, so-and-so is lovely, he'd make a great president." "That's fine with me." Henry would come and say, "Bill Leistner would make a great president. It's fine with me. But if he is, I've got a lot of stuff I could do. I've worked all my life. I've got a few dollars I've made. So if you make him president, which I'd vote for as a director, I'm going to drop out." Then Bill Leistner came and said the same thing, "Henry would make a great president." [laughter]

So, to save face I took both jobs. In 1971, besides being chairman, I was president, chief executive officer, and chief operating officer. I had all four jobs, which was a mistake, but I worked it out with them. They were both happy to work for me. They both stayed. Bill Leistner retired in 1976 when he reached the age of sixty-five, and Henry then took over as president. I delegated pretty good. I'm a reasonably good delegator. Everything worked smoothly, and it was a good growth time for us. Sometimes you've got to break the rules or vary the rules. Who is it that says that, Burger King—"Sometimes you've got to bend the rules." So it worked out. But it's a mistake. The CEO should be looking over the president's shoulder, should be the devil's advocate of the operation, should expect certain results. The president needs somebody to bounce off of. They're really two jobs. I had them both, which wasn't fair. As chief operating officer I could make a decision and the CEO wasn't looking over my shoulder. So, anybody who has both jobs, I tell them it's a mistake.

BOHNING: How long did that continue?

WISHNICK: Five years, from 1971 to 1976. That was one of the reasons Max left; there was still a question of who was the boss. He would come to me for decisions, and people would come directly to me for decisions. We worked nicely together and we're great friends, but he went off as head of Borden Chemical and he was happy living in the midwest.

BOHNING: Now that you've raised the power boat issue, I'd like to talk about that for a little bit. How did you get in that sport?

WISHNICK: Well, I got bored after I hurt my back playing golf.

BOHNING: I understand you were quite a golfer.

WISHNICK: I was a reasonably good golfer. I took a terrible shot on the third hole at Old Oaks. I hit a rock under a two iron and snapped my back. They literally carried me off the golf course. My back went down, and I couldn't straighten up. It was the hardest hole in the course. It was a 432 yard par four, almost all up to the green. Even with a booming drive, to get it on the green, you almost had to hit it into the hill and run up. You can't hit it far enough. If you hit it onto the green it's going to go over. Anyway, I had a magnificent drive, magnificent. It was the first time, I think, in ten years I was using an iron instead of a wood to reach that green. And boom, there was a rock under that thing.

I don't remember the year, but I wore a body brace. I couldn't tie my shoes. I couldn't put my underwear on; I had to stand up against the wall. To this day if I sneeze, I'll hold on. So I did nothing for a couple of years. My wife said, "You ought to do something. You're just sitting around weekends."

We'd seen a race in Florida at Christmas time. There was a boat show in January. My brother, as I said, made equipment for boats, bilge pumps and water pressure systems. We went to the boat show. There was this little twenty-foot boat. They said, "This is the boat that won the Pelican Harbor race in Miami last month." The only race here at that time was around Long Island. It was 243 miles, starting at Freeport, out to Montauk, down through the East River here, out around the Rockaways, Coney Island, and back. I said, "God, that doesn't look so bad." So I bought this twenty-footer. It was a God-awful boat. I was petrified. I had never been in a boat! But it seemed like such fun--push in the throttle and go! It was so bad, I got nervous and chicken and I got somebody else to drive it. They went about

twelve miles, the gas tanks broke loose and that was it. That was in 1962 for the 1963 race.

I went down to Florida in 1963 and this friend said, "You have to see this stuff by [Don] Aronow." Aronow at that time was starting a boat company called Formula. He put in five boats for a Miami-Key West race, little twenty-three-footers, called "Formula." They came in, boom-boom, and they were great boats. Again at the boat show in January, there's Aronow, and he's got these little boats, twenty-three-foot Formulas. So I bought one again to run around Long Island, much better boat than the twenty-foot Alim. I really liked that boat. I started learning boating. I was to run a race out of Freeport. Going out the inlet in the morning, a hole burned in the piston. Going out the inlet. I never raced in 1964. So in 1963 and 1964, I had two boats and hadn't raced yet.

In December of that year Aronow sold Formula, and started a company named Donzi; Donzi was his nickname. His secretary called him Donzi. So he started Donzi, which are twenty-eight-footers. They again ran Miami to Key West, and they came in one, two, three. I saw them in the boat show in January of 1965. I said, "Do you want to sell one of them?" He said, "Any one you want. I'll sell you a boat. Take your pick. I've got five of them ready to race." So I bought one ready to race in January, went down to Florida and raced it in February of 1965. By a stroke of luck, I won the race. Believe me, it was a stroke of luck. One guy broke down, another guy got lost. [pointing to picture] There's the boat. We're starting right up here. Notice there's no padding, there's no nothing. This is the same boat a couple of years later. Bolsters on the back, compartments so you can't bump into each other. That's my first race. I won the first race, but don't ask me how. And I'm a big hero, on television. I started boat racing then. That soon became my hobby. Boating didn't hurt my back because boating is up and down, not twisting, not leaning too hard. That's how I got into boating and got a hobby.

My first wife didn't like me leaving so much for boating so I left my wife! She said, "You've got to choose—the boats or me." I said, "I'm going to take the boats." One race was in the Bahamas and I would work and then go right to the airport. I had a man that worked with me in Scarsdale who would take my bags because I didn't want to carry the bags on the train. He would take my bags and meet me at the airport, and then I'd have my bags. So I was going to a race in Florida or the Bahamas. I checked my bag, went to Florida, went out, came home that night, opened it up, and there were no clothes. All the clothes were taken out. My wife was mad at me. I figured that's getting tough! No clothes in the Bahamas, no shaving kit, no nothing. I got the message. Everybody laughed. They thought it was very funny. I didn't think it was so funny.

So I got into boating and I raced from 1964. I won the

American championship in 1970. There's where I raced in 1971, and I won the World Championship. That was my last race. I finished and never set foot on a boat again.

BOHNING: Really?

WISHNICK: My foot's never been on a boat. That was a great boat. Aronow gave that to me as a present. [pointing to model] It's a pretty good replica of it. They even put "Amalie" on there.

BOHNING: Oh, yes, I see it.

WISHNICK: It's been twenty years since I quit racing.

BOHNING: What do you do now for a hobby?

WISHNICK: I've been working. Nothing. I've been working ever since. I dabble a little bit in race cars.

BOHNING: I heard you had a dragster.

WISHNICK: Now I have a dragster. I did oval track racing for a couple of years. There was a picture. I don't know where it is. I'm starting to pack so half the stuff has disappeared. I did oval track racing for four or five years, but not professionally, down in New Jersey. And dragging. It's easier, it lasts only ten seconds. [laughter]

BOHNING: What are you planning on doing next?

WISHNICK: Well, I don't know. I've turned down two directorships. I'm going to stay active in what I'm active in. I'm a trustee of Mount Sinai Hospital. I'm active in this and that. I've got a compensation committee meeting tomorrow. I've decided I'm going to do nothing for a year, and not accept anything. In February of next year I'll decide what to do. Right now I'm so damn busy. This new office is driving everybody a little nuts. I wanted the office nicer than my home. I live right up the street here. I don't want to come in and do two or three hours of work and get in my wife's hair. I didn't want that. So I wanted the office nicer than my home, and it is. It's a hell of a lot nicer than my home. It really is a beautiful office. We'll be moving in this week, and I'll see

how that works out. I just took a new 7500-square-foot garage down in New Jersey for some cars I collect.

I will say this. For a year before I retired, religiously I took every Friday off. I wanted to see if I would keep busy or get bored. I think people have got to force themselves to take some time off to see if they like it. So for a year, almost all of 1990, I took every Friday off. I didn't sit around. It's now been about eighteen months. In the beginning I thought I'd go to four or five movies a week. In the first six months I didn't have time to go to one movie. So, I'll keep busy. I'm on the board here. I'm on the compensation committee, on the executive committee, on the finance committee. I told you earlier in this conversation, I think we ought to go for the money now. I'm choosing the new chairman. I said, "I just think we don't want to miss an opportunity. The rates are low, stock prices are high, and we could choose which way to go."

BOHNING: How many companies do you think you were personally involved in acquiring during your tenure with the company?

WISHNICK: Every one except Sonneborn, which was the biggest and probably the best. I have got to give my father credit for that from the first. Remember, we didn't go public until 1958 and he was still active until then. As I said, overseas he did almost all of the negotiation. Sonneborn was his. He knew Rudolph, the man who had the stroke, from a social club here and handled that one almost all the way. After that they started coming. International kept him busy. Otherwise every one of them reported directly to me. One man on acquisition reported directly to me, and I handled the negotiations. People feel comfortable with me. They really feel comfortable, because I'm really a very decent, honest man. Money is secondary; it literally is. Reputation is important in our industry, and motivation of people. I found the policy of promotion from within was good. It is a good company to work for. If you work here and you're any good, you're going to get promoted. As I said, the four top people are going to be out in five years, and there'll be a whole new echelon of people. It's a great opportunity.

[END OF TAPE, SIDE 4]

WISHNICK: I've given you the Witco story, but I've lived up to it also. I leaned over backwards to promote people from the acquisitions. Some of our own people, the old Witco people, have accused me of not being nice to them! [laughter] But there are no more old Witco people, because the Sonneborn people from 1960 are the old Witco people now, and Argus and Kendall from 1966 are the old Witco people. If you look around, Bill Toller, the

president, came from the carbon black purchase, Continental Carbon Company, which we bought seven or eight years ago. Denis Andreuzzi is a Sonneborn man. Bill Mahoney came when we bought Humko in Memphis and moved him up here. So they all came from acquisitions.

BOHNING: You just mentioned something that you were going to come back to earlier. You got back into carbon black after all the time that you were out.

WISHNICK: Yes, carbon black built our company. I showed you the figures before. It was made all in America. We did a hell of a job of manufacturing here through associations with Continental Oil Company and Phillips and investments also with an individual from Canada. You could build a carbon black plant anyplace. Just go with this little gas company out of the ground, put up some sheds. If you've ever seen one, the soot comes up and goes over fifty miles. You can see it fifty miles away—unbelievable! It was pure black soot, and nobody collected anything. Carbon black sold for as low as two and a half cents a pound. It was worthless. You couldn't afford to put up equipment to collect it. Whatever you collected in the scrapers, they threw it in bags.

Oil changed everything; it became sophisticated. But it was a world-wide business, and very important to us. We had five different companies. Crown Carbon Company was a partnership with a very large ink manufacturer from Canada. We had Panhandle Carbon; we had Witco Carbon. We ran them all, "we" meaning my father. My father was president of the carbon black group. Witco handled the sales of these five companies, and we allocated the sales based on their share of production; if this company had 12% of the manufacturing or production that month, they got 12% of our orders. That's all there was to it. We kept separate books, subject to audit; any of the partners could come in and look at the books. We treated everybody fairly. We took a selling commission, and we owned parts of the companies.

Over the years, with the change to oil, they were merged together. The gas black plants were slowly phased out. It was called oil black versus channel black. I'm not ashamed of what I'm going to say; they know how I felt. [laughter] After the mergers, putting everything together, we ended up with 20.16% of the stock. 20.16%. The other partners were Shamrock Oil out of Amarillo, and Continental Oil out of Houston. We had a joint board. Continental Oil Company used this as a training ground for some of their top people over the years. We were sitting on the board with all the top people. Mr. McCullum sat on the board, and Howard Blauvelt and Andy Tarkington. Continental Oil liked this kind of carbon company. We had six, seven, eight board meetings a year to report on sales.

Shamrock wanted out and sold their stock to Continental. Continental owned 50 some percent, we owned 20.16 and Shamrock owned 28 point something percent. So they bought them out. We had the right of first refusal, and we turned them down. But they came to me and said, "Look, you've got 20.16%. Will you sell us the .16%? That way we'll have 80%. If we have 80% we can consolidate for tax purposes. We can save a lot of money. We'll still run it separately, but instead of owning 20.16 you'll own 20, and we'll save a lot of money on taxes." I could have said, "Boy, that .16 % is really important to them," figured out how much the tax is, and charged them accordingly. I didn't. I said, "Okay, if it helps you. You're partners. Whatever you're paying Shamrock for their 28%, we'll take the same pro-rated price for our .16%." It wasn't much money. So now they owned 80%. They consolidated for tax purposes.

A couple of years go by, and they decide, rightfully so, that they'd like to do their own marketing. We had an evergreen contract with a thirty-six month cancellation. We thought we should handle the marketing. We're in a better position to do it. We have the organization, we're marketing for thirty or forty years, and we have a lot of entree. We renegotiated the selling commission downward, and again we held them off.

On December 31 at 5:00 o'clock, I'm working here, when I get a registered letter, terminating the marketing agreement. Not even a phone call. We were partners. So they terminated the marketing, with the thirty-six month evergreen, and we still owned 20% of the stock. (It's a great story, great story. It's like a novel, a who-done-it.) I was a little offended. I said, "We're board members, friends together. You could have told me. Maybe we could have negotiated something." They wanted to do it themselves, and they figured this is the way to cut the cord.

Okay, we've got thirty-six months. We go along for about six months. I hired somebody. I was really mad and I want to go into the carbon black business. I got Charlie Polachi to come to work for us. He'd just retired from Columbian Carbon. Charlie said to me, "What's going to happen if my recommendation is not to build a carbon black plant?" I said, "Don't worry, we'll find something for you. Don't worry." Sure enough, his recommendation was not to do it. He ended up in charge of investor relations, advertising, and finally got into marketing, where he belonged. He is a nice man, Charlie Polachi.

So, a year goes by, a year and a half, and it's getting tough, because we're sort of a lame duck. They're hiring people, but they can't put them out in the field because we have exclusive, and we're still 20% owners. Costs are going up. So I make a deal and sell them the marketing organization. We gave people the choice to go with them if they wanted to or stay with us. And they built direct marketing in about a year and a half. Now, business gets a little tough, and they cut out dividends. They've got 80% of the company, and there's no dividends.

They're friends, and we'd been in business a while, so I said, "Look, guys. If we're not doing the marketing, why the hell do we have 20% invested in this little private company that doesn't pay dividends? We've had no return on our investment. We go to board meetings, we just sit around, we're not involved in the operations, it's just an ownership. Buy us out. Buy our stock." They laughed at me. They said, "Why should we buy you out? We consolidated for tax purposes. There's no pay out for buying you out. We consolidated for tax purposes, and we're not paying dividends. Why should we pay you money? It's not costing us anything to keep you in."

I really freaked out. I said, "The only reason you got consolidation is because I gave you the .16. Now you're shoving it up me and telling me this." I really got mad. In my whole business life I never got mad, and these were people I was still friends with. I considered it highly unethical. Highly screwy. It would have been nice to say, "Well, we'll take you out, and what the hell, you're not involved in the marketing, you're not involved with anything. You're still at the board meetings."

We're in Ponca City, Oklahoma where we have a plant. They wanted to shut down the carbon black plant in Ponca City and use the bubble concept set for pollution where they're expanding their refinery. If they eliminate this much pollution in the carbon black plant, they can save money. I won't give you the figures, but I heard some unbelievable figures, about how much money they could save on building the expansion to the refinery, because they wouldn't have to put in the pollution equipment.

So I go to the board meeting. They're going to shut down the carbon black plant and they're going to pay the company the book value. I looked at them and said, "You guys have got to be crazy. Book value! You're going to pay replacement value for that plant. Don't tell me you're going to use depreciated value. You're going to get sued right and left and right and left and right and left." I was really upset. Now they're going to steal the plant and do book value which had now depreciated almost to nothing. So I threatened a law suit. I never did that before. And these were friends. I'm still friends with John Kirscher and other people. To make a long story short, they agreed to take us out. Finally. The only reason they took us out is because of forcing us out so they could use the bubble concept, so they took us out. They paid us a negotiated price for our 20%, and I was happy with that.

A few more years go by, and Continental is bought by Du Pont. Du Pont decides they don't want to be in the carbon black business. In my own mind, I want to get 100% of that company for what they paid me for the 20%. In my own mind. And I got it. I negotiated the thing. I took the money they gave us for the 20% and got 100% of the company. By then they'd straightened out some of their international operations. They bled the companies.

There was no money. They took big dividends out and there was no money left when they had a bad year. So they were heavy in debt with some guarantees, and they worked their way out of international. We just got the three domestic plants and their joint venture with Koppers Australia, for the price that they paid us for the 20%. It's been a nice venture ever since.

End of story. I was just upset when they laughed about buying the 20% that there was no business reason to buy the 20%, no tax savings, there was no cash out, no prolonged dividends. Why would they give us money and get nothing in return for it? I really got upset, because these were the same people that asked me if I would kindly sell them the .16%. I said, "Sure." Anyway, that's it. [laughter] Okay. So we're in the carbon black business again.

BOHNING: What about phthalic anhydride?

WISHNICK: Oh, that's one of our failures. The wrong process, the wrong size plant. It came at the end of the cycle of naphthalene versus ortho-xylene, fixed bed versus fluid bed. Just at the time that they were about ready to switch over to ortho and fluid bed, we were building the last of the fixed bed naphthalene plants. It was just not competitive. We had twenty million pounds in Chicago, thirty million pounds in Perth Amboy. We shut them down, called the junk heap, and sold them off. It was a commodity company. I was still trying to stick to specialties—that's our cup of tea.

BOHNING: How was it having your father look over your shoulder for all those years?

WISHNICK: Great. We remained good friends. I never worked for him. He pushed me. He pushed me ahead, and was very supportive of everything I ever did, very supportive. I could tell the story again for history. The Kendall Oil, \$2.35 cumulative convertible preferred, \$2.45, \$2.55, \$2.65, it was getting a little rich at the end. It seemed rich in those days anyway [laughter] in 1966. The amount that we were giving, which was a guaranteed cumulative preferred stock, so we had to give the \$2.65 instead of the \$2.35, which was 30 cents a year of a number of shares in dividends.

So it was getting rich at the end, and we had another board meeting. Should we up it one more time? I felt negative vibrations from the board, so I said, "I'm not taking a vote today. Let's think about it overnight. But let me just say, unofficially, if we can have a vote right now, how do you think you'd vote?" I went around the table, and my father was sitting

at the right. As everybody expressed their opinion, I had it figured that's why I didn't call for a vote [laughter]. I could see if there was a vote I was going to lose it. It came to my father last. He said, "Stop pussy-footing around! What kind of wimps are you? Let's go for it!" [laughter] And everybody said, "I agree, I agree, I agree!" And there was 100%. I said, "Let's take a vote." 100%! It's only money—he took that position. "You want the business, go for it." And everybody quickly switched. [laughter]

BOHNING: That's a beautiful story.

WISHNICK: They really respected his opinion. They were good people, and the outside directors were very thorough, but when it came to our business they respected him. I say the same thing. I got 100% backing from the board every single time. I never had anything....except once. Once. Want a quick story again, for the history?

BOHNING: Sure.

WISHNICK: We do everything by the numbers. Approvals at the board meetings and everything else. We were buying a new piece of equipment, an earth mover. We do diatomaceous earth out in the state of Washington, where we take off the top ten feet, dig up the stuff, calcify it, blend it. It's a filtering aid. At that time our people had International Harvester equipment. They wanted a Japanese piece of equipment, Kobuta. They presented it very well. They had written statements from users of Kabuto equipment, they had letters from the state about Kabuto's inventory of spare parts, they had maintenance records, and it was better than the International Harvester. This was about a \$800,000 piece of equipment. The price had a time limit that fell before our board meeting, so I said, "Oh, place the order, what the hell." I came to the board meeting, and it's a routine thing, just replacing an earth mover, well documented on the parts and the service, and the price was 12% cheaper, and a lot of stuff. It was just so great. When it came to a vote, my brother spoke up. He said, "It's un-American for us to buy foreign equipment. American workmen need this and that. 12% isn't that much, it can't be bad, and we should go American." The board said, "Yes, you should go American" I said, "Board, I hate to say this, but we already purchased it. It's the first time I ever violated anything, and you caught me with my pants down." So everybody laughed and went home.

The next morning I realized that my brother has never had anything but foreign cars his whole life. [laughter] I never had anything but American. He hasn't had an American car in 25 years. I called him and said, "The nerve of you, talking about

buying American, when you buy foreign cars." "Well, that's my personal life, that's not business." I was glad we bought the Kobuta. [laughter] He's always had foreign cars. He loves cars. He buys three or four of them a year, and sells them all to his friends. Never American. Now today, he's got a Volvo, he's got a Mercedes, and he's got that new 850 BMW, the new 12 cylinder BMW.

BOHNING: There's an expression which shows up in a number of places, including your Newcomen address (1). It dates back to your father's father, your grandfather—"There's something wrong with that horse."

WISHNICK: I just took it down off the wall. The only picture I had here was a quotation from Ad Age. It said, "Is something wrong with that horse? Eli Wishnick." Above it was a little painting. Somewhere there's a little picture of little guy in a horse and wagon in the road peddling. It's a little, cheapy nothing. I was in Chicago, in the office of a lawyer who was originally a board member, a fellow named Leroy Weiss. His whole room was filled with diplomas and this and that, and there's one little picture of a horse and buggy, very badly painted. I said, "Roy, what's that doing here?" He said, "That reminds me of your father." He said, "Would you like it?" I said, "Yes." He said, "Would you hang it?" I said, "Yes." He said, "I'll make you a deal. You send me a picture of your father, and I'll give you the picture." It's been sitting here, but they took it in last week to reframe it. The agency said, "Is there something wrong with that horse?" In business, sometimes you have to be the devil's advocate. You know, what if. There's something wrong with that deal.

BOHNING: So your father sort of acted as the devil's advocate?

WISHNICK: Yes, he was a good devil's advocate, but he was very supportive of me and everything I did. We discussed a lot of stuff. The last five years of his life were tough. I used to wheel him in every day if the weather was good. He lived up here at Park and 56th. Or I'd pick him up in the car. At the other building we had to come in through the service elevator. He read his Wall Street Journal. He had Parkinson's that affected his throat. He didn't shake but he couldn't talk. Besides being fragile and frail, he could not talk, but he understood everything.

He lived a fine life; he died a couple of months short of 88, and he kept working right till then. The doctor told me he was going to die. He lived up here at 56th at the Lombardy Hotel. His personal doctor happened to be the house doctor also, and was in the hotel every morning from 8 to 12, before he went

to the hospital to see his patients. I'd bring lunch up like this, a corned beef sandwich. The doctor would come up, see my father, and then go the hospital. He told me one day, "Your father's going to live three days." "What do you mean? He's no different than he was last week." He said, "His will is gone. There's a difference. When you want to live, you live. He's decided it's time to go. His will is going." He just knew. And that was it. In two days he was gone, at night. So he's right, if you want it, you're going to fight. So I like old people who are grouchy and angry, and fight back. If they don't fight, they're in trouble. Right?

BOHNING: Right. I understand. My father is eighty-six.

WISHNICK: If he's grouchy and yells at you, that's good.

BOHNING: Exactly.

How do you compare the new people coming into your company in particular, and the industry in general, over the years that you've been involved?

WISHNICK: Not as productive. More staff, which is very important in a lot of ways, but it's not as productive. It's important because you've got to comply. I had a policy I hoped to follow. We don't fill out any voluntary anything. If you've got to do it, we're going to do it. If it's voluntary, no. When the Congress writes to us, please describe all of your processes, tell us the type of equipment, tell us this, tell us that. Voluntary, no. If they want it, if we've got to do it, we've got to do it. The staff are good people, but they're not productive. They're very non-productive, but important, essential, and you can't survive without them. Can't survive without them. The day's work doesn't produce. That's why I tease people, "Everybody's meeting. Nobody's going out and getting orders!" [laughter] Theoretically, maybe 50% of our people were marketing people. Now 5% is a lot.

BOHNING: Really?

WISHNICK: Yes, if we've got 8000 people, we've got 400 in direct marketing. That's about right. There are twenty in this division, fifty in that division; maybe it isn't even that much. I can show you on this list here of everybody, at least 50% were in sales. Today, 5% would be 400 direct. That's what you consider direct marketing, inside the office, taking orders. The more salesmen the better, so it's frustrating. I think that's one of the reasons why I just retired; it was no more fun. It

was no more fun.

BOHNING: Did you do much selling yourself?

WISHNICK: Oh, I was a great salesman. I was one of the best. I thought. [laughter] Every salesman thinks that. We were a small company in the 1950s. We had nothing. Everybody sold. There was no staff. There was no environmental staff, there was no legal staff. We had an insurance manager for factory insurance. It was not much. Now in the insurance part we have eleven people. They go overseas to review insurance. Everybody's traveling. But getting orders is it. I think that's the way we built the business, by hard sell. There was the combination of the three companies. Witco was heavy in marketing, and we didn't give a damn about research, we didn't give a damn about manufacturing; marketing ran this company.

First we bought Sonneborn. Sonneborn didn't give a damn about marketing. Wash the floor first, then go out and sell. These were monstrous plants, making sulfuric acid and other heavy chemicals. They were really big heavy industrial plants. So manufacturing ran Sonneborn and marketing ran Witco. With Argus, the technical people ran it. The three legs of the stool, manufacturing, marketing and research, starting in 1966, really seemed to gel back towards the bottom line. We all infrastructured with each other.

Bill Leistner ran Argus, moved up here, and ran all the chemicals. Sonneborn moved up here and ran all of the petroleum parts, so it worked pretty well. People today, they're awful good, they're awful bright, but not as productive. Productive towards the bottom line, but essential, that's all I've been saying, not productive but essential. If they all disappeared and we didn't have to do what we have to do, business would be a lot better. We're very pro-environment, very pro-active, we're very conscious of what we do today, but there is such a thing as overkill too, just overkill. You used to measure stuff in parts per million. Now it's parts per billion. Now they've got equipment that'll do parts per trillion. Well, I mean, come on. People didn't die when they had one part per million, and when you add three zeros it's overkill.

BOHNING: Over the years, did you have a major account or did you put your business in a lot of smaller accounts?

WISHNICK: In the beginning rubber was the thing. You saw those figures; there were only five rubber companies—Firestone, Goodyear, Goodrich, General, and Uniroyal. That was it. I'm going way back. There were five accounts, and we all personally went to Akron. We personally covered everybody at Akron, top to

bottom, from the receiving clerk to the technical manager. Of course, we did a lot of business with the Armstrongs, the Coopers and the Generals, but it was mainly the major tire companies. Now it's diverse. Today, if you take the total company, there isn't a dominance. By division there is. There are some of our divisions that do \$50 million in sales that have a dominant customer account for 10% of their business. But I'm told the base is holding.

BOHNING: What about competition?

WISHNICK: All over the place. Unbelievable. We usually followed Cabot. They don't make much money; we think their prices are too low. We don't collude, we don't talk about prices, we just know they're not making the money they should be making. And we're not making the money we should be making. The tire people are killing each other. Therefore, they go to the raw material people and say, "You've got to support us or else we won't talk to you for twenty years," and stuff like that. So everybody hurts. I guess Detroit goes to the tire people and says, "Goddamn it, this is what we're going to pay for tires or we're not going to talk to you for twenty years." [laughter] The public goes to buy a car, they look at a sticker, and they chisel the last guy on the last hundred dollars. Things are different; everything is different today [laughter].

No, there's no one industry any more. Plastics are very big with us. Plastics crosses most of our divisional lines. We have products, and a lot of products go to plastics. Argus—very heavy. HUMCO—very heavy. Sonneborn—very heavy, the white oils or lubricants and stuff. So plastic probably is our biggest single industry today, but it's diverse, with lots of accounts.

BOHNING: You said you're moving up the street?

WISHNICK: 53rd and Park. This is 53rd and Madison. You can almost see the building.

BOHNING: So you feel confident in the future of the company?

WISHNICK: Oh, yes. I think it's very well managed. I think they've got their eyes set on better margins. It's different. You can't stop things. I was very easy going. Morale was very important, and our people were important. I think our reputation of treating people helped us in acquiring companies. I did certain things three years ago. I looked at our pension funds, and we were doing so well. I was on the pension committee, and said, "Let's take a look at giving." "Giving?" I said, "Money from the pension fund for the retired people." The problems you

have to go through to get approval, from the government, signatures, registering. Everybody who was retired at that time got \$500 cash plus \$100 a year for every year they were retired. So if you're retired fifteen years you get \$2000. Voluntarily, out of the pension fund for the older folks. I explained to the board that I thought it was good for morale for them, but it also affects the people who are working for the company. There's so damn much money, and we're overfunded, so what are we sitting on it for? It doesn't do anything for the Witco. That was three years ago. I got the nicest letters from people. A lot of them felt it wasn't the money, but they're remembered. We had one guy, ninety-nine years old (he's still alive now, he's one-hundred and two). He was retired forty-eight years or forty-nine years [laughter] so he got \$5,400. He bought himself a lawnmower he can sit on. We got lovely letters from people. It's morale.

So I worry, but at the same time it's a different environment than when I was a young guy. The business was built on personal relationships. They were lasting, long-lasting. Today, people don't think anything of whack, eight hundred people gone, just like that. I don't know how they knew what those eight hundred people were doing the day before. We haven't had any layoffs, except that one we had. We haven't had any early retirement programs. I'd rather freeze hiring than fire. We have a lot of retirements every month. Why fire, then hire a replacement? Why not just freeze? It'll take care of itself at one hundred, one hundred and fifty, one hundred and eighty a year retirements, that's all. A lot of people are gone. Just switch the others around.

[END OF TAPE, SIDE 5]

BOHNING: To me, though, that does not seem the norm. You hear in many places, they can't wait to get an early retirement.

WISHNICK: We ran thin. We were never, I thought, heavy. I sort of watched it. We all did two or three jobs, we really always did. Now we're getting more professional. They pooh-poohed me when I said Witco's a lot of small companies the way we run it. It's not a big company. It's not a billion six. It's a little \$50 million company there, it's a \$40 million company, it's a \$150 million company. They run their companies. There's a corporate vice president who runs the manufacturing, the marketing, the research, the tech service. All we do here at Witco is have accounting and credit and human resources and legal. We leave these guys alone to run their business. They run their business. If they've got a lawsuit, send it in to New York. We'll take care of it. Credits, they don't even worry about credits or collections.

So it's a simplified line operation. There are a lot of little businesses, and therefore you can't build a big infrastructure. Central engineering does the engineering; we don't have engineering capabilities at every one of our divisions. We have small engineering capabilities in the big divisions, but we have central engineering go out on a job, they'll turnkey a job and hand it back to them. What a great way to run a business! "I want a new sulfonate plant." We'll provide the financing, we'll do everything and twenty-four months later, "Here's the key. Here's a nice new plant for you, manager. While you're busy, we hope your getting orders." That's the way we've run it. Whether you can run it that way today, I don't know. Anyway, I'm retired. I like that.
[laughter]

BOHNING: Company loyalty.

WISHNICK: Tremendous.

BOHNING: I would assume so from what you've said.

WISHNICK: Promotion from within. If turnover is negligible, then they'd be mad. Very seldom do we go outside. Certain jobs we just have to go outside; we don't have the in-house expertise. Our central engineering people are great. They go out on a job, they live in little shack for six months, and they construct a job. They are chemical engineers with a process background.

The movement from within has been nice. Bill Mahoney came up from Memphis not too long ago. Bill Toller came up from Houston not too long ago. I've been successful in talking people into New York. They say people don't want to come here. I don't believe that. Nobody lives in New York. They like to come to New York. They all live twenty or thirty miles out of New York. Their kids go to school out there. New York's exciting. I think it's got everything. I'd die to think of living in Houston.
[laughter] Eventually, I guess, they'll move. So it's up to them. While I was here we weren't going to move out of New York. It's awful out there. Where do you live?

BOHNING: I'm in Philadelphia.

WISHNICK: That's at least a cosmopolitan city. I don't think you'd want to live in Debuque, Iowa.

BOHNING: No. I spent two years in New York in the 1950s and it was great. I lived in Greenwich, Connecticut.

WISHNICK: That's because you were single.

BOHNING: That
's true.

WISHNICK: It's always single! [laughter] It was always great when you were single! For the record, he's laughing, but he says, "Ah, that's true!" It is.

We have good loyalty, low turnover, we don't get much help from the outside. That's why being in the boondocks wouldn't be good. At least in the city there's excitement. There's all these meetings that you can go to. God, when I was young, there was something going on here every single night. I was out every night, in between traveling.

BOHNING: A lot of the industry organizations were headquartered here, and you could probably meet people much more easily here in New York.

WISHNICK: We used to have the Chemists' Club. Of course, the Rubber group was here, the Paint, Varnish, and Shellac Association, the plastic section of the CMA; a lot of things were going on. Now, of course, a lot of companies have moved out of here. Things have changed. It's still the center of insurance and banking and export. I find it upsetting because I'm a New Yorker; I live in New York. It was the commute that wasn't so exciting! [laughter] We all think if we move the office to the country, it's going to be right next door to them. They forget, if you go to New Jersey, the Connecticut people have got another half hour to go and vice versa. Everybody thinks it's the ideal thing to have the office down the street like I have. I live at 56th and the office is here at 54th. That's the ideal. They're making enough to move to New York; they really are. The top people have no business in the world commuting an hour and half each way each day. No business in the world; they're nuts. They can talk all they want about cost, if they keep fair costs on the second car, shoveling snow, commuting, painting their house, or painting the interior every four or five years, and all the work that's done out there versus coming into the city, especially after their kids have grown up, and renting an apartment, they're nuts to live in the suburbs. Here you get home at 6:00 or 6:30, go the movies, go to the theater, go the art museum—everything is here! They get on a train, they go home, they get home at 8:00 like I used to, and there's nothing there. They eat dinner and they go to sleep. They're nuts. At least that's my speech to them. Try it, come to New York. I've got a couple to move in already. Two big ones moved in last year. And both of them love it.

BOHNING: Is that attitude changing? Greenwich and Stamford have a lot of corporate headquarters.

WISHNICK: Worse. Commuting is bad. You ought to see the bumper to bumper traffic out there in the afternoons. If I go up there on a call, at 4:30 the Hutchinson River Parkway is bumper to bumper. Everybody's out there. Recently, there was a big article in the New York Times, about someone who sixteen years ago moved there, and now they're moving to Atlanta for the same reason they said they moved out of New York—schools, taxes, transportation, traffic, everything else. In New York there's no need to even have a car. I walk to work.

BOHNING: You don't need one.

WISHNICK: I don't need one. I was the only one in the company who was entitled to have a company car. During the last seven years I refused to take it. I don't want a company car. I'll walk.

BOHNING: Well, right now I'm doing that in Philadelphia, and it's great. It's the first time I've been able to do it in my life and it's great to walk around the corner and go to work.

WISHNICK: Philadelphia's nice in that old section down there, Rittenhouse Square.

BOHNING: Is there anything you'd like to mention that I haven't asked about?

WISHNICK: You seem to have a pretty good archive there. Where do you get that? You push the computer and out it comes?

BOHNING: My research assistant put this together.

WISHNICK: I've got some of those things in this box right here. Here is a picture of Don Aronow. He was murdered a couple of years ago right in front of the factory in Miami. There's a new book out on him called Blue Thunder (3). He and George Bush were great personal friends. There was something about the CIA and the Mafia. Still, they've arrested somebody.

BOHNING: Blue Thunder, is that it?

WISHNICK: Blue Thunder's the name of the book, it just came out. He was building a boat called Blue Thunder for the Coast Guard. George Bush fell in love with it. It's a silly book. It won't get a Pulitzer Prize, I don't think. [Laughter]

Is there anything else to say? I find business very simplistic if you follow certain lines. You can't go to the left one day, and go straight the next day; there's a certain way you've got to run your personal life and your business. I tell young people, you can't shade it this way one day and then decide you're going to do it differently. You've got to earn a reputation. It takes a lot of years to earn a reputation, and then overnight it can go. Once it's gone, it's gone forever. So, we try to get our people to certainly be very law abiding. They don't collude on prices. When it comes to ecology we lean over backwards. Sure, we're paying for the sins of things that we did twenty years ago, but what we did twenty years ago was legal. It still seems to me illegal, immoral, or unconstitutional to pass new laws retroactively. It's got to be unconstitutional. And the government's the worst polluter, by the way, of anybody in the world. When I go down to some of these arsenals, I can't believe what they've dumped over the last thirty or forty years. It is unbelievable. But, what was done twenty-five years ago, everybody did it. There was nothing illegal about doing it. Now, they say, "By the way, we just passed a law. It was illegal what you did, and therefore we're going to penalize you for it."

I don't quite understand to this day. Our people tell us it's been upheld in the Supreme Court. The passing of laws I can understand; the retroactivity of it I still can't understand. The government could say, "We've changed the rules now. You've got to be responsible from here on forward. From here on backward, we'll take care of it." Or the deep pockets theory-- you're the only one left around town that's got any money, therefore you're in trouble. You put ten drums in this thousand drum pile, and you're fully responsible. The law's been upheld, by the way. The 990 drums are from people who are all out of business, so therefore you've got to clean it up, or triple damages, or we'll do it and charge you.

Anyway, the problems of business today are not as productive. I think company-wise we're now ahead of Europe. I think Europe is paying the penalty for what we've been paying the last ten years. Especially Eastern Block Europe is unbelievably polluted. Polluted, inefficient, broken down. Western Europe is polluted but efficient. The business is pretty easy—you make a product, price it fairly, you go out and sell it fairly. Business isn't hard.

I think today, financing your business is entirely

different. We've done it our way. We've done it long-range. Let me see if I've got our spreadsheet here. (It's amazing how you throw stuff out when you're getting ready to move.) Here's the spreadsheet of all our total corporate debt, showing all the different debts of the company, and how much is due through the year 2012. There is only one peak year, which is this industrial revenue block. But otherwise, this was the 5.5% we just borrowed, \$150 million, all spread all over every year, so there's been no drain on the company's earnings to pay the debt. I feel sorry for people today who are building a business, and work all day and all week, and Friday night at midnight they put all their money in a wheelbarrow, and they run it down to the bank and say, "Here's our interest." There's nothing left to build a business. They're nuts. They've got to be crazy to finance a business with nothing left to build it! How can they do that?

BOHNING: Do you think that after the experience of the 1980s that attitude is changing a little bit?

WISHNICK: Sure. The reason is they can't get it. They'd be happy to take it if somebody walked in tomorrow and said, "We will loan you a billion dollars." They'll take it. They always took it. They just won't give it to them anymore; they got too smart. The banks have got their own troubles, they've written down the junk bonds, and the insurance companies, and the banks, it's like a house of cards. It gets you worried, and yet it doesn't seem to bother the stock market, does it? That's another world, another world. It's got nothing to do with us.

So that's really what I've got to say. It's been a lovely experience since the early 1940s. Capable people are going to carry on. It's a sound business with sound products, plants, people, balance sheets; they can't ruin it too much. I keep saying I'll come back. [laughter] So that scares them!

BOHNING: You won't be too far away.

WISHNICK: They wanted me to stay here, which was nice. I didn't want to stay. I remember my father. From sixty-five to eighty-eight, I gave him the corner office. His door was open. If you came to see me, I'd walk you by and he'd wave. I'd walk you in and introduce you. He'd say, "Why are you here?" You'd sit down and have a cup of coffee with him. It was nice. Then when you'd leave he'd say, "What the hell was he doing here? Why are you wasting your time on that? You should be out getting orders." [laughter] So I decided to get out of here! I didn't want to be in their hair. Leave them alone, they've got their work to do. They'll do it their way. Nothing wrong with that.

BOHNING: Thank you very much for spending the time with me.

WISHNICK: You're welcome.

[END OF TAPE, SIDE 6]

NOTES

1. William Wishnick, The Witco Story (New York: The Newcomen Society, 1976).
2. Letter from Robert I. Wishnick to Mr. C. K. Schwartz (Gottlieb and Schwartz), dated 22 October 1943. Copy in Chemical Heritage Foundation oral history research file #0093.
3. Thomas Burdick, Blue Thunder: How the Mafia Owned and Finally Destroyed Cigarette Boat King Donald Aronow (New York: Simon and Schuster, 1990).

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