

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

NEW BRUNSWICK

AN INTERVIEW WITH ALLEN I. BILDNER

FOR THE

RUTGERS ORAL HISTORY ARCHIVES

INTERVIEW CONDUCTED BY

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Sandra Stewart Holyoak: This begins our second interview with Allen I. Bildner on September 29, 2008, with Paul Clemens and Sandra Stewart Holyoak. Mr. Bildner, thank you again for having us. The first interview was very successful; let us begin by talking about some of the things that perhaps we need to flesh out a bit, or maybe even add some new material.

AB: Well, thank you, Sandra, thank you for being here, and, as I told you when we first met, my wife tells me I can't say hello in less than five words. So, you now know from what you just showed me, a copy of such length, that she was quite right. One of the places that I thought we might begin at is where we talked, at the end of our session, about the organizational training and development that we [Kings] did, that led to learning the feedback process, the use of transactional analysis, the Johari Window, which you explained and were very familiar with, and taught me what Johari stood for, Joe and Harry, their first names, which I didn't know. [laughter]

SH: That is due to my assistant's research.

AB: ... All of it was designed to develop trust, because, without trust in the organization, communication is not possible. ... The other reason for it was that if we think about our lives in organizations, whether it's education or business, unfortunately, ... so many people go through a life in a business or [their] careers in a single dimension, a professor, a student, a clerk, a supervisor, a president, whatever, and we only know each other in single dimensions. So, the whole purpose of what we were doing in organization training and development, including the use of the Johari Window, was to see each other in multi-dimensions, because, unless we see each other as fathers, mothers, brothers, sisters, unless we know something about each other's concerns, each other's anxieties, each other's hopes, and the problems that we're concerned with in our own organization, we will only see each other in that single dimension. The net result of that is a lack of trust, and it really inhibits communication greatly. So, that was what the major purpose of that was all about. Now, where did this lead? Well, it led to something that was critical in, I think, the success of our organization, and that was to a corporate mission and the guiding principles, and, as usual with me, ... I just can't leave it there. I have to tell you how that came about. ... I was heavily involved, as you know, together with my wife, in the food industry. The net result of that is that I was a member of a division called the General Management Division of Super Market Institute, and I'm going back now to the '50s and early '60s. This was a separate division where additional dues were required and the people who were invited were the owners or CEOs of public or private companies, and it was a relatively small group and [included] the leaders of our industry, Bob Wegman, from Wegmans in Rochester, Stan Davis, Shaw's, George [W.] Jenkins, Publix Markets, Eral and Estel Marsh, Marsh Supermarkets in Indiana and Paul Cifrino, Supreme Super, Mass. It was a very special group. I served as chairman of that group for one two-year term. Well, you can imagine, these were pioneers in the supermarket business. Remember, the supermarket business was founded in 1930. The supermarket business was still very young in the '50s and '60s and the whole purpose of that was to share experiences, learn from each other and, also, to have guest lecturers in, on organization, on management, on leadership, on financial management, and it really served a very useful purpose. That was a big learning experience for me. I also was a member of the American Management Association, which was revitalized by [Gerald H.] Gerry Achenbach, a Wall Streeter who bought Piggly Wiggly stores in the South [Piggly Wiggly Southern, Inc.] and wanted to make certain that the American Management Association stayed in business. I don't

know whether they're still in business, or [have] moved in other directions. Those AMA Presidents' Conference meetings included the presidents of organizations, and was by invitation only. You could apply, and then, you were told whether you were going to be part of the group. ... We dealt with all kinds of business matters, and who were the teachers? The teachers were the CEOs, the most successful CEOs in the country. One of the things that I got out of that group was, that was my first blush, and I'm going back again to, probably, the '50s, late '50s, with the importance of strategic planning, how to [create a] strategic plan and the importance of keeping it updated. So, that was another means by which I was able to add to my business knowledge. ... There was one other group that I didn't tell you about. That's a group called the Coca-Cola Research Council. Coke provided enormous funds for research, in partnership with Super Market Institute, and, every year, they would publish a new research report on some phase of the industry, and one of the research reports was done on business in Japan. Remember, after World War II, thanks to an American, I've forgotten his name, Dawson comes to mind, who helped them redesign their business enterprises and management and organization methods. Japan became one of the leaders of the world in organization, leadership and management, and team building, and became customer and people-oriented. ... Coca-Cola spent time there, with a group of supermarket operators who were members of the council, to study what it is that makes Japan's companies tick. They came back with something very simple. It was the result of a corporate mission, a mission and guiding principles that around which everything else flowed, and the mission and guiding principles became the benchmark from which operating plans, action plans, strategic plans, were developed. ... Whenever there was an evaluation of how a company was doing, it always started with, "Well, what does this have to do with our mission, and are we still on target or aren't we?" Well, that led to the importance, in my own mind, ... after we had done all of the research that I'd mentioned, the market research, the change in marketing strategy, targeting an upscale audience willing to trade some price off, the change in advertising, ... we focused on having a corporate mission and guiding principles, embracing the idea that if you were interested ... in maximum profitability, it was not possible without maximum concern for people, and, if you had maximum concern for people, that was not possible without maximum concern for profitability. So, the two went hand-in-hand. Now, the mission that we established was critical, and rather than read it, I think I've given you a copy of it. ... Perhaps you'd like to include that in my remarks, or would you like me to comment on it?

SH: You can comment on it. I think it would be helpful. We can include a copy as well.

AB: Okay. Well, first of all, when we're all said and done with this, as I'd mentioned, we concluded not only that there was no conflict between profit and people, but that Kings was about people, people serving people. ... If you will, that became the headstone, ... and then, we then said that what we were about involved three things, a positive culture, a sense of community, a sense of family, and a shared vision of the future, and that what drove our company was people and culture, innovation and differentiation, quality and excellence, and profitability and recognition. ... When we were completed with our organization development, as I've described it earlier and today, we concluded that, in order, really, to provide recognition, financial recognition, in addition to titles, we distributed twenty percent of our pre-tax profit to our associates. That included not only the management of our company, at the top, that included the store managers, our department managers, and our store managers had discretion to distribute the pool allocated to their store for full-time and part-time people. That recognition was very,

very important. In many cases, it was not only a financial reward that meant something, but it was ... the report card, recognition of what people did. Now, the guiding principles were very important to us, too, and the guiding principles were designed to describe how we were to fulfill that corporate mission. ... The corporate mission was one ... with an objective that was primarily to sell foods of quality, variety and value that met the needs of customers in each of our locations, to ensure that our marketing strategy was predicated on our ability to position ourselves as the buying agent for customers in our marketplace. ... We wanted to make sure that the customer viewpoints were reflected in the purchasing and operating decisions of the company and that our customers perceived us as their advocate, and then, we said, ... "How are we going to accomplish that?" ... We concluded that, if we're to accomplish that, we had to assist customers in spending their food dollars wisely, we had to identify and give customers buying alternatives which reflected good value, we had to assist in protecting the health of customers, not only through excellence in sanitation and cleanliness, which would be expected, but, also, in controlling and minimizing microbacteria, and I'd like to tell you about some of the things we did to accomplish that, later. Then, we wanted to provide the information necessary for customers to be able to make the best possible food buying decisions. For example, we were the first in the country to identify the origin of the products that we sold, the states they were from or the country they were from, and, now, as you may know, it's mandatory in many, many states. ... We wanted to educate customers as [to] how to buy, prepare, serve and store foods in a way that was both economical, wholesome and nutritious, and added to the enjoyment of their families. Then, it was important for us to recognize that we had different market segments and ... that our customers were not monolithic. They were senior citizens, they were working women, they were singles, they were teenagers, and we wanted to make sure that we had a level of personal service that exceeded our expectations and those of our customers. So, that was our mission, those were the guiding principles, and those were the four areas of our business that really drove us, and we were like a broken record about this. Now, I don't think I told you, in our previous discussions, that every year, we took our management group, including store managers, away for two nights and days to update strategic plan review results and operational plans and to provide two-way feedback to one another in a small group of about six. Did I mention that to you?

SH: Yes, you did.

AB: I did.

SH: So many of these innovations in the food industry are amazing.

AB: Yes, yes. ... I know I told you that we broke into, ... seventy of us, in a circle, with the Joe and Harry [Johari] Window, but did I also tell you we broke into small groups, my executive committee and me, about seven of us, and then, groups of managers, our department managers, and people that worked together, but that were also subordinate and supervisory, and we fed back to each other positively and negatively? Did I mention that to you?

SH: You did.

AB: ... Oh, okay. ... I don't know what I mentioned to you; again, stop me if I have. ... When I was involved with my first feedback sessions and people were telling [their feedback], they'd say, "Allan, look, we'd like to tell you what we think you do very well, but we want to tell you about some roadblocks that you throw in the way." Now, academically, I mean, after all, this was important and we were embarking on a new road. Academically, I would say, "Thank you very much. I really appreciate your feedback," but my gut was saying, "Don't you know who I am?" [laughter] Okay, after awhile, I realized what we were doing was powerful. I mean, it was really powerful, both for our people, when they got and gave feedback from their people, as well as ... me. So, that organization development and training was critical to us. Earlier, I mentioned to you control of microbacteria. Even before we were purchased by Marks & Spencer, and who were state-of-the-art in protecting public health, they developed the "cold chain," getting foods from farm to table under the proper temperature and humidity. They were state-of-the-art in controlling microbacteria and having their suppliers do that, but we were also there. We would breakdown our meat departments twice a day and our people would change their aprons and their clothing. We would stop work, flush down the meat departments, the tools, the equipment, with 140 degree water and safe additives, to kill any microbacteria. Now, that cost about forty thousand dollars a store and, of course, the costs were reflected in the cost of doing business, but we were convinced that our customers had fewer problems with dysentery, diarrhea or other stomach upsets, and, when we laboratory tested our ground meat, which we did, ... it was almost hospital sanitary, in terms of control of bacteria. We used outside laboratories to pick up salads, ground meat, perishable products that we had prepared in the stores, to make sure that the controls that we had put into place to control microbacteria were in place. So, we took that very, very seriously. I mentioned, when I was talking about guiding principles, that we wanted ... to educate our customers about foods and about everything that they needed. We were probably the first in the country to have a Kings Cooking School. ... I think I mentioned to you, ... someplace in my previous comments, [that] my dad said, "Son, you don't have to invent anything. You just want to make sure you know what's going on in the world, and then, twist it to what works best for you." Well, Byerly's was a wonderful company in Minneapolis and Don Byerly was also a member of the Super Market [Institute] Board, Byerly's, and so was Gelson's, on the coast. Gelson's was a very upscale marketer in Beverly Hills, Encino, the Pacific Palisades, Los Angeles, and Byerly's was a chain in Minneapolis. ... Our three companies, Kings, Byerly's and Gelson's, were a share group. There were many share groups in the country and a share group would be a group of people with comparable-size businesses, supermarket operators of equal size. We were invited to be a member of the share group founded by Price Chopper. It was then Central Markets in Schenectady, which is now a several-billion-dollar-chain, but I realized that we were not going to be able to contribute what would be expected of us, nor could we use much of what we'd learn there because of the difference in our size and distributing capabilities. So, that didn't make sense, but Byerly's and Gelson's and ourselves, who did roughly the same volume, with the same number of people, with the same marketing strategy, it was a perfect fit. So, we're visiting Byerly's one day and he takes us into their cooking school in one of their stores, and I say to myself, "Got to do it," and so, when we opened up Short Hills, in 1978, we opened up our first cooking studio. We called it a cooking studio. A woman by the name of Joanna Pruess, who had some experience in the culinary arts and was a writer, became our cooking school director and it was a smash from the very beginning. ... There were all kinds of courses and there were courses given for anybody who wanted it, and so, we had a mixed group of women and men, teenagers, and courses for the deaf and the blind, the

handicapped. ... We opened up cooking schools in several of the stores, and I know that the cooking school concept contributed handsomely to the success of the company. One other area that I mentioned in our mission was getting customers' feedback, making certain that we understood where we were at with our customers. So, we organized a consumer panel in Bergen County, one in Union County and one in Essex County. ... We let people know that we were interested in organizing a panel in their area and welcomed anyone that would be interested, and that it would be limited to about fifteen to eighteen people, to make sure we were getting good feedback and discussion. The panels were under the direction of our Director of Consumer Affairs, Kathy LaPier, and we were one of the first in the country to do this. We stole this idea from Giant Markets in Washington and Stop & Shop in Boston, Mass., but we twisted it to us and did it better. We were certified to teach professional chefs.

PC: Can I break in for a second and ask you a question?

AB: Yes, sure.

PC: A lot of these ideas sound fantastic and it leads me, as a historian, to ask you this question.

AB: Yes.

PC: Even upscale places, like Wegmans, today, I do not associate any of these with what at least I know about the way supermarkets operate today, even the ones like Wegmans, which seem to have somewhat the same philosophy.

AB: Yes.

PC: What has happened to the supermarket? Why do supermarkets today not do this, or am I just missing something, doing these sorts of things, the consumer panels, the cooking classes? What has happened to the food market industry, in your opinion, that made you unique then and now it has disappeared, because it obviously worked for you?

AB: There are a few causes that have prevented supermarket operators from furthering differentiation and innovation. One is the lack of entrepreneurship. Another is that supermarket operators in our country are mass marketers whose primary strategy is price. What we were doing requires much higher operating costs, more costly merchandise, and particularly high labor costs, to provide merchandise, quality, and personal service throughout the market. The mass marketers on the other hand must reduce operating costs to the lowest possible level which simply prevents them from operations strategies and activities that result in higher costs. It is true, however, that other operators, including Wegmans and Whole Foods, are still innovating and differentiating themselves and targeting a market willing to trade off some price for higher quality and service. Since we first discussed this, however, with what's happened economically, the pressure is on every operator to reduce prices and cut costs.

Did I tell you the story about normative behavior in our company and about our voluntary Weight Watchers program, the first in-house efforts by Weight Watchers?

SH: Yes. [laughter]

AB: Oh, that's in there, too? ...

SH: Yes, that you went as well.

AB: I know, but that we got apples from our distribution center and our people thought we were stealing? ...

SH: That is right, yes.

AB: Okay, yes. So, coming back to norms and norm change strategies, ... too few executives, to this day, in my own judgment, you meet other businessmen and talk about what normative behavior, norms, [exist] in their company. ... You'll find that most people don't want to spend the money and don't have patience with some of these things. ... There are still companies with consumer panels and a few with cooking schools, but a piece of it is that the business has changed so much, with consolidation, amalgamation, acquisition, as I said. The strong regional companies have disappeared and the pressure is on profitability, and, especially, [in] the public companies, the pressure is their stock prices. So, what are the things that go first? If you look at the history of the supermarket business and you go through the cycles of good times and bad times, what are the things that go first when the times are tough? human resource departments, public relations, external communications, research and marketing research. The things that go first are ordinarily the things that make the difference in business. I don't know whether that makes sense to you, Paul, or not.

PC: Yes, completely.

AB: But, certainly, that's a piece of it, and the other thing is, you know, if you think about business today, at one time, certainly when I grew up, and I think, I would say, I'm trying to think how long ago, probably fifteen, twenty years ago, the two most important resources in any business were your people and your customers. Now, you think about business today; it doesn't exist. There were times when a person would go to work for a company and know, if they did a [good] job, stayed on the job, were loyal to the company, the company would be loyal to them and they could look forward to their retirement with full pension, right? Nowadays, it's quite different, in that it's sad. Privately-held businesses and family businesses were the backbone of our country, if you think about it, but we've become more and more a corporate state, and I think that's a piece of it.

PC: Is there a company operating in the food industry today that you think of as, I would not say a throwback, but that still operates, more or less, on these principles, a regional company that you know of?

AB: Well, Gelson's still exists. Bernie Gelson died, but the company is still [in operation]. They're owned by Arden-Mayfair. They still operate much the same. Byerly's was purchased by Lunds. They still exist, and Wegmans, by the way, Wegmans is doing many of these things, and still privately-owned by the Wegman Family. Did I discuss the history of Wegmans previously?

SH: No.

AB: No?

SH: You did mention it, but you did not talk about it.

AB: Okay, but I did mention that so much of what we did, you know, coming back to, "I didn't invent it, I just twisted it," that resulted from the time we spent in Europe and we had a European consultant, ... Roy Halstead, [P. K.] Halstead Associates, work with us in the development of our Short Hills prototype in 1978. ... We were probably the first supermarket to sell seafood open on the ice. Up until that time it was prepackaged and terrible in most supermarkets. People didn't buy [it]. Well, the European consultant that we used was Roy Halstead and he really helped us. Now, his job was not [to create]; he didn't invent what we were doing. What we were doing, we did because Joan and I were there, saw it and said, "Hey, ... we have to do that," but he was the consultant that helped us in implementation and training our people, to bake croissants, to sell seafood the way we wanted, to get us into the prepared food business, to teach our people about how to do those things. Well, Bob Wegman's daughter lived in Chatham, New Jersey. Bob Wegman had a close friend in Montclair and Bob was a member of the FMI, Food Marketing Institute, Board, as I was. I knew him very, very well, and Danny, his son, was also on the board. In 1978, Bob's daughter called Bob and said, "Dad, you've got to come down and see Kings and what Allen Bildner and Kings are doing in Short Hills, New Jersey." He didn't come. She kept insisting and, six months after we're open and many, many supermarket operators from all over the country have been in to see that market, because it was unique at that time, because everybody was marketing price, price, price, Bob came down with Danny. At that time, Wegmans was a conventional supermarket, like most supermarkets, not what Wegmans became. Have you been in a Wegmans?

SH: I have.

AB: Yes. They are very good. They're an excellent supermarket company.

PC: The best around. [laughter]

AB: Oh, they're the best, and they're one of the best in the country, if not the world, but they were not that then. So, Bob came down and he's really impressed with everything he sees and he says, "Allen, I have to tell you, when my daughter told me to come, I said to myself, because I know your market in Upper Montclair, 'What can I learn from Allen Bildner?'" Now, you've got to know Bob to know that that's exactly what Bob would say, resulting from his big ego. Well, despite that, since we knew them, we said, "Would you like to visit our produce distribution center?" We did. They came. ... They were not doing any business in the terminal markets where they existed, that was the source of many, many specialty items, which you couldn't bring in by carload. ... They hired our consultant, Roy Halstead, also and, of course, we had no problem with that, because he was not exclusively ours. They were not competing with us in those days and it was Roy Halstead that did for them what he did for us, in terms of seafood open on the ice, prepared foods, etc., and I have to tell you, they took what we did and they took it to

an even higher level, in terms of store size, and getting in the restaurant business. They are superb operators. ...

SH: Did Mr. Wegman visit your store in Short Hills?

AB: Oh, yes.

SH: Okay.

AB: After we opened Short Hills, we then renovated all of the stores over a period of time to that concept, which was different. Now, they open up ... in Windsor, outside of Princeton. ... That's their first store in New Jersey. I called Bob and Danny. Look, I know them well, I expected them to be opening up stores in New Jersey, because they needed to expand out of their marketing area for their growth. I was glad that we were not competing with them directly. I said, "I'd love to visit your store when you're here," okay. ... I wrote a letter, made three calls, never heard from either of them, never. Now, our son, Rob, owned the produce distribution company, which I think I told you, he became the owner of ... when we sold our company to Marks & Spencer. So, I call Danny and write Danny and say, you know, "Rob is in the wholesale produce business, as you know, and selling not only [to] Kings, but others. Who can Rob meet with in the produce area of your business? ... I recognize that Rob will not be a full supplier to you of produce, because you don't need him, but I do believe he can supply you with some specialty items that you otherwise might not be able to get;" never heard from him, never heard from Bob. [laughter] That's called, "The memory is very, very short," and, of course, it's disillusioning. ... Fortunately, there are not too many disillusioning moments like that in my business career, but a few. One other one that I can think of is that, when we opened Short Hills and expanded to our other stores, and because I knew so many people in the food business, as chairman of Food Marketing Institute and as an officer, I had Peter Magowan, the chairman of Safeway come visit, Mark [C.] Hollis, who then was the president of Publix, the president of Sainsbury in England, and I was delighted, because it was good for us. It made our people feel so good that companies that they recognized were coming to visit us. After all, you know, we were not a multi-billion-dollar company. We were a company doing, probably, at that time, between four and five hundred million, so, a relatively small company, with about twenty-four stores. So, it meant a good deal to our people. Peter Magowan visits us. His father was a former chairman of the board of Merrill Lynch, the investment company. After Peter retired as the chairman of Safeway, he bought the San Francisco Giants, the baseball team. Joan and I knew Peter and his wife very well. About two weeks after he's here, ... the head of our meat department, our head meat merchandiser and buyer, Tom DeMott, says, "Allen, can I see you? Allen, I've really appreciated everything you've done to help me with my career, but I'm going to be leaving." Where is he going? Safeway.

SH: Did that happen often? You had been so innovative and you spoke already about how other companies used or twisted that. Did that happen often?

AB: Yes. You know, whether it's Rutgers University or Kings or ... in other businesses, when you have a reputation, a good reputation, you've got people recruiting your people, trying ... to pirate your people, and, you know, I always said, "We don't own anybody. They are not our

slaves, and, if people can better their lives, better their jobs, all I would ever expect of anyone is that they sit down with me, tell me what they're considering." Because I know most of the companies in the field, I would say to them, "They're a good company and you've got an offer that you should take, because it's a [good] company and we're not able to match that. You should do it," but I would also know companies where I would say, "Look, [even] if they gave you double that, let me tell you what you may be up against." That's what we would say, but, you know, I would always say that to somebody when we were meeting for the first time or who was starting with us for the first time, but, you know, not once did anyone believe me, because what I would say to them [was], "If you tell me that you're leaving and we say, 'Go ahead and do it,' we're not throwing you out on the street. We expect you to give us reasonable notice. You'll be on full salary with all your benefits," but, you know, despite the kind of people we were, I guess the norms in the business were, you tell somebody you're leaving and, bang, you're out the door and you're cut off from everything.

PC: Can I jump in again?

AB: Yes.

PC: There were two questions that I brought with me that I want to ask. One of them is actually on your suggested topics list here. Could you tell us a little bit about your wife's role in your business? I would like to get that on the record also.

AB: Oh, yes. I met Joan when she was fifteen and Joan was active in our business. At one time, ... we had a small department that sold holiday gifts, turkeys at Christmastime, Thanksgiving, and other food gifts. Joan organized that and ran that. ... My mother was active in the business and would come in three days a week well into her late seventies. ... Then, Joan enlisted her in helping her. Having told you that, I have to tell you that Mom began to call our suppliers, to sell turkeys, and I would say, "Mom, I don't ... want any pressure on suppliers or any threat, okay?" but Mom was an old-timer and that was not her style, and then, ... I'd walk in on a conversation that my mother was having with a customer ... who was complaining about something. ... Afterwards, I'd asked Mom to assist our Director of Consumer Affairs with consumer letters and telephone calls, that I would hear my mother [saying], "That can't be. That can't be." So, afterwards, I said, "Mom, I know you're so emotionally involved in this business that you can't handle that kind of criticism, so, would you please just assist with the letters, the correspondence?" ... Coming back to Joan, every time we remodeled or opened a store, Joan was there at the openings and acting as one of our hosts and a hostess with our customers. Joan was my partner in every sense of the word. I valued her judgment greatly. I'm the kind of person who sees the world as I want to see it. Joan sees it exactly as it is, and I have a tendency to see people as I want to see them. Joan sees them exactly [as they are]. So, in every way, she has been an enormous contributor. When we moved our distribution center from Irvington, New Jersey, to West Caldwell, which was an enormous project, that was Joan's project, to get us moved, to get us opened and in. Now, Joan had an advantage that most of our associates didn't have, discretionary time. [laughter] So, her schedule was hers, but she was an important partner in every sense of the word. Now, did I mention the fact that the boys were in the business? Did I?

PC: I was actually going to ask. How many children did you have?

AB: Two.

PC: Two children.

AB: Yes.

PC: When did they come along in the history of the development of the company?

AB: Well, the kids grew up in the company and they saw me only Sundays, [laughter] and, by the way, even to this day, you know, one's now fifty-six and one's fifty-three, they still remind me, but we've had a wonderful relationship. ... When they were kids, growing up, I guess the youngest would have been, then, about twelve and the oldest fifteen, and had been working in the stores, you know, for bread, for allowance, on Saturdays or on holidays. When Jim was twelve, I asked Angelo Delmonico, who was the manager of our Maplewood store at the time, who I knew would not worry about the fact that he was the boss's son, but make certain that he was doing the right thing and teach him, also, by giving him some experience. So, Jim is working in the produce department, and, in those days, we had scales in each of the departments. It's not like it is today, with scanning and scales at the front end. So, a customer had to have her merchandise weighed in the produce department, and then, go to the scale. So, much to my surprise, Jim comes home one night, he says, "Oh, boy, I really loved what I did today, Dad." "What were you doing?" "Well, the produce manager gave me the responsibility of weighing ... the customers' merchandise as they came to the scale. That was my job." I said to myself [that] I couldn't believe that they'd let a twelve-year-old with no experience do that. I said, "Well, so, tell me about it." "Well, Dad, I hope it's okay with you; some woman came through who looked very poor. So, I didn't charge her as much as I should have, but, don't worry, Dad, I made it up on the next one in." [laughter] So, I said, "Jim, you're not Robin Hood. You don't steal from the rich to give to the poor, and Jim, in our company, it's sixteen ounces [to] a pound." Now, Rob's experience, Rob, I guess, is about fifteen at the time and he was working in the dairy department, I think in the Livingston store. Well, we had a policy, as I told you, that if suppliers who called on the store, or, for that matter, any place in the company, offered you something, we didn't say, "Don't take it," we said, "Say, 'No thank you,' and don't take it." That was at the store level. I'll tell you what our policy was at the office in a minute. We told our people at the store level that our policy was not to do that, because of our honesty/security ... policy, our people respected and adhered to it, but we knew that, if a supplier, for example, a bread supplier, who calls every day, gets to know the people, or a dairy supplier delivering milk every day, are going to try to give gifts, ... most are going to say, "No thank you," but some will take it. ... A milk driver calls on the store and Rob is there for the first time and he's receiving the milk delivery. "Rob, you know, we're not only in the milk business, but we also sell other products and here's some food that I think you might like." He says, "I'm sorry. I can't accept that. That's not our policy." "Oh, come on, Rob, everybody does." [laughter] So, that was Rob's experience. Well, so, the kids always worked in the stores. Rob became a graduate of Yale. ... He was fluent in French and Farsi, because he'd lived in Iran for a year as an AFS student, and then again two years before the overthrow of the Shah, on a program that was founded by Kingman Brewster, [Jr.], then the President of Yale. ... Remember, these were the '60s, the "drop out days," kids

dropping out from all over, and Brewster decided he wanted to fund a program that would send kids to underdeveloped areas of the world, where they had to get their own job, make their own way, to see whether interrupting the educational process was of value, and he got the Carnegie Foundation to fund it. So, Yale selected sixteen students, men and women, to go to underdeveloped areas of the world. Rob had been an AFS [American Field Service] student in Iran when he was in high school. So, he already had a surrogate father, Mr. Amaranni, and it was there that he was sent. He lived there for a year and he was fluent in French, because, when he was fifteen, he'd gone to the University of Poitiers in La Rochelle, France, to ... continue his study of French, and French was the second tongue in Iran. So, it was a tremendous experience for him. I'm digressing, but I've got to tell the story. Parents and grandparents were not permitted to visit these kids, they were in Africa, they were in underdeveloped areas of Asia, Rob was in Iran, until six months had passed, and they were not permitted to send money. The kids had to get jobs on their own and Rob got a job in a tin factory. Now, he writes us, at the end of six months, "Mom and Dad, you can visit now, but don't come here without my brother, Jim. Keep in mind, we don't expect an inheritance, so, bring Jim and spend the money to do it." So, we did that and we flew to London, and then, to Teheran. Now, we haven't seen Rob in six months and Rob wants us to stay in a local hotel. Most Americans go to the Teheran Hilton, the first of Hilton's great international hotels. Rob said, "No, if you're here, I want you to get the experience that an Iranian has. So, you're staying in an Iranian hotel, where businessmen stay." He has a car and driver at the airport to meet us. Joan and I had studied Linguaphone records to learn Farsi, "Thank you," "*Motehshakeram*, So-and-So," ... and we didn't want to be the "ugly American." Profanity is a no-no, absolute no-no, in that faith, and still is. I get to the car and the driver opens the door for me and I say, in my finest Farsi, "*Motesha Karem*," and the moment I did, I knew I'd insulted the driver. Rob says, "Dad, get in the car, and don't ever speak Farsi here again." We get in the car. "Dad, I can see you and Mom listening to Linguaphone records at home, you don't want to be [the ugly American]." I said, "Rob, I meant to say, 'Thank you.' What did I say?" "What you said was, 'How's your penis?'" [laughter] So, I agreed. We get to the hotel and the Iranians are very, very small people and Rob introduces us to the reservation clerk. "Oh, Mr. Robert, are your parents here?" and Rob says, "Yes, this is my father." The reservation clerk says, "You can't be Mr. Robert's father. You can't be Mr. Robert's [father]. You can't be." I said, "No, I am." I didn't understand why. ... You know, the Iranians are very small people, ... and so, all the beds are very, very small, at least in this hotel. So, Rob had told him his father was a very, very big man. When we get to the room, they had lengthened the bed from wall to wall. [laughter] You can't [believe it]. Now, the next thing, Rob wants to take us to Persepolis, and, by the way, Persepolis would have been, and still has the capacity to be, but not likely, with what's happening in Iran, one of the most incredible ancient sites in the world, you know, the scene of Xerxes the Great and Alexander the Great. ... We went to Persepolis and saw the ruins and we're staying in a hotel called the Shabis, which was fabulous, but, to get there, Rob wasn't going to go with a car and driver. "No, you're going the way that I would go or any Iranian would go." So, we get in a bus in Teheran, and it's just Rob, Joanie and me and Jim, and I guess two other people in the bus. We pull up, somebody gets on the bus, is about to give his fare to the driver and gets off the bus. The bus pulls away, stops. The guy gets back on the bus; that went on and on. Remember, we're in the Middle East, in Iran, and everything is negotiable. So, not until the fare was negotiated and the price agreed upon did the passenger get aboard. So, not until the whole bus was full did we finally get underway. [laughter] ...

PC: You said your son had gone there before with the American Field Service.

AB: Yes, yes.

PC: Did his host survive the [1979 Islamic] Revolution?

AB: No. Mr. Amaranni was the publisher of a magazine, like *Reader's Digest*, in Iran and he happened to be a good friend of the Shah's and the Shah's family, and he would criticize the Shah. ... By the way, Rob's essay for Yale, which had to answer the question, "Write an essay about the one individual on the face of the Earth you admire more than any other," well, I was a little upset that it wasn't me, [laughter] it was the Shah, because of the White Revolution, the bloodless revolution, and the fact [that] the Shah had brought his nation into the modern era without bloodshed. When Rob got to Iran, he realized Iran was a police state, and so, he was disillusioned by that fact. So, Amaranni used to criticize the Shah for some of the things going on. The Shah would close him down for a week. Then, he'd open up. He'd criticize him again, he'd close him down. That went on, but he always had the ability to be critical. When Ayatollah Khomeini came to power, he did the same thing, and you remember, Khomeini began to execute all of the intellectuals, all of the upper class, including Amaranni and his wife. ... We had visited them in Iran. They were a wonderful pair. Some of the family escaped, but most did not.

PC: Did they move to France or something?

AB: Some came to the United States. I'm not sure where. Rob was in touch with one of the sons.

PC: Good.

AB: Yes. So, that was quite an experience for us. Well, from there, before we left Iran, we wanted to take the boys to Israel, and neither one had been to Israel, and you remember, most young people then, and many today, had been very critical of the Israelis, because of their militarism, including our own kids. So, when we had the opportunity, since we're there, we flew to Tel Aviv.

SH: Straight from Teheran? You were able to do that.

AB: Yes, straight from Teheran. ... We flew on El Al and, when we got up in the air, the flight attendant came over and said, "We have six young kids," they happened to be Iraqi, "that we're taking to Israel. They've never used a toilet. Would you ask your sons to teach them?" [laughter] So, they were on the way. So, we get to Israel now and we're staying at the King David Hotel in Jerusalem and we're having dinner, and, again, we're talking about Israel. Naturally, we're there and trying to feed Israel to the boys like castor oil. ... Rob suddenly stands up and says, "Dad, you're nothing but an imperialistic pig like the rest of them," [laughter] okay, and out he goes. So, I follow him to the men's room and I'm at one urinal, he's at the next. I said, "Rob, I apologize. If I provoked you by what I said, I didn't mean to. Let's start over." "Dad, I'm sorry, too." So, we start over. The next day, we have a guide and a driver to show us around, and his name is Yitzhak. All drivers, all the names are Yitzhak. ... As we're driving,

and we've only been in the car about ten minutes, suddenly, ... you know, there's soldiers with their weapons on their shoulders and they're on their way home, or they're not active at that moment, and I make some comment and Yitzhak stops the car. He says, "Allen, I am fluent in Arabic, I am fluent in Hebrew, I am fluent in four other languages, I'm a student of the *Koran*. Let your sons learn by what they see and what they experience, and, if they have questions, let me respond. You stay out of it, if you want them to learn," and he was absolutely right. So, when we finally left Israel, Rob flew back to Teheran to finish his year there and Jim, Joanie and I flew home. What the kids realized was that, in the face of the Arab nations that wanted to destroy Israel, and still do, Israel had no choice but to defend themselves. Now, it is true, you know, in retrospect, that the Israelis ... depended upon the Arabs and the Arab nations to take care of the Palestinian refugees. That was a terrible mistake, because the Arabs did nothing to help at all, certainly not spending any money, and the refugees just festered generation after generation and could only grow up with one way, wanting to destroy Israel. ... In retrospect, for the Israelis not to have done more themselves, and maybe had gotten the United States ... and the US allies to help with that refugee problem, but they didn't, believing that the Arabs would step in, which they didn't do. ...

PC: I wanted to ask you one other question that I jotted down last time. Again, this is a historian's question. One of the things we study, at least I do, and other historians of twentieth-century America and the early twentieth century, is philanthropy. You have given a lot of money to Rutgers. I think of it now every time I walk by the Bildner Center, The Allen and Joan Bildner Center for the Study of Jewish Life. Can you talk a little bit about what you think about when you do that? Why do you do that? What are your goals in it?

AB: Yes.

SH: What motivates you?

PC: Yes. Tell us a little bit about yourself as a philanthropist, because you are one and that is part of being a business person in America.

AB: Well, I guess that my mother was influential, but not in terms of amounts. ... I told you, I was born over a tailor shop, so, we never had a lot of dough, but ... my mother kept what's called a *tzedakah* box, you know, *tzedakah* is charity, in her home, which she'd put coins in. ... She had an attitude about helping other people, and, also, *tzedakah* translates as trying to make the world a better world and is one of the foundation stones of Judaism, but what motivated, I think, me and Joan was that we had been blessed. We've been blessed with the wherewithal to live the way we want to live and always felt that it was important to put something back into the water, as our way of saying thank you for all of our blessings and to help those who need help. ... In our business, we never said no to a customer. Whenever a customer wanted something, we always would provide coffee or tea or something they wanted for their fundraisers, for their church fundraisers, but, in addition to that, we were donors to the library in Ridgewood, New Jersey, and in Maplewood, to the Liberty Science Center in Port Liberty. We made capital gifts in New Jersey in the areas where we thought it would be of benefit because we thought it was right and was good business, too. We believed doing good things for others and making a buck went hand-in-hand.

SH: Is this from the very beginning, if I may interrupt?

AB: Yes.

SH: Okay. This was not something where you waited until you were ...

AB: No, no. ... You know, we have always believed that when there's a downturn in the economy and times are tough, or, when we were not operating at the profitability level, or even when we were breaking even, or losing some money, that didn't stop the need that organizations had. So, we continued to do that, either personally or in business, from capital, but we set priorities, because we recognized, and it took us sometime to realize, that if we wanted to do something, we just couldn't say yes to everybody. We had to do things consistent with the things that we thought were important. Well, what were some of the things that we thought were important? Hunger, for one; after all, we're in the food business. So, [Robert M.] Bob Schaeberle, then the chairman of Nabisco, and I were the first people that Kathleen DiChiara, the Community Food Bank, met with. Now, Kathleen was a wealthy person who lived in Summit, New Jersey, who picked up donations of food from stores and took them to shelters and agencies in her station wagon, and she met with us to see what we could do, what ideas we had to help. That led to the Community Food Bank. So, hunger was one of our priorities in philanthropy. I served on the Second Harvest Board, which is the network of food banks throughout the country, and we were very, very active in the Community Food Bank and made substantial gifts there. Jewish affairs were an important priority, both in terms of the area that we live in, Metro West, which provides for the hospital, a home for the aged, Jewish family services and the other Jewish needs, furthering Jewish education, and is what motivated us for the Allen and Joan Bildner Center for the Study of Jewish Life at Rutgers University. In addition, education, especially for inner city kids, boys and girls, was a priority; we were one of the first founders of the Seeds Program in New Jersey, that selects inner city kids for a summer at one of the independent schools, Pingry, Montclair Kimberley Academy, all of them, and then, take some in as full-time students. So, education was very, very important to us, and performing arts; we always thought that the performing arts were essential in being able to add to the quality of life in our communities and our state. So, we were one of the founders of the New Jersey Performing Arts Center. I still serve on that board, and what was our interest there? Our funds were to be allocated and dedicated for arts education, and [the] New Jersey Performing Arts Center ... has one of the four largest arts education programs in the country, and to ticket subsidies. We provide ticket subsidies for about thirteen organizations in Newark that get tickets for five dollars a piece that pay for the tickets that then go to the families, and we did the same thing in Florida. Joanie has served on the Palm Beach Pops Board. We created a ticket subsidy program there and an arts education program, in which the Palm Beach musicians go to the underserved schools, and teaching harmony, rhythm and melody to kids in the schools. ... Twice a year, they have a concert of the kids who have been taught this in the schools. Six thousand kids come in busloads from all over the area for their final concert. Joan and I go to those whenever we can. So, the performing arts, hunger, oh, and health; I had a bout with colon cancer in 1986. It recurred in my liver in 1993. I had a liver resection. I had prostate cancer seven years ago. Joan has had two hip replacements. My dad died of a coronary thrombosis, Mom of congestive heart failure, and, for all these reasons in our own family, as well as those outside of us, we became very

involved, supporting health care and research. So, we have been a substantial contributor to Sloan-Kettering, that I consider saved my life, and the funds are being used by my radiation oncologist for development of imaging. ... CAT scans are being used, together with multidimensional radiation, that are able to focus right on the cancer and not on the tissue, and so, the provision was that the research dollars had to be used both for Dr. Brennan and Dr. Zelefski. We also made a substantial gift to Beth Israel Hospital for cancer care. So, health, hunger, the performing arts, Jewish education, education, oh, and one other critical area, diversity and prejudice reduction. Joanie and I organized the New Jersey Campus Diversity Initiative. We invited forty-seven colleges and universities in New Jersey to submit a request for a proposal that would provide funding over a three-year period for programs that they described in their request. We organized a committee consisting of former Senator Bill Bradley, Al Koeppe, who then was the Chairman of Public Service, Barbara Bell Coleman, the former Dean of Arts and Sciences, Dick Foley, and an Hispanic, Mary Esposito, then the Executive Director of United Way of Essex County. They were the committee that assisted us in selecting the grantees. We didn't want to make the decision, because it was our money, and we put this committee together to review all the proposals, and then, act as our advisory committee over the three-year period. We were only going to select six of the eight, but we finally selected eight, of the twenty-eight proposals from the forty-seven institutions. We provided, then, seventy-five thousand a year for three years for each of them. ... Our philanthropic consultant, the Philanthropic Initiative, a staff member Joanne Duhl, acted as our foundation staff, because we don't have a foundation staff, to manage the logistics, and our partners in the project, in consulting, were the American Association of Universities and Colleges. They had two people there who were responsible for diversity. They were ... the experts and consultants to each of these universities. Joanie and I always believed that giving money is not alone what is needed and that if you're really concerned about influencing change, then, you need to be involved personally, and that's what we've tried to do. Now, H. Peter Karoff, who was the founder of the Philanthropic Initiative, today, one of the leading not-for-profit consulting companies, he first described philanthropy to me in this way. He said, "Allen, charity is giving dollars. Philanthropy is influencing change," and I think that's true. So, Joan and I, we would have two meetings a year with each of the teams on these campuses. We were there and involved. We thought it was important to have meetings at least once a year with the presidents involved, and, when we announced that to these teams (each of the colleges of these eight had seven or eight people on their teams, led by one person), we said, "Do you think it's important that we get the presidents of your institutions involved?" They said, "Oh, yes." It won't surprise you, most presidents had delegated it and walked away from it. So, we succeeded, to some extent, to get them involved also. So, diversity, I would say, has been my number one priority, and that stems from my own experience with anti-Semitism in Summit, when I was ten and throughout my four years in high school. That reminds me of the Bess Myerson experience.

SH: No, you did not mention this.

AB: Bess Myerson was elected the first Jewish Miss America and it was customary, ... after the pageant, for the first public appearance to be at the DuPont Country Club in Wilmington, Delaware. So, Bess Myerson is elected and she's told that the first session, the first event, will be at the Wilmington, but she's being asked not to attend because she's Jewish.

PC: I actually tell my students that story.

AB: [laughter] Yes. ... So, I heard Bess Myerson at a meeting at which she was speaking. She said, "You don't have to be Jewish, African-American, Hispanic, Asian or handicapped to understand how demeaning and dehumanizing bigotry and discrimination is, but it helps." [laughter]

PC: Sandra, we are about at the time.

SH: I think we are.

PC: I know we need another session.

AB: We do.

SH: I think what we will do is say, "Happy New Year," and we will speak to you again on another occasion.

AB: Oh, yes, and a happy, healthy new year to you both, too.

SH: Thank you.

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Reviewed by Shaun Illingworth 12/18/08

Reviewed by Sandra Stewart Holyoak 1/13/09

Reviewed by Allen I. Bildner 3/25/09 & 6/8/09