

# **PETER HAAS: A LIFE**

**IN HIS OWN WORDS,**

**WITH COMMENTARY BY FRIENDS AND ASSOCIATES**

Edited by Linda E. Norton, Senior Editor, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 2003. Based on interviews conducted by Richard Cándida Smith, Leah McGarrigle and Eleanor Glaser in 2000-2002.

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## *A LIFETIME OF EXPERIENCE*

*By Warren Hellman*

I have known Peter since before I can remember knowing anybody. In short, all my life. It is hard to encompass a lifetime of experiences in a few paragraphs, but here goes.

He excelled academically, graduating from UC Berkeley, and then he became a Baker Scholar at Harvard Business School. He is a person who has affected, in a major and positive way, the lives of countless individuals, always in self-effacing and constructive ways.

He led Levi Strauss & Co. during a time of considerable growth and prosperity. Not only was he an effective chief executive officer in a traditional business sense, he also helped to maintain and enhance the social values that have made the company almost unique among large corporations. He continues to be a fine director of the company.

Peter has been a true philanthropic leader, having chaired too many successful campaigns to list here. In particular, I note his chairmanship of the earliest phase of the recently completed \$1.2 billion UC Berkeley drive.

He has been far more than a fundraiser for the charities in which he was interested. He usually ends up in a leadership position. For example, he has been chair of the San Francisco Foundation and the Jewish Community Federation.

Peter is also a passionate horseman. In particular, his horse, Tony Vermont, carried him in a number of endurance events.

He also has been an avid supporter of UC athletics. This, I suppose, shows that he is able to accept defeat gracefully. When Cal does win, which happens occasionally, he is ecstatic, but not gloating.

Finally, he has been a source of guidance to a myriad of individuals, including me. His advice has always been helpful and balanced. We are all more than fortunate to count Peter as a friend.

## CALIFORNIA CHILDHOOD; EDUCATION IN THE WEST AND IN THE EAST

*Peter Haas was born in San Francisco in 1918, the second child of Walter and Elise (Stern) Haas. Peter's great-great-uncle, Levi Strauss, had invented and manufactured Levi's, a product that has become synonymous with commercial success and the spirit of the American West, and with both hard work and glamour. Peter's father continued to run the family business, along with Peter's uncle, Dan Koshland. Strauss, Haas, Stern, and Koshland were other branches of a family tree associated for generations with the best of San Francisco's history in the arts, business, philanthropy, and civic life. And, of course, with the University of California, Berkeley, its athletics and its stature as a world-class institution. Here Peter recalls his childhood and his education in the Bay Area and beyond.*

### GRANDPARENTS AND COUSINS

Unfortunately, I never knew my grandfather, Abraham Haas. I think he died when I was very, very young. I'm proud of what he accomplished. He came over from the old country, from Bavaria, I guess as a teenager, establishing himself in Los Angeles, and becoming a very successful businessman in a number of enterprises. He was involved in establishing some power company outside of Los Angeles in southern California, which eventually was taken over by Pacific Gas & Electric.

And there is a Pacific Gas & Electric powerhouse that was named after him. A very unusual power station. It was actually dug into a mountain and depends upon pumping water up from a lake or river below in the quiet hours; gravity brings the water down through a generator to provide power later, as it is needed. So it's quite an unusual thing, and as I say, named after Abraham Haas.

When he moved up to San Francisco, he and another gentleman established their own fundraising organization for those less privileged Jews. He was married to Fanny Koshland, one of the Koshland sisters.

As for my mother's side, the Strauss and the Stern families: Sigmund Stern was my mother's father. Her mother was Rosalie Stern, who gave the well-known Stern Grove in San Francisco to the city in honor of her husband. That's been a wonderful thing, I think--the free music concerts over the years that the family has carried on ever since.

And I remember my grandfather Sig Stern a little bit better because he lived a little bit longer and through my younger days, compared with my father's father. When I was very young, when I would have a loose tooth, and it had to come out, my mother would phone her father who would leave his office, come out to the house, and with a knotted white laundered handkerchief reach in my mouth and start tugging at it, and before I knew it my tooth was out. He was very accomplished at that.

We always went to my Granny Stern's, as I remember, for Christmas. I'm not sure, we may have gone to my Grandmother Haas' for Thanksgiving. But there were certain traditional times that we got together like that.

At holiday gatherings when I was a child, certain family members competed with each other to see who could read the funniest and wittiest poem, or put on the best skit. The Koshlands excelled at this sort of thing.

(My cousin, Frances, better known as Sissy, Dan Koshland's sister, is a middle child, as I am. And we have a middle children's club. Because middle children, really, have more character, and are misunderstood and under-appreciated. Now, this club has no dues, no rules, no meetings. Just kindred souls. In fact, I'd say we are the only members of this club!)

Granny Stern was one of the founders of what eventually became the Community Chest. She was also chair of what was then the Recreation Department that eventually became part of the Recreation and Park Department at San Francisco. She was appointed by a number of different mayors, I think partly because of my father's influence. But she served very ably over the years in that civic enterprise.

My Grandmother Stern was very much involved in the cultural activities in the city, especially the symphony. And during World War I, as I remember, she had a group of, I guess, gray ladies, working in her home preparing bandages for the military.

### **THE WASHINGTON, D.C., BRANCH OF THE FAMILY TREE**

And of course, there was the Washington branch of the family tree, the Meyers, Eugene Meyer and his wife Agnes. Agnes Meyer was quite a formidable lady. And, Kay Graham, their daughter, of course, who is known for taking over the *Washington Post*. She comes out here on occasion and we have kept contact pretty much with her. Kay mentions in her memoir that she stayed with my family when she was out here reporting. I remember very clearly, I was just a student at Cal when Kay came out here. Her father got her a job with the Scripps Howard newspaper; it was the *San Francisco News* then, and she had a job as a reporter. Among other things she covered the waterfront. And when [Harry] Bridges was at the height of his glory, she would come over to my parents' house for dinner now and then. She was staying with my Grandmother Stern. She would come over to our house. I would be invited home from college for a good meal, and she and Dad would go at each other hammer and tongs because, of course, he was not too sympathetic with Harry Bridges, and she, being young, was quite liberal and saw the side of the waterfront employees. They would argue so hard that my mother was scared someone was going to have a heart attack, and she would try to calm them down. This was around the time that San Francisco had that general strike, in the thirties.

## MY PARENTS

My father was a very astute businessman. Just a wonderful person. He was certainly a leader in San Francisco at that time, when things were a lot easier to do here. Guess he was one of the top leaders at that time. In the same year he was president of the Chamber of Commerce and of what was called the War Chest, which was a combination of the Community Chest and another organization like that, combined. These were two prestigious positions to hold at the same time. And of course he was a good friend, and advisor to mayors of that era. He was especially close to George Christopher later on. And he also played a prominent part in Senator Kuechler's campaign and activities.

My father was much more conservative than my brother and I turned out to be. Both in a business sense, and a social sense, and maybe even a political sense. On the other hand, Dad was quite liberal for a person his age and stature in the business community, very much so. For instance, the loyalty oath controversy at Cal. He was very much opposed to the loyalty oath, which was different than most of his peers. He was his own person.

My mother was special. I think for some reason I was closer to her than I was to my father. I could talk to her, confide in her much more easily. And although she always treated all her three children equally, people claimed that I was her favorite, which made me feel very good.

My mother was the first woman president of Mount Zion Hospital. And, incidentally, my sister [Rhoda Goldman] was the second woman president of the same organization. And my mother was one of the founding members of the San Francisco Museum of Modern Art. She was involved in the symphony and many other cultural activities. She was noted for her good eye for art.

## THE HAAS FAMILY AND THE ART WORLD; COLLECTING ART; PAINTERS AND PAINTINGS

My mother had a special relationship with the collectors, Sarah and Michael Stein, Gertrude Stein's brother. I don't know how she started that special relationship with the Steins. They had some art by Matisse that turned out to be priceless. And my mother, because of this bond with Stein, had an inside track on purchasing those art works. And I do know that there was someone else--Nathan Cummings, of Chicago--who was also buying Matisses from the Steins. My mother told the Steins they weren't charging enough for this art and they ought to be charging more.

I guess Mr. Cummings didn't exactly appreciate the advice my mother gave on that because it raised the ante for him. Stein's grandson was a devotee of the racetrack, and whenever he fell in debt too greatly, they would raise money by selling some of these works of Matisse to bail him out.

My mother met Stein in the Bay Area, not in Paris; I have the impression the Steins were living down south, maybe San Jose, I'm not sure. My mother did eventually meet Matisse, which must have been one of the highlights of her life. Matisse painted what eventually became the prize of her collection, the *Femme au Chapeau*, which now hangs in the collection at the San Francisco Museum of Modern Art. That was a priceless addition to their collection.

We had many impressive visitors in our home when I was growing up. There's a guest book that most of them have signed, and that is a treasure trove to go through. As a matter of fact, because of that, Mimi and I have made a habit of having our guests sign those guest books; who knows in the future how they might go down in history.

And of course we knew the painter Diego Rivera. He came to San Francisco on a commission to do some art, which ended up as a mural in what was then the San Francisco Stock Exchange Club. And somehow or other my Grandmother Stern prevailed upon him to paint a mural down in her Atherton home, a mural depicting her orchard down there and people working in it. And the figures in the mural originally were me, my sister, and strangely enough, my sister's imaginary friend, whose name I don't remember right now. I think it was Dago. Now how does one spell the name of an imaginary friend? But I guess that's how it would be spelled. Well, anyway, in the original scheme of things Rivera

overlooked my brother Walter. My mother was quite upset about that and insisted that he get Walter's likeness in there, so he ended up appearing in the mural as one of the laborers in the orchard, which was certainly okay. But a crisis was overcome because he was in the picture. I guess my brother and I both chafed at having to sit for our portraits. Diego Rivera's wife, the painter Frida Kahlo, appeared on the scene now and then. I guess I was about eight or nine.

And of course Frida Kahlo was an artist in her own right. She was also the most voluptuous woman I had ever seen. Maybe I really hadn't seen many. But her charm kind of eased the pain of sitting there for a few hours for my portrait. Her appearances on the scene made life a little more interesting for this young boy.

Now some of Frida Kahlo's paintings are in the San Francisco Museum of Modern Art. And, after the Atherton house was demolished when the property was sold after my Grandma's death, the Rivera mural was transferred to Berkeley, to Cal, to the women's auditorium over there, Stern Hall, which my Grandmother had given to the University.

### **STERN HALL AT THE UNIVERSITY OF CALIFORNIA, BERKELEY**

That's another interesting story. She wanted to give a dormitory to Cal, and originally it was going to be a men's dormitory. My grandmother liked men, but my mother prevailed upon her to make it a women's dormitory. Maybe because she knew that my sister was going there eventually, I don't know, but that was an interesting development.

### **BROTHER WALTER, SISTER RHODA; MEMORIES OF FAMILY TRIPS**

My brother Walter was three years older than I was; my sister Rhoda was six years younger.

Well, my brother Walter and I were always quite different. He was very outgoing, very gregarious, had innumerable friends. He was a very fine tennis player. Earned his letter at Cal. I never was able to beat him, though I tried.

And, as for my sister Rhoda--I'm not sure that I fully appreciated her until she had passed away and I read about all that she had done and sensed the outpouring of feelings about her and what she had contributed to the community. I knew she did so many good things, and I was very proud of my kid sister, but I don't know that I really appreciated all that she had done. As I said, she was very important at Mount Zion, but there were so many other things that I can't name them all. I do know one thing, after her bout with breast cancer, after she had her breast removed, she established a new organization, which was called Reach to Recovery. She established this organization to reach out to other women who suffered from the same problem. And I admire her greatly for that.

One year we went to Europe all together for quite some time. My parents deposited my brother and me in a boarding school in Switzerland near Geneva where I was ungodly homesick. I wanted to leave; I think my brother got in touch with my mother who came to visit me, and very adroitly persuaded me to give up the thought of leaving.

And my father used to take my brother and me on pack trips into the Sierras. There was one memorable time we went with the Sintons, Bob and Henry Sinton, and also Robert Koshland and young Bob Koshland. Those were trips when we spent quite a few days out there. It was a wonderful experience.

My sister turned out to be quite an outdoors person, and so was Walter. And in later years I did a lot of horseback riding, which entailed camping out.

I remember one particular occasion where I was in a sleeping bag. It was a very clear evening with stars sparkling above. It happened to be the week when we had men landing on the moon, and it was a full moon, and I remember lying there in that sleeping bag under nothing but darkness and the full moon, and unbelievably that night above us there were Americans on the moon. It was an awesome feeling.

## EARLY EDUCATION; A SECULAR JEWISH UPBRINGING

Though my parents were members of Congregation Emanu-El, we weren't a religious family, and we did not have much of a religious education as children. We always went to temple on the High Holy Days, but other than that, my parents were very ecumenical. I don't remember much conversation about being Jewish. It wasn't until much later in life that I became aware of all of that. I guess, basically, when I got involved with the Jewish Community Federation. Of course my father was also involved in the federation as one of the leaders and largest donors, and I think he actually fasted on Yom Kippur. But neither of my parents was ostensibly very religious. In my adult life, my wife, Mimi, has brought more knowledge of Jewish history and tradition into my life, and enriched my life in this way, among others.

As for my secular education: I started out at what was called the Presidio Open Air School. It is now Presidio Hill School. It was a very progressive education, but I think in their zeal to be progressive, they skipped some things, like the knowledge of grammar! When I got to high school I had no idea what an adverb and adjective was. But nevertheless, I think my English was pretty good. I didn't have to know the mechanics of it.

## GALILEO HIGH SCHOOL

I went to Galileo High School. In school, Morgan Gunst became a very close friend of mine. Ruth, who was an Arnstein, became Ruth Hart, married to Jim Hart, was in my class.

To go from Presidio to Galileo required quite an adjustment. I went from a rather nurturing atmosphere to one that wasn't quite that, but it was a good experience. Galileo then I think rivaled Lowell High School in many ways academically. It was a good school. It was in North Beach.

When I started school I was living at Pacific and Lyon, in Pacific Heights. Someone would drive me to school, and eventually I drove myself.

## DEERFIELD ACADEMY

After I graduated from Galileo, I was ready to go to college, but my parents thought I was too young to go to college, and, interestingly enough, Morgan Gunst's parents felt the same way. Both of us ended up at Deerfield Academy in Massachusetts. Quite an education; it was absolutely superb. I remember writing to my mother, because I also got very homesick there. I think I wrote to my mother that the teachers at Galileo would have a hard time becoming janitors back at Deerfield.

I mean, I know that was a terrible thing to say, but I was just trying to refer to the fact that the teachers at Deerfield were so superb. In fact, in all my years of education, through early school, through even the university, there are at least two teachers back at Deerfield that made a very important impression on my learning. One teacher in English and one in history.

One of the great things at Deerfield was that they insisted that every student, no matter how able or not, had to participate in some organized athletic activity. I was rather small for my age, and I got into football with a group of players about my own weight and size, and that was a wonderful experience. In fact, I guess, possibly because I was somewhat older than these kids, who may have been just freshmen or sophomores there, and therefore were much younger and not as developed physically, I became captain, which was a great source of pleasure to me. And in retrospect--I shouldn't be bragging about this, but I'm proud of it--in the yearbook's write-up about our football team, which had a woeful record, they noted that "Captain Haas was the outstanding player both defensively and offensively." You know you went both ways at that time. Our record was not that good.

After my one year at Deerfield, I came back to California to go to Berkeley. Because of our family's history at Cal, I never thought of going anywhere else except Cal. My father, my uncle, my grandfather, my brother, my sister, a few cousins, and I don't know how many others--everyone in our family, it seemed, went to Cal. Just everybody. Just everybody, until my niece Betsy, Walter's daughter, broke the ice and went to Stanford. That was a blow. The worse blow, though, was when my son Peter, Jr., decided to go to Stanford. I don't know why, but he didn't even apply to Cal, I don't think. But it was the

best decision he made to go to Stanford, because over at Cal, with all the family connections, he would have been besieged by everybody asking how he was related to this person or that person. And that was not the case at Stanford.

### **STARTING OUT AT CAL; BOWLES HALL; LIFE IN THE THIRTIES**

I was very happy at Cal. It was a good existence. I didn't join a fraternity, though my brother did. As I say, he was much more outgoing, I guess. My brother had joined the Alpha Delta Phi fraternity, and it was unusual for a Jew to be accepted there. I didn't recognize the significance of that. Because, I suppose I knew I had not been brought up--I may have mentioned this before--in a particularly Jewish way, didn't give much thought to it. Anyway, when I went to Cal, I had applied to get into Bowles Hall, which was a men's dormitory, and was not immediately accepted there. So I spent my first year in a boarding house there. My first semester, actually. And it was not too satisfactory, really. It wasn't that much part of the campus, but it was pleasant enough. However, I guess I acted up a little bit because one day I was summoned to the Dean of Students to be reprimanded; the owner of the boarding house had complained about something or other. I don't remember what it was. Maybe we had a water fight in the boarding house, which wasn't too smart. So I was reprimanded.

Later, I was accepted to Bowles Hall and lived a completely different life. It was very pleasant. I felt much more a part of the university than I had at the boarding house. It was a very comfortable place to live and a very pleasant place, and people maintain strong connections to Cal through their memories at Bowles. I was happy at Bowles Hall. It was a good place to live. I spent four years at Cal, graduated in 1940. I was at Cal when the bridges were being built--the Golden Gate, and the Bay Bridge.

As a matter of fact, one evening--we were a little crazy, maybe we'd had a few beers, nothing serious-- some friends of mine and I decided we'd walk across the Bay Bridge. Of course, it was pitch dark. By the time we got on there and started across--well, fortunately, some of the security guards stopped us, because we probably would have gone off the end at some point. That was a crazy adventure.

## SPORTS AT CAL

I played a bit of tennis at Cal. I tried out for the freshman tennis team but I just wasn't quite good enough. Members of that team eventually went on to win a national championship so I guess I shouldn't feel too badly. My brother was on the varsity team--got his letter there. So it was a disappointment to me not to make it. Then, as now, I have been a passionate supporter of Cal's football teams. We always went to the games. The team was fairly good then.

And then it was always a big adventure to go down south to the games against UCLA or USC. We'd drive down. I would usually take my car and two or three friends.

My cousin Dan Koshland lived at Bowles Hall, too. He still claims that I brutalized him. There was a committee at Bowles Hall that meted out punishment with a wooden paddle to the kids who got out of line a little bit. I don't know what Dan did; he did something to deserve punishment, so he got paddled. That was the punishment. He claims they paddled him for no reason.

I was also involved in the Welfare and Housing Committee, which was part of the student government. I don't remember too much about the housing part of it, but we thought it was important. We thought we were changing the world.

When we went out on dates we'd go into San Francisco to one of the hotels to dance and listen to one of the big bands, or went to the movies. I don't remember a lot of drinking among our crowd.

San Francisco in the thirties was a different place. I guess it was a very pleasant place to live, as I remember. I don't particularly remember being subjected to any of the problems we have now, for example, drugs. I was not aware of any problem there. Maybe I was naive. It was a carefree existence.

I see old friends at class reunions. Our class has a nice custom where the men, I must say, the men only--I'm probably ashamed of that, but it's the way it's worked out--have a lunch every year the Friday before the Big Game, which has kept us together.

And I'm very proud of the university. It's a public university, probably one of the most outstanding of public universities. In fact, we're very lucky in the Bay Area to have both Stanford and Cal, one of the premiere private universities in the world, and the premiere public university.

## **ENGINEERING, ECONOMICS, AND LIBERAL ARTS AT CAL**

At Cal, I started out in the engineering school. I thought I wanted to be an engineer. For one thing, I'd watched the Golden Gate Bridge being built from our home. Had a good view of it. And so I thought I wanted to go build bridges and build dams. But after two years of that, I became somewhat dissatisfied because it was a very narrow course I was taking, just mathematics and scientific things, and I wanted to study some general subjects, English, history, whatever, liberal arts. And there wasn't room for that in the engineering program then, though things have changed since. So I switched over to an economics major, which allowed me to get these other courses under my belt. Life was a lot easier then too. My grades went up spectacularly. Maybe because I was more interested in what I was studying, or because it was a lot easier. I didn't know then what I wanted to do, really, but I knew definitely that there was one thing I wasn't going to do, number one: make pants and work for my father. Well, you see how it worked out!

I remember that my brother, who was a practical joker, once did the worst possible thing to me. When you took your final exams, in the blue book you put a postcard, and the professor would mail it back to you, telling you what your grade was. It was mailed to your home. I remember I got a card back from one course, I don't remember what it was. I'd got a D! Oh my God, I didn't think I'd done that badly. Of course I felt I had to take it in, and show it to my father, which would be so embarrassing. I didn't realize that my brother had done this--just forged the whole damned thing! You don't know what I went through!

## WORLD WAR II

World War II started in 1939, but we barely were aware of it. Though I remember that I was in Europe with my parents and my brother and sister around that time, and as a matter of fact we cut our trip short because of warnings. I guess we'd read in the paper and heard from friends that we should come back home. I think my brother and I returned a little bit ahead of the rest of the family. As I remember, I think war broke out as we were on the ship, before we arrived at New York. Fortunately, my parents were able to get out in time too. A little bit later. It must have been difficult to book passage, because probably everybody was trying to get out. And I guess we returned just in time.

Gradually, at home, we became more conscious of world affairs, the conflict of World War II. In fact, a terrible practical joke was launched by some kids in the room right next to us in Bowles Hall. One night they phoned various people around campus acting as reporters, saying that war had broken out in Europe, and asking for their reaction. It was a terrible thing to do. But I don't know that we were that much aware of what was going on. College for us was a time when you enjoy yourself, and have no particular responsibilities except to study.

After Pearl Harbor was bombed, I remember we had Japanese servants, and they weren't interned immediately, but eventually they were interned.

We had one Japanese person in our house who lived in the basement in one of those terrible rooms they had then. And my parents were very jumpy about his presence. I mean, he was a harmless old person, but there was of course hysteria at that time. My grandmother had a Japanese man who had been with her for many, many years. I think he was interned. That is one of the worst episodes in our history, of course. We should be very ashamed of it today. These were of course mostly American citizens. We lost sight of that.

And it is ironic that so many Japanese Americans in Hawaii were real heroes, were part of the military and acquitted themselves so well.

## SUMMER WORK ON THE FARM IN THE DELTA

My cousin Dan Koshland and I worked together one summer on a farm on an island in the Sacramento delta that his father and mine owned. It was a summer job out near Stockton. Believe me, it was hot. The island grew sugar beets and the soil was very fertile because periodically the levee of the dam, the levee surrounding the island, would break and let the water in, which enriched the soil. But our job was to put stakes around the perimeter of the island at a certain level so that the levee could be raised to that level. So it wouldn't be flooded again.

So we trudged around the perimeter of the island, putting in stakes every hundred yards--or every hundred feet, I guess. They had to be at an even level and by the time we made our way all the way around, back to where we started, we were very nervous, very worried, as we approached the first stake that was in the sea, Was it was going to be level with the last stake we'd planted? It's like--I guess the same feeling as when you dig a tunnel from two ends and expect them to meet at the same place. Well, our mission was to have the stakes meet at the same level and by golly, they did. We got lucky. We would also run various errands, go to town and bring provisions in, just different things like that.

It was pretty good work. I remember there were also many Japanese working on the island, doing agricultural work, I guess. And they ran the equipment. (We were at war with Japan then, and people were paranoid about Japanese Americans.) I remember I told my father, "Look, we have nothing to fear from the Japanese, see, because they don't take care of their equipment." How wrong could I be? Their equipment was always breaking down. They didn't maintain it very well. We lived in little cabins on the island, which were very primitive but okay.

## HARVARD BUSINESS SCHOOL

When war broke out, because I was and am extremely nearsighted, I never was able to pass the eye test for entrance into the military. And although, as time went on, I tried to enlist--I tried to memorize eye charts--whenever I tried to get in there, I couldn't see well enough to know which eye chart it was. It was a different war then than we've had since. All my friends were going in and I didn't want to be shirking my responsibility.

I read that Harvard Business School had some courses that enabled you to get a commission in the military. So I thought maybe this will work. For one thing, my brother, who'd gone there, and also my father had urged me to go on to graduate school. So I thought, I'll do what they want, and I'll also be able to get this commission, contribute to the war effort. I went back East even before I knew whether I could get into Harvard Business School or not. Went up to Boston having not heard from them. But fortunately, my gamble paid off, I was admitted. But despite my efforts, I still wasn't able to get accepted into the military, because of my eyesight. When people ask me if I served in the military, I say, "No, I didn't get in, because my seeing eye dog had flat feet."

My time at Harvard, because it was during the war, was pretty grim. There wasn't much you did or wanted to do; at least I didn't want to do much outside of sheer studying. So there weren't too many extracurricular activities.

But the education was tremendously interesting. And I had worked for a year in an advertising agency before that and had, you know, some practical experience under my belt, which came in very handy in the first case study that we read and analyzed. I was lucky enough to get an "excellent" on my report, which is the top grade you could get. Which made me an instant success back there, but only, I guess, because I was able to think practically and not academically about the problem at hand. So as time went on I managed to do pretty well, and graduated cum laude, near the top of the class, as something called a Baker Scholar.

Actually, I didn't get my MBA, because this was a foreshortened course designed specifically for people during wartime. So, actually it amounted to, I guess, three semesters of the master's degree, compared with four semesters that you needed for a master's. So it was something called Industrial Administrator, IA, which no one now would understand.

I didn't spend a lot of time in Boston, but I remember the wartime blackouts there. They had even more of them than San Francisco, because on the East Coast the German submarines were just creating havoc with the tankers that plied the coast, the East Coast. And I remember the gas rationing of that era.

I mentioned my year at the ad agency, before I went to business school. That was the Leon Livingston Ad Agency, where I was pretty much a gofer. I did whatever they wanted me to do, including driving Leon Livingston down to work or home at night. But I did a lot of different things.

I remember that Leon Livingston used to get the ratings of the different radio shows, and I remember once I looked over the ratings and found some morning program that was rated quite high, and brought it to his attention, and it turned out to be rated particularly high compared to what it charged for ad time. And I felt pretty good to have noticed that, to have contributed in that way.

They placed some of the ads for their clients on that show, and then after that, Livingston wanted to get me more involved in the media purchasing. Radio was the media then, this was before TV.

I suppose I could have progressed as a media purchaser. That is more mathematics, financial calculations, and so on. And that was my bent.

## *MEMORIES OF A SUMMER ON THE DELTA, AND OTHER RECOLLECTIONS*

*By Daniel Koshland*

Peter Haas and I are cousins. When we were younger, I would visit him at his house, and he would visit me at mine. I remember, in particular, that he was always sort of mechanically inclined, so he had this unbelievably great system of electric trains, which went not only all over his room, but around the wall, and all sorts of places. I felt that was terrific. I probably was eleven or twelve or something like that. So I would periodically go up to town to see him. Then his father and mother, who were my aunt and uncle, took me on a trip with him to southern California, to Death Valley, and so we were friends in that period, too. In other words, he was really a city cousin, and I was the country cousin. So we didn't see each other a lot, but when we did, it was lots of fun, because he exposed me to things in the city, and I exposed him to some things in the country.

We really got to be better friends when he went to Cal. He was a sophomore when I came there as a freshman. So we overlapped. And he paddled me a lot, you know, because sophomores would constantly reprimand freshmen that were breaking the rules, and I was a very rebellious freshman. So Peter was frequently assigned to handle the paddle, and he didn't show any cousinly friendship. He hit me very hard with the paddle. I complained bitterly.

So, anyway, we had a friendly competition, typical between freshmen and sophomores. Then, between our sophomore and junior years, and junior and senior years, we both worked on Medford Island, which was a farm outside Stockton in the Sacramento Delta where we were hired as sort of day laborers. My father and Peter's father owned the farm and hired us. When we were there, the others didn't know anything about us, except that we were a couple of college boys with summer jobs.

When we started out, Peter was a surveyor, and I was the guy handling the pole. It was pretty boring, and I was not very good. We'd walk along--it was a big long chain, which was something like twenty yards between us, and it was important that I put it

down in a specific spot twenty yards away. And I'd frequently go walking along and not stop at the right place, and pull the chain, and yank it out of his hand. So I remember he was annoyed at me.

We both lived out there that summer. After we did the surveying, then I was a sort of timekeeper. I remember I had to deal with the head of the union, the boss of the Mexican workers. So I had to consult with them every day, and count up the number of Mexican laborers. They would arrive on boats during the day, and I had a job of supervising them.

I remember that Peter and I commuted to the farm--you know the work was on an island--and we lived on the mainland. We went by boat to the island. We had a little sort of rowboat, which had a motor on it, because we had to travel a good distance--and there were big problems because the propeller would hit logs and branches and twigs underwater, and it would shear off--there was a shear pin so that the propeller didn't break. But when the shear pin got broken, you had to tilt up the motor and lean over the back of the boat and replace it. So I remember doing that many times early in the morning. We would go there at six-thirty or seven o'clock in the morning. We would get up and have breakfast and then go out in our little boat.

We would stay out there a couple of months in the summer. Then Peter and I would drive back to our homes. And we were pretty dirty. You know, when you work on a farm, you get totally covered with peat moss and dirt. And to my mother's consternation, I didn't think it was worth cleaning up every night, so I didn't bother to take a shower every night.

Once, I remember when I came home on a weekend, I was so dirty. I didn't change at all, I just came directly from work. And my mother took one look at me and told me to undress outside, and leave my clothes all outside, and step into the house naked, where I went directly into a bath.

The farming outside of Stockton is in these delta areas. It is very rich farming country, and we thought we'd learn something. It was good, hard labor for the summer. And both Peter and I thought it would be fun.

I remember, when we were coming home, we had a rule, Peter did most of the driving, although I did drive occasionally. The rules were that the person who drove should just get back as quickly as he could, and the person who was sitting next to the driver was in charge of all traffic tickets. So we had to spot any cops who were--well, in other words, if we ever got caught by a policeman, the person who was watching out for the cops would have to pay the ticket. And that was the incentive system we set up.

And a particularly bad place for cops was when you passed a billboard, because cops would hide behind the billboard and then zoom out after you. So it was very important that the person who was not the driver keep an eye on what was behind the billboard.

But I don't think we ever got any tickets. We were just very efficient about avoiding the cops. That probably won't look good in an oral history; but I've always kidded Peter about that, that we were conspirators in evading the law.

At the end of the summer we went back to Cal. Well, you know, when we went back to college, then it was the typical thing. It was the end of summer, and you go back to your usual routine.

Peter was one class ahead of me, and we saw quite a bit of each other around campus. On the other hand, my circle of friends was different from his circle of friends at Cal.

After college, then I went off to the war, I was on the Manhattan Bomb Project. I worked with Glenn Seaborg on the chemistry of plutonium, because I was a chemist. And Peter went off to Harvard. And after the bomb project was over, I went back to graduate school at the University of Chicago. Then I went from there to Harvard, and then I got a job at Brookhaven National Laboratory at Rockefeller University. So I lived in the east for about, oh, twenty years altogether. And then I got an offer of a professorship at the University of California in 1965. So I moved back here. And Peter and I have been in touch since I returned.

Peter was in charge of a big campaign for Cal, the Keep the Promise campaign. And I was on his team. I served on the Chancellor's Committee when Peter was in charge of that committee. And they did a great job at fundraising.

I think Chang-Lin Tien was the chancellor at that time. Ted Sanger, I think, was one of the key people on the committee, and Warren Hellman was on it, and William Coblentz. It was a fine team, and Peter was very conscientious, and always showed up at the meetings. And he set a really high standard, and made everybody else commit themselves to being punctual and to contributing toward an ambitious goal. And he organized it well, and so we all really worked hard. We raised a lot of money.

### **CAL IS IN PETER HAAS' BLOOD**

Peter had a good time when he was a student at the university, and he was and is a very, very strong supporter of Cal. It sort of runs in the family. My father went to Cal, and so did Peter's. And I think Levi Strauss, who was the family patriarch, many years ago, was a devotee of Cal. So it is just a very big family tradition. Peter just likes Cal, likes public education, and is very much a supporter of the university.

## **PETER HAAS AND LEVI STRAUSS**

*After attending Harvard Business School during the World War II years, Peter Haas returned to California to manage the family business with his father, his uncle, and his brother Walter.*

*Over the years, Peter Haas and Walter Haas, Jr., guided the company through periods of explosive growth and change. Long before civil rights became the law of the land, they integrated Levi Strauss plants in the U.S. And they expanded their manufacturing and distribution to Canada and Mexico and overseas; went public and then private again; and made many innovations in product lines, marketing approaches, and manufacturing. Here Peter Haas recounts some of the personal and professional challenges and rewards of many years in the family business, during a time when Levi's (as a watchword for glamour, progress, old-fashioned value, American business savvy, and corporate integrity) became an international phenomenon.*

### **STARTING OUT IN THE FAMILY BUSINESS**

When I started at Levi Strauss in 1945, after my time at Harvard Business School, the company was fairly small, not one of the larger apparel companies, and then we grew amazingly, doubling our growth every five years.

That was really remarkable. It was quite explosive growth. I remember one time my brother and I were in the car, talking about the company and the future, and we agreed we had a tiger by the tail. But would we be able to control it? We had some doubts about that, but in the end we were able to.

When my brother Walter and I took over as executives at Levi Strauss, my father and Dan Koshland were in upper level positions at the company. And there was a person by the name of Bill Lagoria, who was in charge of sales. Dave Beronio was our credit manager, and really second in command, behind Dad and Dan. I have mentioned Milton Grunbaum, who was in charge of operations. It was a small company at that time.

I remember when my brother and I were working at our original location, 98 Battery Street, at the corner of Pine and Battery. And the offices were all contained on the first floor, and at the back end of the first floor was the executive restroom with the executive toilet that had a key to the stall, a key that only my father and my uncle (Dan Koshland) used. And every morning, Dad would go from his office, back to this other office, and at some point (I think it was when my brother and I got some new titles), Walter, who was a great practical joker, had somehow got hold of the key to the executive toilet. And took it to use.

That morning, as we watched, Dad came out of his office, and kind of started back to the restroom. Shortly thereafter he returned, looking around every direction, looking kind of flustered; shocked, really, at this new development, this insubordination. Despite the fact that we were executives of the corporation, we were still “the boys.”

My father, who was obviously more conservative than we, quite a bit older, kept saying, “How large do you want this company to grow?” He was worried about the growth, that it was going to get out of hand and then we would go on the rocks by over-extending ourselves, going into debt, just going beyond our means. He was just afraid we would grow beyond our ability to sustain the pace, to stay above water. We convinced him. I think we said, “Dad, unless we keep growing, we’re not going to be able to attract the right people to this company.” Anyway, it just was against our grain not to keep growing. And we did.

To my father's credit. That was a great lesson, to see the way he and my uncle gracefully turned the reins over to the two of us without any formal announcements or without actually realizing that we were running the company. It just gradually happened. We were making decisions and that's the way it was. My father and my uncle could have put the brakes on these developments at any time, but we're very thankful that they didn't.

## **THE PERSONAL TOUCH, AND THE CHALLENGES OF GROWTH**

Of course, a veteran manager like Milton Grunbaum knew every nook and cranny of our business, our plants. He was an extraordinary person. He was extraordinary because of his feel for human relations, which is terribly important. You're not in the trenches, and you need good information about what's going on at that level. One of my top teachers in business school was a fellow at Harvard who specialized in human relations. He was outstanding and he made a great impression on me. This kind of thing is essential to good business.

I remember when Milton Grunbaum would come into the plant, he would take off his jacket and proceed to make his way through the factory, and walk around the floor. He knew every operator by name, chatted with them, asked them how they were, and how their family was. Personal attention is so important. He was a living example of its importance. I have tried to follow his example.

But one of the disadvantages of getting so big is that you can't know all of your employees. Prior to our tremendous growth, you really knew everybody in the company, except some of those in the outlying plants. But at least you knew everyone in the home office and the sales department. You knew pretty much about their families and their aspirations and their triumphs with their kids. I knew an awful lot of people throughout the company and all the plants.

## **HIRING FOR GROWTH**

In about 1958, Walter and I became the official leaders of Levi Strauss. He was president, I was vice president. We hired some pretty able people as we grew. We were the first apparel company, that I know of, that hired MBAs into the company. At that time, most of our managers had no more than a high school education. Maybe some never had graduated from high school. I don't put them down for that, because they were the backbone of the company in the early stages. But as we grew, we needed more trained people.

I think we felt, my brother particularly, the company was going to get bigger and bigger and more complex, and we had to have the talent to handle it. My brother and I were probably the only ones in the company that had business school training up to a certain point.

The first MBAs we hired, as I remember, were from Stanford. It just happened to be that way. I'm not saying that MBAs are the one key to success. I'm only suggesting that that was one of the keys to our growth, the change in the way the company was managed.

## **RACIAL INTEGRATION OF LEVI'S PLANTS IN THE UNITED STATES**

We were not only one of the first, but the very first American manufacturer to integrate our production plants. We did this because it was the right thing to do, right for business, too, and we did it long before it was the law of the land. My brother and I had wanted to integrate the plants for some time. In fact, in one of our plants in Mississippi, there was pretty much a civil war against integration. It was deplorable. Given the economic boost of having a plant in Mississippi and Alabama.

At that time we had a plant in a little redneck community in Virginia, called Blackstone, Virginia. It was not far from Richmond. One day, the operations manager, Paul Glasgow was his name, a great guy, came to us and said, "I think I'm going to have to

close this plant in Blackstone unless we hire blacks there. We're not getting enough people applying for work, it's not economically feasible to run the plant." So we said, "Okay, let's look at it."

I actually went down to Blackstone, had a meeting in a firehouse with some of the town fathers. I told them that I was not there to change their habits, it was the fact that we wouldn't be able to keep the plant there unless we integrated it. It kind of hit them hard. They said, "Well, all right, we accept that, but split the plant in two, draw a line down the middle of the plant." I said, "No. We won't put up a wall. Absolutely not." "How about separating the drinking fountains and restrooms?" "Absolutely not." And, by golly, we hired some blacks. There were no riots or protests. I think the only thing that happened was there was a picnic soon after that, and some of the white husbands objected to their wives going to the picnic. This was maybe in 1964 or 1965, before civil rights legislation was passed. But even before this, we integrated our offices on Battery Street and our Valencia Street plant. In 1949 we opened a plant in Vallejo and made a point of having blacks among our first employees there.

I remember one white woman pulled me aside, said she wasn't going to work for me. I said, "I'm sorry you feel that way. You're free to go if you want." She stayed. Also, the people in Blackstone stayed because the payroll was there. A paycheck has an effect on most principles.

## **OUTSIDE CONSULTANTS AND A FAMILY BUSINESS**

At some point someone suggested that we should bring in management consultants, and we got McKinsey & Company to come in. They asked us for a table of organization. Well, we didn't have a table of organization. So they interviewed people and drew one for us, showing the existing structure--the way the organization worked. Of course, it defied all imagination. It had all kinds of lines leading up to the top, and just a diffusion of responsibility that we had to correct, or they thought we should. And eventually, we developed a proper organizational chart. I'm not sure how much it helped, but it made us a little bit more modern. I don't know if it made us more successful. I can't really say if this was crucial to our growth, but it did help to clarify things.

## THE GARMENT BUSINESS AND CHANGE

And my brother and I made some changes; for example, we decided that, even though the business itself was seasonal, employment should not be; we wanted to offer our employees year-round employment. To eliminate their ups and downs, the periods when people weren't working. I don't know that we had any formal arrangement along that line.

Our business was seasonal because the biggest period was the back-to-school time, when mothers stocked up for their kids going back to school. That's about as seasonal as it was.

At the time we did not have a research and development department, but later on we did; that department worked on trying to automate machinery in the plants. It was only reasonably successful, because it's very, very difficult to automate a procedure when the process involves a limp material like denim or other fabrics. It's different than something that's precise, where you work with metals. But we did develop some machinery that reduced the labor content of the production; the apparel industry normally has been a very, very labor-intensive sewing process. That is, there isn't that much money spent on machinery, on capital, like a steel mill, of course--just the opposite.

So we thought we'd try to improve the machinery that was used by the operators, and we did develop some machines that worked. We also bought some ready-made machinery and tried to improve it, to customize it.

Decisions about new products were pretty much in the hands of merchandisers and the different department heads. It was very much decentralized. Although sometimes there were some decisions made at the top. For instance, deciding to go into something called Lady Levi's, which as the name implied was a special product of blue jeans for women. Or possibly venture into a line of shirts. Or I remember particularly a venture into something we called double-knee jeans for kids. That was a major one made at the top. But generally, for minor changes in products, that was done at a lower level.

In the 1950s our main competitors were H. D. Lee, Blue Bell, and some local manufacturers in San Francisco. The most comparable competitors, most comparable on a national scale, were H. D. Lee and Blue Bell, who incidentally were larger than we were, had the same opportunity to grow as we did, but I think I mentioned maybe earlier that over a period of years, we grew faster and surpassed them.

There were many others in the apparel industry. I think there was something called Bobbie Brooks in the women's apparel end. There was another very large one in the women's apparel, not directly competitive. But we were sort of small potatoes at that time in the field. H. D. Lee and Blue Bell had comparable lines of blue jeans. That was where the major competition was. But I think our quality was better. And I hope that is one of reasons we grew faster than they did.

### **ACQUIRING GREAT WESTERN GARMENT COMPANY IN CANADA**

In the 1950s, we purchased the Great Western Garment Company in Canada. We wanted to expand internationally. It was my brother's idea particularly, God bless him. Canada seemed like an opportunity. I think the approach came from the head of Great Western, who came to see us. It wasn't at our initiative, but we, particularly Walter, thought this was a real opportunity to go. It was quite a coincidence; we were struck by some of the similarities of our Levi Strauss and Great Western. They had this plant in Edmonton, and right next to the plant was a children's playground which reminded us of our Valencia Street plant here in San Francisco which had a children's playground next to it. Anyway, these small connections played a part in the whole thing.

It was also family-owned, and we were able to make an offer, which persuaded them to let us take control. There was a fascinating person who was head of it by the name of Gerry Godsoe. Very handsome guy, and one hell of a salesman, because he persuaded us to give him quite a handsome price for the business. And had complete control of everything. Sometimes would listen to our suggestions, but pretty well ran it all himself. Was very much into himself.

The acquisition of Great Western gave us an inroad into Canada. Later on, we introduced our own products, after much worrying and concern about whether it would be successful to go in there and in effect compete with Great Western Garment Company. But it gave us an insight into the Canadian market.

Great Western's product line was somewhat similar to Levi's. It was largely in blue jeans, with many other types of pants and apparel. So there was some duplication and competition between us, but it all worked out.

We did make some changes at Great Western. We insisted on greater benefits for the people there than they were giving. But we pretty much left them alone, let them run their own business. Let Gerry Godsoe run it the way he thought it should be run, though periodically, Walter and I would go up to Edmonton in Canada and visit, generally around the time they would have their annual board meeting, which of course we pretty well ran.

It was very nice. Every time we got there, Gerry Godsoe would have a lovely bottle of Canadian whisky for each of us in our room at the hotel.

There used to be a great big rodeo in Calgary, which is on the way to Edmonton. Come to think of it, I never managed to schedule a visit to the rodeo during any of my visits, which seems very stupid in retrospect.

## **OVERSEAS EXPANSION**

Later we expanded overseas. It started when Oscar Groebl, who was in charge of our New York office, which was mainly a purchasing office, received a visit from some French people, just out of the blue, who wanted to represent us in Europe. This was a tremendous step and a very fortunate one. So Oscar checked them out and gave us the information, and we gave them the rights to carry our line in Europe. That was the beginning of our adventure into Europe and internationally.

Eventually, we bought them out, and ultimately we established our own offices over there, centered in Brussels. Eventually established some production plants and some warehouses. Actually, these French representatives provided us with a sales force, and then when we bought them out, we took over the sales force and expanded it ourselves. Those were big steps.

We started production in Belgium and France. And then we established plants in Scotland.

Our biggest problem over there arose just within the last couple of years; we had to close these plants, since they were part of the whole over-production, over-capacity problem. But it was much more difficult and expensive to close plants in Europe. You had to go through many steps with the union and the government. But we were successful in doing that. Those countries are more unionized than in the United States and to some extent, they are much more subject to government control.

When we established production in Europe, we chose factory sites where we found a plentiful supply of female labor, because, for better or for worse, the sewing industry is based largely on women working on the sewing machines. Although later on, we interspersed men into doing those jobs too.

## **PROTECTING THE TRADEMARK**

We made an incessant, continuing effort to protect our trademark. In other words, it didn't just happen. Whenever we'd somehow see a notice about a school dance that would say, "No levi's allowed," we would write and say, politely, that Levi's is a particular product, a trademarked product. If you mean "no blue jeans allowed," that's your privilege. That's a dress code. But please, if you're really talking about "Levi's," talk about it with a capital L and an apostrophe S. And when we saw a magazine article or a book in which Levi's was mentioned but with a small L, we would write and say, again, "This is a trademarked name, please spell it Levi's." We built up a file that way, and eventually got into the dictionary in that respect. It's in there, I think in the major dictionaries.

Sometimes we would hear about a clerk in a store, and someone would come in and ask for Levi's, and the clerk might unthinkingly show them another brand of blue jeans, thinking of Levi's as a generic word for "jeans." We'd try very hard to educate them that if anyone came in and asked for Levi's, show them Levi's. I think about these things, about trademarks and so on, and I have a knee-jerk reaction when I'm say on a plane and I ask for a Coke and they'd bring me a Pepsi. Because Coke, like Coca-Cola, is a trademark, an extremely valuable trademark.

It was difficult to monitor trademark infringements all over the country, in fact, all over the world. I'm sure we probably missed a lot, but the fact that we worked on those that we knew about gave us legal rights, or at least gave us a chance to protect the name from becoming generic and going into the public domain like Frigidaire or cellophane.

## **LEVI'S AND GLAMOUR**

When certain Hollywood stars, like Marlon Brando, Marilyn Monroe, and Jimmy Dean, wore Levi's blue jeans--well, that made a huge difference to our image and our sales. Levi's had always been a great product, durable, good for hard work, but now they were glamorous, a fashion item. They contained a mystique and became very popular. And we capitalized on this trend.

There was a time that Bing Crosby came to a small hotel in Nevada. A small town in Nevada. And he was pretty scruffy and they wouldn't let him in. Later we created a custom-made Levi's tuxedo jacket for him and got some good publicity out of it.

## **INNOVATIONS IN PRODUCT LINES AT LEVI STRAUSS**

We've branched out to make non-Sanforized jeans. There were other innovations, such as preshrunk jeans, Sta-Prest slacks, and Levi's for Gals, and then Dockers.

I don't know if I mentioned--one of our very major decisions in connection with Levi's jeans was the Lot 501. There was always a pressure to move beyond our special double X denim which shrank so violently, pressure to go to Sanforized denim, which we felt was inferior in quality and wearability and did not give the same fit. So we had Cone Mills, our exclusive supplier of the double X denim, do a major research and development project to develop a preshrunk denim that did not have the disadvantages of Sanforization. They developed some special, exclusive process for Levi's, which was a big step (where we went beyond that old denim). But we had extensive tests made and we felt that what we got was still of a high quality and wearability, durability, and did not have the problems of Sanforization.

I recall that the idea of Dockers came from, I think, one of our Asian divisions. Just exactly where the name Dockers came from or how, I don't recall. But the product itself was developed outside of the States, then was grabbed by the casual wear division or whatever it was then, and became extremely successful. And we still produce some of the old Levi's. Same old "shrink to fit," guaranteed to shrink to fit and fade.

And this connects to the Koret process, which made fabrics resist wrinkling, because the Koret process was applied to certain lighter fabrics. We bought the Koret process, eventually bought Koret itself.

Mel Bacharach was one of our chief executives. He was in charge of our casual wear division, our sportswear. He was quite a pioneer and innovator. He got us into the business of Sta-Prest, which was our name for the Koret process, which is something we trademarked. It was some chemical process that was applied to the fabric when it was being woven before it was shipped, and then you sewed the pants together and put them through a heat process, and that required building some ovens, which we put into production in our Knoxville plant. And we had these ovens that the pants would go through on conveyors that really cemented the process. It made them resistant to wrinkles. We should have opened a bakery, I think, with those ovens. They weren't worth much when we got out of the Sta-Prest business.

It was a big investment. We made a tremendous investment based on faith in Mel's predictions of what he could sell.

## **PRESIDENT AND CEO: WHAT'S IN A NAME?**

I was president of Levi Strauss & Co. from 1970 to 1981, and then chief executive officer from '76 to '81. In fact, there wasn't any difference between the two positions. They were one and the same. Actually, I don't know if I mentioned earlier that we never knew the term CEO, chief executive officer. We never had that applied to anybody. We didn't place much importance on titles, I guess. But when we were going public in 1971, we were told that we had to designate someone as CEO. We said, "What do you mean? We don't have a CEO." They said, "Well, if you're going public, you need a CEO." So I became president, and Walter was CEO, and then when Walter stepped down, I became CEO.

## **THE FAMILY BUSINESS GOES PUBLIC**

Going public had a tremendous impact on the company. We're in a fishbowl now, really. The most difficult part was when the CEO or whoever had to explain to the stock analysts what was going on in the company, it was a chore that fortunately you don't have when you're private. There was terrible pressure on quarterly earnings, rather than long term trends. When you're private, it's much easier to make decisions based on long term objectives, and you don't have to worry about quarter-to-quarter results, which are just dynamite, and which the analysts place so much importance on. Then you start worrying about the price of the stock and what's affecting it, that's not good for any business.

We went public in 1971 because we were continuing to expand, and our bankers, our financial people, told us, "You can't continue to borrow money at this rate. You've got to get more equity into the business." So we decided to sell stock, if we were going to continue to grow. It was a very gut-wrenching decision.

But one of the beautiful parts about it was that here we had--maybe this is too emotional--well, we had a number of employees, refugees, who came into the company during or shortly after the Holocaust. They came out of Germany. Many came to work here because Dad and Dan had connections in the Jewish community, the agencies that looked after the immigrants. We had a program in place for employees to buy stock, and

the price was based on book value. So these employees would gradually put money into buying stock, and at the time we went public, the value of the stock just skyrocketed, because the market value was well above the book value.

So these wonderful people, some of them became millionaires overnight. I remember one gentleman in particular who was really a janitor, but he, like others, would buy stock whenever he could. Only employees were entitled to buy the stock. As a matter of fact, at one point we instituted a program to keep in touch with and look after our retirees, and one of our retired employees, Julius, I think his name was, and his two sisters, would spend time and money visiting here in the Bay Area, keeping in touch with people who had retired from Levi Strauss. They were all very generous people themselves, with their time and their money. They never changed their standard of living because of the money they received from the stock.

Going public had a big impact on our board of directors. We had to bring outside people onto our board. We were very lucky in two of the first people we got, Joe Cullman, who was head of Phillip Morris, whose family happened to be friends of our family. Joe himself was a personal friend of my brother's, and Arjay Miller, former head of Ford Motor Company. Two very outstanding people who brought a sense of how to deal with the public shareholders, how to run a big company. They were tremendously helpful in their advice.

In particular, I was grateful to Joe Cullman because he kept pushing my father to pay Walter and me more than my father wanted. I mean, we were just still kids to him. Joe had always talked to him about "the kids," and Dad never could adjust to the fact that the pay scale had increased dramatically to executives of large corporations. He could not see us in that same light.

We had one woman on that board: Mary Bundy, who was the wife of McGeorge Bundy, who was very high in the State Department I guess under Kennedy. And also, we had an African American on the board, a judge. And later we had an Hispanic on the board. We thought all that was very important, and they were excellent directors themselves. They were very vocal. They weren't just token, believe me. They were very vocal, made serious contributions at a time of great change for Levi Strauss.

After I was CEO, a non-family member, Robert Grohman, was brought in to run the company. Unfortunately, it didn't work out as well as we had hoped.

## **HARD KNOCKS, AND A SOLID REPUTATION FOR CORPORATE INTEGRITY**

In 1976, there was a price-fixing suit brought by Evelle Younger, the state's attorney general. We had a suggested retail price for our products, and he objected to the way it was being enforced. We had I guess too loose a control over our sales force at the time, or didn't have the adequate legal advice to tell them what to do, but it was quite a blow to us. And of course, we weren't happy with the publicity, but it was finally settled. Still, it was quite a blow to us, because we have always valued our reputation for integrity and fairness. But it worked out.

## **THE PUBLIC FIRM GOES PRIVATE ONCE AGAIN**

We had another major transition when in 1996 we went private again. For one thing, we wanted to be sure that over the near term at least, the company would continue its values, remain private, and so this re-capitalization took place, and the so-called "voting trust" came into existence. People were afraid that, with the passage of time, younger generations, family members who had stock in the company, would no longer feel close to it or understand its heritage, and understand its values, and we wanted to be sure that the legacy of these values could continue through the years. That was the main reason for going private again, for the re-capitalization.

But we did bring in some outsiders who are on the board now. Warren Hellman, Craig Sullivan, Gary Rogers, Tully Friedman, and Angela Blackwell. So we try to have some of the best of both worlds--tradition and family, and fresh ideas, new people to bring new ways of doing things.

There was a period when we had a number of years in succession where we were not doing well. In fact, I guess our earnings were almost in a free fall. The second-in-command was Peter Jacobi, who was backstopping Bob Haas then. But earnings kept falling and the board decided that, extremely difficult though the decision was, we should go outside for a new CEO. Have some new blood in. We've continually been bringing in new blood, new executives, but nothing stemmed the hemorrhage.

So we put a search firm to work, and a special search committee of the board, and eventually found and selected Phil Marineau, who had a wonderful record as, among other things, the president and CEO of Pepsi-Cola, North America. We wanted a very strong marketing brand manager, and he filled that bill. Originally we had thought that we would bring someone in who would eventually replace Bob, that it would take some time to put him through the ropes, and we'd see how things went; but the search committee and Bob himself came to the realization that if we were going to get the top person, we would have to recruit for the top job directly. And Bob Haas graciously and courageously, I think, agreed with that decision.

And so Phil was able to take over right away, which he has done very, very ably, and he turned things around, arrested the free fall. So things are looking a lot better and results are gradually improving.

## **MORE ABOUT OPERATIONS, INNOVATION, AND RESEARCH AND DEVELOPMENT AT LEVI STRAUSS**

I was always most interested in the operations side of the business. Even though it was supposed to be more even-handed, that was the area I knew better than any. I got the greatest kick in watching the finished garments come off the conveyor belts. But I had to adjust to CEO things, it was more bringing all the managers together to work together. I believe in more, maybe governing more by consensus. Though I tried to make a few important decisions myself to provide leadership.

For example, in 1981 we decided to sell to Penney's and Sears, but that was a very major decision. There was a lot of debate within the company. We wondered how would it affect our present accounts. The other department stores. As a matter of fact, Macy's stopped buying from us. It got to be a personal thing between the head of Macy's and us.

We tried to give an early warning to our major accounts before we did begin selling to Sears and Penney's, so they wouldn't be surprised; we tried to persuade them it shouldn't affect the relationship. I was supposed to advise the head of Macy's about the impending changes. But for some reason, I was never able to make direct contact with him. I left word about what I was calling about, but it was a bad mistake on my part, not to pursue it. He took it quite personally. Kind of took it out on us, vindictively. It was some years before we renewed our relationship. What happened is his buyers pushed hard and said, "We've got to have Levi's at a time when they are in such great demand."

From 1954 to 1970, we were concerned with maintaining growth, and after 1970, we were the number one company in our industry in the world. However, we remained concerned about increasing market share and increasing the scope of the company.

So the Sears and Penney's decisions had to do with reaching a whole other market. That it was a brand new channel of distribution. And eventually we overcame the objections of Macy's, and it wasn't just Macy's, but Macy's is more powerful and predominant than many, and more emotional. Most of the other accounts forgave us, partly because they couldn't do without us.

It's a continual search, to find the kind of people who want Levi's jeans. Besides the teenagers! It's still a great part of many working lives. Welders wear Levi's, and cowboys and farmers. The western theme in our advertising was very strong for a long time. Levi's had a certain mystique because of these associations.

You know, everyone considers himself an expert on advertising. But I don't. For years, our target group was the teenagers, and the advertising was designed for them, there was no way I could really judge whether the advertising approach was right or not. That's still the case. But we continue to try to appeal to a different audience and anticipate trends. Focus groups help us with that. Now our CEO, Phil Marineau, is much more a marketing guy than I am, he's much more hands-on in that respect. He has the instincts for it, a talent for it.

## **RUNNING THE BUSINESS WITH BROTHER WALTER: A COMPLEMENTARY RELATIONSHIP**

One of my responsibilities was production, while my brother spent most of his time on marketing and things. I was more involved in the operations, production, distribution, warehousing, the plants. We complemented each other in that respect.

I could be skeptical of my brother's big ideas at times, believe me. But I was also drawn to those ideas. Maybe he was self-serving, needed me to mop up messes and try to bring ideas to bear fruit. But, as I say, we were a very effective team. It was his vision that drove the company. Someone once characterized Walter as "Mr. Outsider" and me as "Mr. Insider." It was his idea to go international for the first time, which was going into Mexico. It was his idea to send a group of our executives to Europe to look into the possibility of selling in Europe. I give him full credit for that, for it was the beginning of our becoming an international company and provided great growth and sales.

Working so closely with my brother, Walter, at Levi Strauss was a good thing. Because it can be very lonely at the top. But when you have your own brother up there with you, someone to talk to and consult with and get support from, that's very, very helpful. That was a special relationship. We complemented each other, regardless of what the titles were.

We would have our differences, but I don't think we let it leak out to the outside. We tried always to show a unified front. I think the most important decisions we had to make involved appointing managers for certain aspects of the business, selecting the right people who are going to help you build the place. Of course, you have strong intuition about the right people for these positions. We always tried to have a special succession table where we decided where each person was going to go. But this was done more in theory than in actual practice.

## **CONTINUING CHALLENGES OF CHANGE IN PRODUCT LINES**

At Levi Strauss, for a long time we'd been in casual wear, casual pants, khaki pants, and stuff like that. We had always been wary about our great dependency on basic jeans, and we tried desperately to be successful in casual pants. But until we found Dockers, found some kind of formula that I can't describe to you, we had not been successful. Docker's were a tremendous success.

I think our customer looks for product reliability. A product they can trust. We felt at one time that the Levi's brand would sell almost anything that we were growing then. I remember we got into western hats without much success. We tried skiwear and active wear.

## **CORPORATE PHILOSOPHY**

We've been able to attract the best and the brightest because of our corporate philosophy. The right kind of people were attracted to Levi Strauss & Co. because of our concern for community and our insistence on ethical behavior. I guess one of the things we're proud of is the loyalty of our people and our reputation for integrity, even as we grow and change. It kept us going.

## **POLITICS**

I'm registered as a Republican, but an independent Republican, I guess. But I don't act that way very much. And of course people of all political stripes love their Levi's. Franklin Roosevelt is one of my heroes. Harry Truman was a good old guy. And I think Lyndon Johnson was the first president to appear in public wearing Levi's. I'm sure we made a pair of Levi's for Lyndon Johnson specifically. And later we did the same for Ronald Reagan.

## **REMEMBERING WHEN THE GAP STORES FIRST OPENED**

We gave the Gap their start. That is really a success story. I've got to hand it to him. Don Fisher, a good friend, really built a magnificent establishment. It was nothing to begin with. In fact, the first store, in San Francisco, sold records in one part of the store and Levi's in another part of the store. Gradually, Levi's replaced the records, and gradually the Gap's own product replaced Levi's in the Gap stores. So they became one of our competitors. They have a wonderful sense of fashion and of what the public wants. Although recently they've sort of fallen into hard times. And Mickey Drexler, who is the fair-haired boy, rescued them one time when they were going downhill. He reversed that downward trend, I think.

## **OFFSHORE MANUFACTURING, OVERSEAS PLANTS**

Only in the last year have we moved some of our production offshore. We're the last one in the industry to do this, to move production offshore. I just hated to do it. We probably should have done it sooner than we did. I guess part of the reluctance came from knowing the people at our U.S. plants. I knew a lot of them. I always wanted them to keep the jobs, if possible. But if we were going to continue to exist, we had to finally face reality, and work with sources outside of the United States.

We have put an emphasis on humane plant closings, when closing is necessary. We have had huge packages of severance pay, for example, for the people laid off. Many of them used that to open a small business of their own, to spend more time with their grandchildren, play golf or whatever, or get further education.

I think union relations have improved over the last forty years and we've all made a very conscious attempt to be partners. In France, many unions are Communist-dominated. It's different working with them. Different as night and day.

We sent people from the States to supervise the initialization of plants in Mexico and overseas the first few years. I remember Milton Grunbaum went down to Mexico. They put their imprint on the new plants. Their main concern was the people. And doing what could be said to be the right thing. The whole value system might be different than was prevalent in that country, so it was delicate.

And there were different laws. You had somewhat less freedom to do what you wanted, but that was all right. But basically there wasn't too much difference.

Actually, the internationalization of Levi Strauss probably started long before we built plants outside the U.S. The G.I.s brought Levi's over to Europe during the war. That started the demand there. I can't tell you exactly the magic of how it happened. But it was certainly somewhat magical.

### **TRAVELING ON BEHALF OF LEVI STRAUSS**

When I travel abroad, of course I am always looking for the Levi's mark. But often you can't tell if it's a counterfeit or not. But we always are looking. Counterfeits are rampant throughout the world. We are vigilant about the integrity of the trademark, of course, but every time you lick one counterfeit, another pops up.

The Department of Commerce has been very cooperative. For instance, we can often get a whole shipment seized as they come into the States, seized and destroyed. We've also tried to work with foreign governments to stop the problem at the source, and having varying degrees of success with that. We fight continually to protect the distinguishing features of the brand, such as the arcuate design on the back pocket, and the tab on the back pocket. Those are tremendously valuable. Those are generally the first things that are copied. But some of the counterfeits are so closely copied, you have a hard time distinguishing between the counterfeit and the real.

Of course we had the patent for the famous Levi's copper rivet. Then the patent ran out. So we no longer had that exclusively. That patent must have been one of the first patents filed. As a matter of fact, even after the patent expired, we continued to use a very distinctive rivet, though I don't know if it made that much difference in people's

recognition of the brand. The original rivet was hammered on by hand, and we got someone to develop a machine that used the same approach, gave the same appearance as the one that was put on by hand.

When I travel, I take note of places in which we might want to invest. We've never invested in Israel, for example, but we had a licensee there. We got to know the manager of that operation. Very nice guy, who has often come to visit us. He was in the Peace Now movement. Then eventually, he went off by himself and headed a McDonald's franchise in Israel. The McDonald's franchise for all of Israel.

I remember one trip to a small plant we had in Cantonville, Tennessee. So I toured the plant and one of the operators at the machine said, "Mr. Haas, I wish you'd come around here more often. The plant's never been so clean." That was not a revelation to me. I knew every time I showed up, the place would be cleaned. You'd smell fresh paint every time. I loved that. I see it as quite a responsibility, to represent the Levi's brand when I travel. But the nice part is, it's known all over the world. And recognized as something important.

I think I had a good relationship with most of the line people. I was approachable enough. Often, on these visits, I would learn things--nothing really earth-shaking--about the company. Usually, it would be something about a local plant, maybe about a manager or a supervisor.

Mimi and I once visited a Levi Strauss plant in Yugoslavia. The manager of the plant was very wise. He reserved not one but two rooms at the small hotel in the small village for us, which is lucky, because with all the luggage we had, there was no way, in this small hotel, in these small rooms, we could have lived in only one of those rooms. We filled one of the rooms with just the luggage we had.

We went to breakfast at the city hall. And things started with the mayor passing around this alcohol to toast us, to welcome us. At breakfast! Of course, I didn't want to insult them, so I had a sip. And later the same day, we went to the plant and afterwards had a three-hour lunch with all these officials. It really was Yugoslavia still at that point, but it was in Croatia. Their secretary of commerce was trying to persuade me to go back to America and persuade other companies to come into this area of Croatia to set up businesses there.

We had similar experiences in Spain, where we opened a plant a couple of hours from Barcelona. That might have been more like a five-hour lunch. Again, with government officials... Kind of an ordeal, yet I loved this diplomatic aspect of my work.

## HOW INNOVATION HAPPENS

Usually we delegate when it comes to decisions about styles and advertising. But I remember getting particularly involved in one line of casual pants. They were made of a light blue fabric. We called them Levi's Lighter Blues. It was an unusual situation; our sales rep in southern California came to me and said, "Peter, we need this line of casual pants," and showed me what it was like. It wasn't like Levi's at all. It was much more like our Dockers, casual pants. I kind of got involved there. I think this was the only time I was involved in initiating a product. I remember it was somewhat of an aberration because it didn't have the regular back pocket that we put in our pants now. It was an inside back pocket. My doubts showed my limits as a merchandiser designer. It became quite popular. We called it Levi's Lighter Blues. It was more along the lines of a yachting pair of pants, a sailing pair of pants. It was also good for golf.

For a long time, women wore 501s, preferred them. Not all women can wear men's 501 jeans. But many try. Anyway, eventually we decided it was time to develop a women's line of goods.

We've had sporadic attempts to have a number of our own stores. We haven't been very successful at the retail business. Don't ask my why. Mimi can never understand why we haven't done well at it. We never really devoted ourselves to it.

We do have a beautiful flagship store in San Francisco, in Union Square. You can hop into a tub and shrink the pants to fit you, right in the store. It's quite popular with the tourists here in the city. We partly opened the store because our relatives and shareholders were always asking, "Where should I get my Levi's?" In Europe, we're very successful in franchise stores carrying Levi's products only, and we have a number of stores in New York, for example, that have worked out pretty well.

Over the years we've spent an awful lot of money on research and development of machinery. We had a laboratory in a place called Richardson, Texas, near Dallas and Fort Worth, and at one point we hired a man I called "the mad magician," a guy who had some far-out ideas of how to automate. I was fascinated by the process and by the manufacturing aspects of the business. I used to love to go to the research and development side and see what they were doing

We invested a lot of money, and did some pretty good things, but never enough to make a dent toward full automation. The work is so labor intensive. If we'd been successful in reducing labor costs, we might never have had to close some of our plants and go overseas. That was our hope, of course.

## **THE CHALLENGES AND RESPONSIBILITY OF A FAMILY BUSINESS**

I remember my father had kind of a principle he followed: if my brother and I disagreed about something, he would opt for the person whose field it was. In other words, if it was an operations thing that Walter and I disagreed on, he would follow my opinion, because operations was my area of expertise. However, if it was something on the marketing end, he'd go for my brother's opinion.

I remember one thing my father and I disagreed upon, to some extent; at some point, Mayor Christopher appointed me to the Equal Employment Opportunity Commission, the first one in California. Dad was of the opinion that you couldn't legislate that sort of thing. I thought he was wrong, and of course I eventually proved him wrong.

I'm reminded that my mother was very much against billboards, because they defaced the landscape. The trouble is, Levi Strauss & Co. used billboards as a major means of advertising. At least that was true before television. We didn't do much newspaper advertising, or magazine advertising. And my mother would get on my dad for using billboards to advertise Levi's jeans. After she died, I remember I voted against the billboards in San Francisco, in her memory. So I guess a family business can be complicated, but we've managed well.

In my immediate family, my son, Peter, Jr., was here at Levi Strauss & Co. for about ten years. He decided it's not what he wanted. He had come into the business as I did. And he didn't want to be the boss's son. And he had young kids growing up, and he wanted to be with them. He couldn't do that while he was traveling that much. I give him credit, because those were his values. I hated to see him leave. He's still connected with the company through being on the board of directors. He also heads the Red Tab Foundation, and he is on the board of the Levi Strauss Foundation. So he's still aware of what's going on, he's still part of the company in that respect. I'm very proud of him.

My brother Walter's oldest son, Bob, ran the company a long time. Walter's youngest son, Wally, is also on the board. Phil Marineau is the CEO now.

## ***A LIFE AT LEVI STRAUSS & CO.: THROUGH YEARS OF PHENOMENAL GROWTH AND CHANGE***

*By Rita Guiney*

*Rita Guiney came to work as a secretary for Levi Strauss & Co. in 1942. She became an essential part of the company's executive offices as executive assistant to Walter and Peter Haas and eventually secretary to the board of directors and vice president of the company. She retired in 1987 after forty-five years of service. Here she speaks about her recollections of Peter Haas and her years at Levi Strauss & Co.*

I grew up in San Francisco. During World War II, I was looking for a job and they were plentiful. In fact, I was offered five jobs and didn't know which one to accept. When I discussed it with my parents, their immediate response was, "Take the job at Levi Strauss & Co. They're good to their people." Of course, at that time, I was cavalier and independent, and I thought I'd try it for a week and go elsewhere if it didn't work out. It was 1942 and you could walk down the street and get another job any day. But I stayed and built a career and a life at Levi's and it has been a great association for me ever since.

When I first came to Levi Strauss & Co., I worked for Dave Beronio in the credit department. He pretty much ran the company at that time with Walter Haas, Sr., and Dan Koshland. People worked without titles then and focused on doing whatever was needed to get the job done.

When Walter, Jr., and Peter needed secretarial help, I was asked to assist them. I was a bit younger than they were. I was a nervous wreck to be asked to work for the boss's two sons, but they were wonderful. They weren't intimidating because they always wanted the

best for employees and for the company. It was on-the-job training. It was all a matter of trial by fire. I learned by osmosis--observing more and more, and growing with the company.

### **REMEMBERING WAY BACK THEN . . .**

Ranchers and cowboys wore Levi's in 1942, and young kids. It's hard for people to realize how small and specialized we were at that time. We were jobbers, selling men's underwear and other things. The things we sold were all on display at the office site.

After the war, with Walter and Peter now actively involved in the company, jobbing was discontinued and they focused their enormous talents and energies on the creation of a market for Levi's and leisure wear which had become very popular in the 1950s. The growth was remarkable. I remember their father, Walter Haas, Sr., saying to me one day, after we had become a big international company, "I never thought I would see this day. I thought my boys would take it national and then their children would take the business to international prominence." So Peter and Walter did it all in one generation. They had very complementary sets of skills and that contributed to the growth of the company.

Since this is Peter's oral history, I will focus on him. I have already commented on Walter in his oral history.

Peter is a wonderful human being. He is very bright and retiring, with a delightful sense of humor. He always weighed things very carefully and was meticulous. His strengths were in finance and manufacturing. We were so small then. We had one manufacturing plant at 250 Valencia Street. Peter used to go there in the morning, then come to the offices on Battery Street in the afternoon. Peter and Walter were on the main floor in glass cubicles until 1957, which was pretty amazing for men in their positions. Neither one of them was ever caught up in the trappings of their positions.

Peter was very knowledgeable about the manufacturing aspects of the business and about the people in the plants; he toured the plants extensively. Additionally, of course, he was a master of finance. His attention to detail was legendary. He had this remarkable ability to spot a figure that was wrong. As often as the managers would try to spot errors in

advance of Peter's review of their documents, Peter would inevitably see a miscalculation and say, rather quietly, always nicely, "Is there a possibility there's a mistake on this line?" He was lovely with people, and very tolerant.

I came to Levi Strauss & Co. in a time when affluent people didn't usually work full time, but Peter and Walter, who could have followed that pattern, didn't. I was amazed. They were here every day at eight o'clock in the morning. I remember going home to my parents and saying that I could not believe how hard they worked when they didn't have to work at all. Because that's how I saw it at the time. What I came to learn was that they did this because of the values with which they were raised. They had a strong work ethic and a lot of personal discipline. I had friends working for other big corporations and the people at the top weren't always like this, you can be sure. The Haases set a great example. They made you want to do your best--and it was fun. They made it fun.

I have had such a long association with both Peter and Walter. They knew they could trust me and this put me in a special relationship with the company. It wasn't as structured as it is now and if I knew of concerns or problems among the staff, I could talk to them and they were always interested in helping solve whatever difficulties employees had. Peter and Walter created a fund to help factory workers and had me manage it. It was relatively informal. Employees facing difficulties--illness, whatever it might be--could deal with problems discreetly and expediently. Managers of facilities would call me, and I could dispense the funds as seemed appropriate. This assistance was given with no expectation of repayment.

I am retired but I still come into the office on the seventh floor to work on the Levi Strauss & Co. art collection which we started in 1967. The employees didn't always love our acquisitions, but Peter and Walter really did understand that art appreciation had to be developed, so we made some innovative purchases and enhanced the working environment. I think now the employees are quite proud of the things they see around them every day, including a quilt collection, which we started in 1970. We felt it was appropriate since we are a textile company with connections to American history, especially in the West.

I knew Peter's mother, Elise, a lovely, beautiful woman. She was very elegant, the grande dame, really, of San Francisco. She would come in from time to time to see "her boys," as she would say. They had a fine relationship.

I've been privileged to know Peter's and Walter's children. They are wonderful human beings. This really is a family shaped by personal integrity and impeccable ethics.

I've been very fortunate in my association with Levi Strauss & Co. these many years, and it has been a pleasure to work with Peter Haas, a man of such integrity, intelligence, and good humor.

## PHILANTHROPY

*In this section, one of Peter Haas' fundraising associates calls him and his family "the soul of the University of California, Berkeley." Peter Haas could just as well be called the soul of San Francisco Bay Area philanthropy, as his record of service and achievement makes clear.*

### THE "PSYCHIC INCOME" YOU GET FROM GIVING

People have said that I am a successful fundraiser. To the extent that that is true, I think it's because of my sense of commitment, the belief in what you're doing, spending time doing it, showing others by your example: first of all giving generously yourself, and giving generously of your time. Visiting people, soliciting them one on one, rather than by phone or letter, just showing people by example that you care, believe in it, whatever the cause may be. That's the main thing. One gets what one might call "psychic income" from this kind of work. I think I get satisfaction in being successful, doing some good. And you meet some awfully nice people. Whether it's United Way or over at Cal, my work in philanthropy has enhanced my relationships, the quality of my friendships. Certainly the work in philanthropy has greatly expanded my circle of friends.

### THE JEWISH COMMUNITY CENTER; JEWISH FEDERATION; SUPPORT FOR ISRAEL

I first became involved in Jewish philanthropy and service through the Jewish Community Center. I was on the board, and then I was vice president.

That was my first taste of community work in an organization. I learned a great deal, really a great deal. There were two people in charge there, man and wife, Emma Loewy Blumenthal was one, and her husband, Lou Blumenthal.

It was a great training ground, and it led to my work at the Jewish Welfare Federation.

The board at the Jewish Community Center was probably a particularly dedicated and involved board. We would meet fairly late at night. It was a good board. I think Bob Sinton was on the board then. Dely [Delphine] Heilbron, Louis Heilbron's wife, was also a member of the board.

The Jewish Community Center came to me and invited me to be on the board. And not having served on too many other boards, I was wide open to do some community service.

My involvement at the Jewish Community Center led to my work with what is now the United Way; in those days I think it was known as the Community Chest.

And my work with the Jewish Federation eventually led to my being involved in fundraising in more general ways. That's a never-ending story--once you start working in fundraising, you just keep doing it.

I co-chaired the annual campaign with Richard Dinner, and we raised \$2.5 million, which was the largest campaign up until that time. Eventually I worked on the annual campaign of the Jewish Welfare Federation as co-chair of what was then the business and professional division, with Edward Bransten as a co-chair. At one time, I was also chair of the capital campaign, and that led eventually to the presidency of the federation.

I think it was the 1967 war in Israel that made our 1968 campaign so successful. It was so emotional and, of course, we worked hard on that angle. I believe it was around then that I visited Israel for the first time. A small group of us went over. I remember particularly at times paying tribute to Sam Ladar, who was I believe president of the federation at the time. He took us along on a trip on a propeller airplane; it was a long trip and very strenuous, and I paid tribute to him because he celebrated his sixtieth birthday during the journey. I thought that was tremendously inspiring--to be sixty and taking that

trip, and to do what he did. Of course, now that I am older, I still think he was a great man, but it doesn't sound like such a great feat to me any more. Sixty doesn't seem as old to me as it used to seem.

The trip to Israel was a very gripping experience. I remember that they took us up to the top of the Golan Heights, and we viewed the pastures below, where Israeli farmers were tilling the land in armored tractors. I thought at that time how strategic this location was. I didn't see how it was possible for Israel ever to give up that advantage. Of course, conditions have changed since then. But it's still important for Israel. The trip gave me a firsthand impression of how vulnerable Israel was, how small a country it was, surrounded by hostile Arab nations.

For more than thirty years the Jewish Federation has been sponsoring these trips to Israel, and I think it's a very worthwhile endeavor. It really gives you a feeling for the place and the people, inspires the passion that's needed to be supportive and to give money and to help raise money for Israel. I'm very much in favor of these trips, particularly for the younger generation that has had no feeling about Israel before.

One of the challenges of leadership in fundraising is balancing the needs of capital campaigns and other types of giving. I remember being involved in an umbrella capital campaign for a number of agencies. I remember particularly Mount Zion. I'm not sure if the community center was involved. It wasn't too successful, I think. It may have been a mistake to put different agencies under one umbrella in a capital campaign. So you learn as you go.

I have noticed that Jewish community fundraising seems to involve a much greater commitment than general community philanthropy, much more passion, much more caring, much more sacrifice of time and money.

But, in general, all successful fundraising depends on a high level of commitment and care. And in my community fundraising, I've applied the lessons I've learned in Jewish fundraising.

## CHANGES IN FUNDRAISING TECHNIQUES

Some things have changed. We used to have what were called card calling parties. These were small parties in people's homes, by personal invitation, and names were called publicly and people were asked to announce publicly what they were going to give. It applied tremendous pressure on the individual, and was quite successful and quite brutal. The only problem was, people knew that there was going to be card calling and often they ducked the invitation. But if they showed up at the event, the strategy worked.

Of course, it was peer pressure. I think there's even more peer pressure on the East Coast than here, with respect to business peer pressure. That is, people in business leaning on their suppliers to make a gift. That kind of pressure was applied to get people to come to those small parties.

As for funding for Jewish education, and the trend toward such philanthropy: I'm afraid I've never been that great a supporter of Jewish schools. But I recognize that many people believe in them. I guess I am much more ecumenical; I don't like what I consider the ghetto aspects of a Jewish school. I much prefer to see kids growing up rubbing shoulders with their counterparts from the general community, although for the continuation of the Jewish heritage, Jewish education plays an important part, and I'm very much in favor of measures that further the continuation of Jewish heritage, but not to the exclusion of the general community. So my feelings are mixed.

As I say, I have to recognize and balance the needs and wishes of other parts of the community. I think that's the great strength of the federation: it's an umbrella organization representing the whole community. In the end, it's a balance between and a compromise between different parts of the community.

Mount Zion Hospital is something I should mention. It has always been important to my family and to the community. So I was very pleased and honored to be on the board, particularly since my mother, and subsequently my sister Rhoda, played such important roles at Mount Zion. But there were other organizations that I really was much more committed to. The Jewish Community Center, for example, and the United Way, and Cal.

Mount Zion's merger with UCSF was controversial. At the time I thought the merger was probably the only way to keep Mount Zion going. Of course, in the end, it ended with its demise. About the details, those closer to the situation would know better than I. But it is tragic that a great institution such as Mount Zion is no longer in existence.

But of course the reason for the very existence of Mount Zion, a Jewish hospital, eventually was no longer as important as it was at one time; it was a training ground for Jewish doctors who were excluded from other hospitals, other non-Jewish hospitals. And it did serve a great purpose in meeting the needs of, say, the Russian Jewish immigrants.

### **IN MY FATHER'S FOOTSTEPS AT THE JEWISH FEDERATION**

I followed in my father's footsteps when I became president of the Federation, from 1977 to 1980. It was a job that had to be done, and I was pretty proud to be in the position my father had held there, at least in title anyway. I've got a wonderful picture at home, from when I took over, a picture of my father giving me the gavel and shaking my hand. We're smiling at each other. It's very pleasant to look at.

And it's very satisfying to see, when you go into the federation boardroom, there are pictures of all of the past presidents. My father is there, and so am I. It's an honor.

I remember the relationship between the federation and Israel during my presidency was close and amicable, very gratifying. Project Renewal was started during my term. It's been a very successful way of binding the two communities together.

And more recently, having an office in Israel, and having a special committee over there, Amuta, has brought the federation closer to Israel. As a matter of fact, I must confess that I thought opening an office was a mistake, but I was wrong. I always felt that, my gosh, if San Francisco opens an office, it's going to be divisive, other cities are going to open offices, and what do we have the UJA for? But it brings the communities closer together, and I think it's been more effective in fundraising and cementing relations. So I was wrong.

During the mid-eighties, the San Francisco Jewish Community Federation took the step, and others followed, of asking the Jewish Agency to reform itself, that it was too politicized. I think that was a necessary and effective step, and it certainly looks like there has been reform. When this process started under Brian Lurie's leadership, I was concerned that it was going to be divisive and would affect fundraising and relationships, but again I was wrong. It's been a good and necessary thing.

There is a move to give more, a greater percentage of the moneys raised, to local agencies rather than to Israel. I've been very much in favor of this. Not that I didn't want to see money going to Israel, but I felt there was an imbalance, particularly in the recent years, as Israel was no longer the David against Goliath, as its economy improved. It was no longer as reliant upon private support as it had been at one time. It was no longer threatened quite the same way; certainly it was threatened, but it has been much better able to take care of itself than the time when we were over there and those tent cities were in existence, and they were desperate for survival, and the economy was so poor. That's all changed.

My family built the Haas Promenade in Israel. And my mother was a strong supporter of the museum in Jerusalem, the Israel Museum. Beyond that, we have provided our support mainly through the Jewish Federation. We've had many family friends over there and have known a number of leaders in Israel.

We have been strong supporters of the efforts of Avram Biran, an archaeologist at the Hebrew Union College in Jerusalem; at one time he was the consul general for the western states, based here in San Francisco, and he became a good friend of my parents, and subsequently became a good friend of mine. He's in his nineties, a wonderful, energetic man, incredibly energetic for his age. And he's one of the foremost archaeologists in the world.

And I should mention Teddy Kollek, mayor of Jerusalem, of course. Because Teddy Kollek was good friends with my parents, and was so instrumental in getting the family to contribute the money for the so-called Haas Promenade in Jerusalem. Unfortunately, the promenade is threatened by development now, by high-rise hotels, even a funicular up the slopes. It would be tragic if that were allowed to happen. We're trying hard to prevent it.

I have known four of the executive directors of the federation. Sanford Treguboff was a gem, wonderful man. Good friend, very able.

Then came Lou Weintraub. He was a little bit more controversial, I suppose. Maybe he wasn't--I hate to say it--as good a diplomat as he might have been. Of course, I respect him greatly and like him very much.

Then came Brian Lurie. Brian's passion, his vision, and his reach are his great strengths. He was a pied piper, is a pied piper in that respect. And I think also one of his strengths: he was not afraid of causing waves, upsetting the apple cart, of combating the Jewish Agency. In Max Fisher's eyes, he was a very bad boy. Which I'd say was good. Max Fisher was a very influential person, very powerful. Brian challenged people, and changed things.

And then after Brian, there was Wayne Feinstein, until very recently. I had a lot of contact with Wayne, and I respect and admire him very much. Though I was close to him, I was very surprised when he left the federation. I thought he was awfully good. He became involved in a dot-com startup involving philanthropy, which I thought was going to be quite useful and much needed, but unfortunately, his timing was very poor. He was unlucky because he was trying to build it just at the time that venture capitalists were drying up funds.

I was also involved in the Jewish Community Endowment Fund. I'm not sure how important a role I played. Actually, the Endowment Fund is Phyllis Cook, completely and entirely. It's all about her hard work, diligent efforts, and as far as I'm concerned, the lay people who chair the fund like I did are simply--well, not necessarily figureheads--but we are there to follow Phyllis's instructions and desires. Of course, it's this combination of the volunteer and the professional effort that leads to success. Phyllis cracks the whip, makes calls, and get others to sign up for the Endowment Fund, either to give money now or to put the Endowment Fund in their will. She has been tremendously successful.

The endowment's grants are the result of quite a large deliberations committee that's broken down into subcommittees, and generally Phyllis makes recommendations. More recently, I think there's been a much closer merging and coordination between the funds

that come from the annual campaign and the funds that may be routed from the Endowment Fund. So they share priorities. There are overlapping staff members, and the staff provide some coordination between the two organizations.

## **THE ROSENBERG FOUNDATION**

I should say something about Ruth Chance of the Rosenberg Foundation. She was a dynamo. Really rather frail-looking and small of stature, but just a tremendous individual with great passion for her work. I was incredibly flattered when I was asked to go on the Rosenberg Foundation, because I'd always considered it a very special kind of foundation, with a rather distinguished board, doing unique work. I truly enjoyed my service there.

I started on the board there in 1961, then served as treasurer, and then was president from 1981 to 1983. And then I left the board. I figured it was time to get new blood in there, and also that I'd been there long enough. I thought it might also serve as an example for others who had been there for some time. They were all excellent board members, but I felt there ought to be turnover on these boards, to get new energy and new blood introduced. So I hoped to lead by example.

Ruth Chance was followed by Kirke Wilson. They were such completely different personalities, but both of them were excellent, outstanding, each in their own way. I have great respect for both of them.

The concerns of the Rosenberg Foundation were rather narrowly defined, in that the funds were usually directed to organizations in the San Joaquin Valley, especially to organizations working with youth in the San Joaquin Valley; so in that respect the foundation did not serve the community in general. In a way, it was rather narrow; it was a niche foundation, if you will, with an emphasis on youth in the valley, and problems in the valley.

I remember we took a few field trips to the San Joaquin Valley. It was a valuable experience, to see firsthand some of the things that we were supporting. I remember we went to a housing development where we supported so-called sweat equity, where the individuals themselves participated in building their own housing.

I was happy to contribute my financial experience to the foundation. At least, I hope I contributed in that way, looking for a balanced budget, which I always do. Helping the organization to thrive within its means. And I hope I played some role in helping the foundation rethink its investment strategy, to make substantial changes in the seventies when the stock market was in bad shape.

## **THE UNITED WAY**

My grandmother, Rosalie Stern, was one of the charter members of the United Way. At that time it was known as the Community Chest. I got started at the United Way on one of the budget committees. I learned a great deal then about the operations of committees.

Eventually, Bob Sinton, Tom Clausen and I formed the Circle Club. Corporate giving was the backbone of fundraising at the United Way, but I felt that individuals could give more generously, too. So I decided to make a special effort in that area, and initiated a campaign to get corporate CEOs, who were rather well paid, to give at least \$1,000 each, and we organized what we called the Circle Club. In more recent years, this has blossomed into a special effort of the national United Way, and so as a result, the number of people giving at least \$1,000 skyrocketed. The change in individual giving, after our first outreach, was dramatic, and since then, it's become a very important part of the local United Way, as well as nationally. It was newfound money and a gold mine.

The Circle Club eventually became part of the Alexis de Toqueville Society, which was the name for the group of the United Way's top individual contributors.

Eventually, in 1985, the entire Haas family was honored by the national Alexis de Toqueville Society, and this was of course personally gratifying.

## **A DIFFICULT SITUATION AT THE UNITED BAY AREA CRUSADE**

I faced a difficult situation when I was dissatisfied with the performance of the executive director of the United Bay Area Crusade when I was president of the organization. Fortunately, my feelings were shared by Jerry Hull, who was the chair of United Way when I was president. Jerry was the CEO of Pacific Telephone, and we agreed that this executive had to go.

I remember we had a meeting of the executive committee of the United Way scheduled, and that morning, I had requested a letter of resignation from this executive director to have in my pocket for the meeting, which turned out to be fortunate, because at the meeting, the labor representative questioned my statement that the executive director was resigning. He had talked to him that morning and somehow got a different message from him. So I was able at least to produce something in writing to support my claim.

I mention this incident because generally it had been customary for previous presidents of the United Way to close their eyes to deficiencies of professional staff because they were really only in office for maybe one year, and as CEOs of a large corporation they couldn't be bothered. They could easily shrug their shoulders and leave the problem to the next guy. I wasn't quite up to doing that.

## **FEMALE LEADERSHIP AT THE UNITED WAY; JEWISH COMMUNITY LEADERS AS LEADERS OF PHILANTHROPY FOR THE BROADER SAN FRANCISCO COMMUNITY**

I was especially pleased to back Adele Corvin and, before that, Leslie Luttgens, the first female head of a major United Way, as a candidate for the presidency of United Way. Chiefly, because she's an outstanding, able person. And it was important to see a woman rising to the top of the organization. In business or any other place in society now, women's talents should be recognized. They haven't been for so long. There shouldn't be a glass ceiling. And it was important to see a representative of the Jewish community in that position, too.

I should mention I was pleased to become president of the United Way because there had not been that many from the Jewish community who served in that capacity. I think Morty [Mortimer] Fleishhacker, Jr., was probably the first, although he never really was part of the organized Jewish community.

When I became president, I was very proud to be able to represent the Jewish community there at the top, for what it's worth. I'd gone through all the chairs over the years, starting at the very bottom. I had quite a bit of experience in it. Interestingly, when you start out, you wonder where it's going to end, will you achieve the top? It seems so far away and on such a high level to aspire to. Once you get there, it reminds me of the song, "Is that all there is?" Then it doesn't seem that great when you get there. But maybe that's because the things that get you there are just showing up on time, "doing your homework," being there. The day-to-day commitment to a cause in which you believe.

### **PROTECTING A FOUNDATION'S REPUTATION FOR INTEGRITY**

When I served as a national board member of the United Way, my responsibilities were very general, as is often the case at that level of a large organization. And I'm afraid that I was not as diligent as I might have been, because I remember the scandal that occurred when the executive director of the national United Way was accused of [very high expenses], of doing some things involving I think apartments in Florida, and that hurt the reputation of the United Way. Now I'm not sure as a board member how I might have discovered or corrected any of that, but I felt bad about the abuse of trust when it was discovered.

And it was strange, because I always had a very high regard for this man. I'm mortified by what he did to United Way's reputation in that way, because he was a very dynamic person, he had done so much good for the United Way, in energizing it. So I was shocked when that came out.

Of course, in instances where I am responsible for financial oversight, whether in business or nonprofit sectors, I personally review every expense, every reimbursement of the executive. It's a matter of checks and balances.

## **THE SAN FRANCISCO FOUNDATION**

My uncle, Dan Koshland, was one of the founders of the San Francisco Foundation, and then my sister, Rhoda Goldman, was on the board and then chair. I would not go on the board while my sister Rhoda was still on it, I thought it was too much. But I was very, very honored and so pleased to serve the foundation, because of that family tradition. Also because the San Francisco Foundation seemed to me to be the pinnacle of all I had been doing up until then.

### **THE SAN FRANCISCO FOUNDATION IN THE WAKE OF THE BUCK TRUST FUND CONTROVERSY; A CHALLENGING TIME**

My sister in preceding me had, together with her board, borne the brunt of the Buck Trust controversy. So that's what I inherited, when I went on the board. It was unfortunate. I don't think the public understood why the foundation became embroiled in controversy, but it was a matter of principle, an effort to maintain the integrity of the San Francisco Foundation as a community foundation. I'm sure we could have done more to communicate our position to the press, the public, the donors. But we worked hard to rebuild our reputation for all we did for the community, and grew stronger than ever. We relied heavily on staff, their recommendations on grants to be made. Again, it's the mix of the professional and the volunteer effort that makes the organization successful, vibrant, and sound.

We faced a number of challenges in the wake of the Buck Trust Fund controversy. One of the most interesting and most futile, most difficult projects we had was in Marin City, over in Marin County, trying to jump-start that whole area in some way.

You remember Marin City was basically the housing for the African Americans who had migrated to work in the old shipyards there, and needed housing and community development. It was a very deprived area. And it was a city unto itself. This, in affluent Marin County. We tried to bring social services and some economic energy to the area. This kind of investment in communities has been important at the foundation.

The San Francisco Foundation has what they call Koshland Awards, named after my uncle. They have a Koshland committee that looks at projects in different deprived neighborhoods in the Bay Area.

It is a great source of satisfaction to me that my son Peter, Jr., is now on the board. It's just absolutely wonderful. I think it's great. Took me a long time to make the grade to get on the foundation; he made it much faster. He's been very instrumental in straightening out some of the financial initiatives, investment strategies, and so forth.

We did reach out to donors and potential donors after the Buck Trust Fund litigation. Our main interest was to persuade lawyers who wrote wills for their clients of the advantages of leaving money to the foundation, instead of setting up private foundations. As to the results of our efforts in this area--well, it is hard to know. With wills and bequests, it takes years to find out. But it was a matter of planting the seeds for San Francisco's future.

## **THE LEVI STRAUSS FOUNDATION**

Our company's foundation does its own particular good work. When I was more involved in it, I worked with the Community Involvement Teams, CIT, as we called it, to the extent that when I visited a plant, which I did quite often, I would make a point of meeting with the CIT, with the chair as well as the members of the CIT, and commend them on their efforts and point out how proud we were of their efforts and how important their efforts were to the company. We usually had CITs in every plant throughout the world.

They supported different organizations in their towns, maybe the Boy Scouts or any number of worthwhile endeavors for which they would raise funds with bake sales and so forth. And the people were encouraged to volunteer their time to help these community organizations.

CITs sometimes helped convey the needs of the community to the Levi Strauss Foundation, because we might be in as many as fifty communities throughout the world, and there was no way, sitting in our offices in San Francisco, that we could know the

special needs of each community. The CIT would send in a request to us to support a particular organization they might be interested in. And early on, a CIT recommended a particular battered women's shelter for Levi Strauss funding. They discovered the need for help to battered women long before we did at headquarters, so they were leaders in that respect.

## **SUPPORTING SAN FRANCISCO'S PUBLIC SPACES**

Through the San Francisco Foundation I was happy to work on an initiative we started some time back, called the Partnership for Parks. The de Young Museum was making plans to move out of Golden Gate Park; they needed to build a new museum and they felt they would do better by moving out of the park into some other part of San Francisco. We were concerned that would create a greater obligation for fundraising in the private sector, and we wanted to see if there was some way of preventing them from moving out of Golden Gate Park. We formed something called Partnership for Parks. I also conducted a survey of public opinion; the results showed how much San Franciscans cared about Golden Gate Park. They much preferred that the de Young stayed where it was and not move out.

We wanted Partnership for Parks to continue in some form, not just involving the de Young but involving the general well-being of parks in San Francisco; not just Golden Gate Park, but neighborhood parks as well. We asked the San Francisco Foundation to take over that task, which they have done. As a matter of fact, in the process, they convened a city-wide group of individuals who were involved in one organization or another that was interested in improving parks, and now they have a shot at passing a bond issue in San Francisco that makes available considerable money to be spent on parks, both Golden Gate and neighborhood parks.

And the redevelopment of Crissy Field has been a pet project of many people in my family, particularly my brother, through the Evelyn and Walter Haas, Jr. Foundation. Mimi and I contributed to the renovation of Crissy Field, as did the Levi Strauss Foundation. It's been a magnificent project.

## FUNDRAISING FOR CAL

It is interesting to see how the university changes over time. I remember during the fifties, my father was horrified by the loyalty oath required of Cal faculty and staff. He was quite liberal and was known for that among his peers and business associates. And I remember our concern when students invaded Sproul Hall.

Later I became involved in some early fundraising efforts on behalf of Cal. I remember becoming very close friends with Chancellor Heyns. Just an absolutely wonderful man. Because he came and stabilized things on the campus. It was a very fragile peace that he was able to establish, but he did restore equilibrium.

I also got to know Chancellor Bowker, but never as well as I knew Roger Heyns.

I remember my first meeting with Chancellor Tien. He invited me to breakfast, to talk about my taking over the chairmanship of what was called the Chancellor's Cabinet, which really was the nucleus of fundraising. It was, in effect, the executive committee for the fundraising effort in the so-called quiet phase of the campaign. Like most campaigns, you start out without any public notice, and after you've raised a certain amount of money, the campaign becomes public. We organized a fine group of people called the Chancellor's Cabinet. Warren Hellman and Dan Koshland, Jr., were also part of the cabinet.

I get very much involved with person-to-person fund-raising, one on one. And that's what I did for Cal. I would usually try to get someone, another volunteer, to go with me, because it always works better to have two on one when you make your appeal.

I enjoyed very much my association with the chancellor, Chang-Lin Tien. He was a dynamo. He had more energy than anyone I've ever known. He would frequently travel to Asia and also raise money over there. And Mimi and I went to Bali in association with Cal fundraising. And, you know, Chancellor Tien would return from those long, exhausting trips, get off the plane, and go right to, of all things, the Cal women's basketball game! That's the kind of person he was.

Chancellor Tien had a very heavy accent. You really had to concentrate to understand him. As a matter of fact, I remember the funniest story I heard. It was about some meeting in San Francisco where all the chancellors and presidents of different universities and

colleges in the Bay Area were going to give speeches and I guess the format was, in turn, each one had to introduce the next one. And Gerhard Casper of Stanford, who has a pretty good accent himself, preceded Chang-Lin Tien, and said, in his own thick accent, “I warn you, this next speaker has quite an accent.” Brought down the house.

He was so enthusiastic, and in a way kind of like a cheerleader, but at the same time he was very sound in the decisions he made at Cal. He was a great fundraiser. He was the spark plug behind the campaign.

We had very high goals for our Cal fundraising, and then Chancellor Tien set the bar even higher; without consulting anyone, he just arbitrarily raised the goal to \$1.1 billion. God, it was--well, one billion was staggering enough. It didn't seem possible that they could raise that amount of money in the beginning. Unbelievable.

You see, Cal had no history of fundraising. It was a public university. No one ever thought it was necessary to raise funds for a public institution. Cal relied on public funds completely. There was no culture of individual giving of any size. So that had to be changed. And we who could do so used our personal contacts to change that.

Whereas Harvard and Stanford had a history of that--alumni giving and so forth--although nowadays there's little difference between a so-called public university and a private university. We made it clear to donors that public funding was only a small part of what it took to build and maintain a great public university.

The pitch was that if we want Cal to remain a world-class public university, we need to attract and retain the top professors, and we have to raise money for that. We need comparatively little money for bricks and mortar. But we needed serious funding for endowed professorships, endowed fellowships, and so on.

It takes persistence to build a base of donors. You can't give up the first time around. You just have to keep going back until you probably make a pest of yourself.

There was one particular fellow down south, kind of a Hollywood type, someone associated with the film stars. He kept putting us off until it became embarrassing. Even Chancellor Tien couldn't break through, which was unusual. Promises, promises. I don't know if he ever gave a penny.

But there's no substitute for personally calling on donors individually and persistently. And Mimi, of course, was involved, too, hosting fundraising dinners.

### **A GREAT HONOR: ALUMNUS OF THE YEAR AT CAL**

In 1997, at a Charter Day ceremony, I was honored as the Alumnus of the Year at the University of California, Berkeley. It was, of course, very special, and I was very honored and pleased. As a matter of fact, both my brother and my father had been named Alumnus of the Year sometime back, as had Dan Koshland, Jr. So I was very happy to be able to join their ranks.

Charter Day ceremonies are always rather moving. The Cal Band comes out, blaring forth, and that's a moving experience for old Blues. And there are a number of speeches. As a matter of fact, usually on Charter Day the recipient of the Walter and Elise Haas International Award is honored and gives a speech. This is an award my brother, my sister, and I established some years ago on the occasion of my parents' fiftieth wedding anniversary. We wanted to honor our parents in some way. This award recognizes their interest in international affairs, as well as my dad's particular interest in the University of California. The award is given to honor an alumnus of the Berkeley campus who has come from some foreign country, returns to his native land, and makes a special contribution to his country's welfare, often based on what he learned at Cal. In other words, someone involved in the School of Agriculture might go back to his or her own country and make a significant contribution to its agricultural development. Although many ambassadors and prime ministers have been so honored, it was particularly designed, in the beginning, to be recognize one of the so-called "little people" that returned to his native land and did something worthwhile.

## STANFORD

It came as a shock when I was invited to be on the Stanford Board of Trustees. But it was very flattering and I was very honored to be asked. My son, Peter, Jr., had gone to Stanford, so there was a connection. It was a wonderful board. One of the finest boards I've ever served on. John Gardner was on that board. I believe I may have been the only Cal alum on the board at the time. Most of them were Stanford graduates, although Steve Bechtel, Sr., was a Cal alumnus who also served as a Stanford trustee.

Peter Bing was on the Stanford board, too. A wonderful person, a very generous person who was chair at one time, and I remember particularly that he had a wonderful habit of phoning the trustees and asking for their advice on whatever problem he had. I was always flattered when he called, and he provided an example of how to involve board members.

Bill Kimball was on the Stanford board; at one time he had been on the board of Levi Strauss. He was an old friend. And Sharon Rockefeller, who was married to Senator Rockefeller. And Sandra Day O'Connor, who is on the Supreme Court. This was quite a distinguished board. As I say, most or all of the other board members were Stanford graduates.

I remember one embarrassing incident: the Big Game was coming up, so I decided to get good tickets through Stanford, since I was a trustee. And then, at the game, I suppose I just forgot the context, and I didn't realize at the time that I was in the section with many other Stanford trustees. As the game was starting, I began, of course, rooting for Cal, cheering. And then I looked around. And there was just silence around me, complete silence. I think that was the one and only time I sat in the Stanford section.

I was shocked when the time came for my son to graduate from high school and he was considering Stanford. I thought he was automatically going to apply to Cal. I think his mother said to him, "Why are you applying to Cal? Think of something else." She suggested that he apply to Stanford. He said, "How can I go to Stanford? I remember being in my father's arms before the Big Game, hearing him sing Cal songs. All I've known in my life is 'beat Stanford, beat Stanford'."

I said to him, “Peter, it’s your decision. You make up your mind. If you’re willing to work your way through Stanford, of course you can go to Stanford.” Not really, of course; we would support him, wherever he decided to go to school. But we had a little fun with that. It’s a story I like to tell. And I think it’s the best thing he ever did, because if he had gone to Cal, it might have been hard for him to be his own man.

## **YOUTH AND CHILDHOOD: AN ABIDING CONCERN**

I was interested in the Rosenberg Foundation’s concern for youth. In fact, I have had an abiding interest in childcare, childhood education, and so on.

Long ago, I got involved with San Francisco Aid to Retarded Children. I should just preface this by saying the reason I got involved was that my wife, my first wife, gave birth to a boy who unfortunately turned out to be retarded. He had Down’s Syndrome. Of course, we were devastated, and I hate to say it, but my mother, most in keeping with the thought at that time, said, “Don’t take the child home. Put him away and forget about him.” It was not uncommon, but of course, we felt we could not do that. We took Michael home. Michael was his name, Michael Stern it was, Stern after my grandmother Rosalie Stern. We took him home, and then searched constantly for some possible cure or some possible way to ameliorate his condition. But to no avail.

But that led us eventually to Aid to Retarded Children, because I think I saw something in the paper about a meeting of this organization, went to it, and there we met an extraordinary woman by the name of Margarete Connolly, who was the executive of San Francisco Aid to Retarded Children.

That meeting led us to get involved in this organization, and of course, there’s comfort in finding that you’re not alone with these problems.

One thing led to another, and I became much more involved in trying to provide some leadership. At least I hoped that my years of experience in community service might be helpful to this struggling, small organization. It seemed to continue to stay alive on very modest means.

It was an activist organization, trying to change legislation and do things like that. It didn't operate any centers. And Jody, my wife then, got involved in their so-called Next-to-New Shop. So over the years, we toiled, and one of the really high spots was a fundraising dinner that we had, to which Eunice Kennedy Shriver came from Washington, the sister, as you know, of President Kennedy. The Kennedys brought retardation out into the fresh air, by their efforts, because one of the children, Rosemary, was retarded herself.

This new openness was a great development, very healthy. It was interesting, when we were planning this dinner, I was discussing the possible speakers with my secretary at Levi Strauss. She said, "Well, invite Eunice Shriver, she's the one who can help you." I said, "How can I do that? I don't know her." She said, "Well, you know Maggie McNamara." That was Margaret McNamara, the wife of the then secretary of defense, who was a good friend of my brother's. We'd gotten to know him, too. So I was emboldened to write Mrs. McNamara to see whether she would put in a good word for us if we invited Mrs. Shriver out here.

Lo and behold, it worked. It was a wild dream, a one in a million shot at that time. But it was important to reach out, to try to change things, because at that time retardation was something that was--well, the children were almost put into a closet.

So it was good to see progress, to contribute to progress. And to the enactment of effective legislation on behalf of the retarded and families in need of services. I seem to remember there was one particular legislator from southern California who was quite informed and effective.

The organization, Aid to Retarded Children, still exists. I should mention also that I felt it was an important achievement to get the organization accepted into the United Way (perhaps still known as the Community Chest at that time). I felt this would be, in effect, the Seal of Good Housekeeping, of the approval of the community; shortly thereafter, many other chapters of Aid to Retarded Children around the Bay Area were also accepted into the United Way, and this helped to solve some of the organization's financial problems.

Service to children and youth and families continued to be important to me. Later in my life, Levi Strauss became involved in child care. We established a child care center in a small town in the South where we had a plant. So, early on, I became interested in this

phenomenon. And I still am. As a matter of fact, at our private foundation, one of the main interests is early childhood education and services. We're deeply committed to change in this field. This is something Mimi and I share.

In fact, I would give Mimi credit for taking the initiative in this area. At one point, she said, "Look at all the things we're giving money to, it's just spread out. We ought to be concentrating on something where we might be able to make a real difference." We decided that early childhood services were an area that needed support, and so I guess that's how we got into it, though it coincided with some of my early interests, I see now as I think back.

I'm still no expert on child care, but I do know that what is needed more than ever are funds to operate child care centers. It can't be done by private philanthropy alone; it's really more an obligation and responsibility of the government. In many countries around the world, particularly in Europe, child care is much more extensive and supported by the government than it is here in the States. Mimi and I are trying to coordinate our philanthropy in this area with others, so as to have a real impact on policy toward early childhood education as an investment in the common good, our common future.

### **MY DAUGHTER PEGGY**

I want to mention my daughter Peggy, too. Actually Peggy's real name is Margaret Elizabeth. Jody (my first wife and Peggy's mother) and I liked the idea of having a child named Peggy, and most Margarets we knew were called Peggy. And then we liked Elizabeth as a middle name, because the new queen of England had just been crowned. We have another child, Michael; I speak of him elsewhere in this oral history. Mike, as I mentioned, had Downs Syndrome. And there's a story between him and Peggy, because after Michael was born, Jody and I decided we would like to have a little girl; we wanted to adopt a little girl. It wasn't that easy, because we were a little beyond the age limit of what most agencies considered appropriate for adoptive parents. But we were persistent, and so they commenced the investigative process.

We got a shock when the social workers discovered that we were planning to have Michael at home with us, to raise him within the family, instead of sending him to a home for retarded children. There was such a stigma attached to mental retardation that I guess that they thought it would be unhealthy to place a child in a household where that was present. If we agreed not to raise Michael at home, they said they would reconsider. Well, we refused that outright, saying this was non-negotiable; we felt we would be able to use good judgment about raising the children together and that all would thrive. Eventually, we were able to adopt a baby girl. And Peggy was the most charming little baby I've known. She was always smiling and cheerful. She made you feel good when you looked at her. She retained those characteristics as she grew up.

I remember one particular trip we took, as a family, when Peggy was about nine or ten. At school she took courses in Roman and Greek myth and knew the subject back and forth. We traveled through the Greek isles, touring with a guide, and as Peggy talked with the guide, it seemed as if she knew as much as the guide did. We were impressed by her command of the subject. We took another trip when Peggy was fifteen or sixteen. We went skiing at Sugar Bowl with some of Peggy's school friends. It was a secluded place, with a protected social life. I chaperoned the girls and we rented a cabin. I felt a great responsibility for these young chicks. I wanted to make sure they had fun, traveled in pairs on the buddy system, and stayed out of trouble. Peggy and her friends seemed to appreciate being treated as adults.

As an adult, she is manager and owner, with another woman, of car racing teams. I think she wanted to show women could succeed in a male environment. She was very proud to have the team she backed come in first one year. Unfortunately, Peggy's marriage didn't turn out well. But she had two stepdaughters and she remains close to them and treats them as her own. She always loved kids and decided, courageously, to adopt a son. His name is Nicholas and he's my fourth grandchild (I'm expecting my first great grandchild soon). Nicholas was sort of an instant treasure, being adopted. Peggy brings him to the office for lunch with me, and I give him a toy train whenever he comes to see me (I'm not above a bit of bribery). And piece-by-piece, he's collecting an entire toy train set. I think it was courageous of her to adopt him on her own, and it's a joy to see how well she's raising him.

Peggy has been active in the community, at one time heading the art festival in Mill Valley, in Marin County. She graduated from the University of the Pacific, having majored in theater, and became active in Children's Theater, and I believe is on track for heading that organization. She's also very philanthropic and committed to honoring the legacy of the family as contributors to the community.

***PETER HAAS: A LIFE OF LEADERSHIP AND GENEROSITY IN THE  
JEWISH COMMUNITY OF SAN FRANCISCO, THE PENINSULA,  
MARIN AND SONOMA COUNTIES***

*By Phyllis Cook, Jewish Community Federation*

*Phyllis Cook is the executive director of the Jewish Community Federation of San Francisco, the Peninsula, Marin and Sonoma Counties. She wrote the introduction to the Regional Oral History Office's volume about Peter Haas' work with the Jewish Community Federation, published in 1992, and the essay here is an edited and updated version of that eloquent tribute to Mr. Haas' contribution to the Jewish community of the San Francisco Bay Area.*

I have been fortunate to be able to observe Peter Haas' leadership in the community, particularly the Jewish community, from the vantage point of a lay leader and a professional.

During the time I have observed Peter Haas in public service, he has occupied a singular position in bridging simultaneously serious leadership roles in United Way, a community foundation, a corporate foundation, several private foundations and general community nonprofit task forces as well as consistent Jewish Community Federation leadership. I am speaking of a man who is not merely a modest, generous philanthropist in all of these arenas. This is an individual who has taken the time to lend serious reflection and time to working actively with diverse boards over a long period of time. To these tasks he has brought a tone of fairness, balance, and judgment, often proving to be the decisive voice in the final decision-making process.

The Jewish community is at its strongest when its best leaders, who often have many options, are clear about their Jewish identity and their responsibilities. Peter Haas is such a leader.

A few specific examples of Peter's leadership style come to mind. As a vice president who served during Peter's Federation presidency, I remember his foresight and skill in obtaining seed funding from the Federation for a visiting lectureship in Jewish Studies at Stanford University at a time when federation boards did not grant significant funds from the Endowment Fund to private educational institutions, especially ones that did not have a record of "open enrollment" to all. The seed grant subsequently stimulated significant funds, and Stanford's Jewish Studies Department is in the 1990s a major addition to the enhancement of northern California's Jewish community.

Peter also made extraordinary efforts to open the Federation to the larger Jewish community at a time when the Federation had a much smaller board and leadership cadre. This effort culminated in a series of "town meetings" in every geographic area of the Federation. One evening coincided with a boxing match that seemed to corner the audience of greater Marin. Peter patiently answered the questions of one couple over a two-hour period.

Upon assuming the directorship of the Jewish Community Endowment Fund in 1982, Peter became the first "development chairman" of the Endowment Committee. He served five years and in those years, the Endowment Fund grew from \$27,406,000 to \$56,523,000. His leadership meant that he read every paper and was prepared for every meeting, an impressive commitment of time and effort in a world filled with "paper" and volunteers who do not always take the time to do the necessary homework.

I've watched Peter's leadership style at innumerable meetings over the years. He waits for others to speak and then comes in with the most meaningful, thoughtful comments, which usually determine the group's actions.

Peter has the unusual understanding of what I characterize as the vision of the most sophisticated donor: that is, he understands the value of unrestricted endowment dollars which can meet the emergencies and new efforts that need to be initiated in a future that none can predict. Only one thing is certain: Jews have always had a need to adapt quickly to an ever-changing world. This understanding is counter to the current trend of many donors who wish to direct or restrict their philanthropic dollars.

Second, Peter understands and is a long-time advocate of umbrella fundraising. He understands true effectiveness in terms of cost, and the achievement of community goals through federated fundraising. He deplores duplication, is a strong proponent of partnering and encouraging separate agencies to work together. These consistent views are a hallmark of his leadership and have made a huge difference in what we've been able to do and how we do it.

In the late 1930s and early forties, his father and uncle helped save lives by signing affidavits to help Jews escape from Europe. They didn't even know most of these refugees, but they understand the urgency of the situation, and they helped bring Jews to the United States to work for Levi Strauss and other companies here. I happen to know some of these stories because many of these people, who lived long, productive lives in the United States, have left money to the Jewish Community Federation's Endowment Fund in recognition and appreciation of what the Haas family and others in a position to help did for them.

Both Peter and his sister, Rhoda, chaired the Jewish Community Endowment Fund carrying on a legacy of leadership in the Jewish community, as well as the general community.

It's been said that, "It's what you learn after you know it all that really counts." Peter Haas has always seemed to be a man who is constantly open to listening, to learning more, to giving more, no matter how much he has already given in time, in resources, and in his personal commitment.

## ***PETER HAAS IN SERVICE TO THE COMMUNITY***

*By Ann Wilson, Chief Executive Officer of the Bay Area chapter of the United Way*

Peter Haas and his wife, Mimi, are major donors of long standing to the United Way. He is a past chairman of the board of United Way, and he is a member of the Alexis de Toqueville Society, which is our major donor group. Peter recently joined our Million Dollar Round Table group. He is no longer on the board, but he is still involved in fundraising for the United Way; he solicits others to join and to contribute at a major gift level.

We received our first \$1 million dollar gift, I think, maybe five or six years ago. Peter just joined the Million Dollar Round Table, via Mimi.

Peter is warm and generous, and thoughtful. He is discerning, very positive, constructive, strategic, and supportive. Peter is determined, and he has many, many positive qualities.

When Peter was chairman of the United Way board, of course, he was in charge of everything. Now he is a fundraiser.

But, frankly, I go to Peter when we are doing anything important. In fact, we just drafted a new strategic plan, and he was one of the people consulted about directions we might take. I wanted to get his advice and counsel. I have done that over the years, even before I became the CEO. I know my predecessor did the same; Peter Haas has been a close personal advisor to probably all the CEOs of the United Way in his lifetime, and that continues to this day. He is such an important and influential person in this whole region in the philanthropic sector.

## ***PETER HAAS: AN EXTRAORDINARY HUMAN BEING***

*By Robert Fisher*

Peter Haas is not only someone I respect and admire incredibly, but someone I really love. He is an extraordinary human being. I feel fortunate to have been able to serve on the San Francisco Foundation at a time when a large part of that time was with Peter. I served the foundation for nine years, and he was on my board for probably eight of those years.

Peter came at a critical time in the life of the foundation. His sister, Rhoda Goldman, had been the chairman of the board during the Buck Trust Fund litigation, a time of incredible demoralization at the San Francisco Foundation. While trying to do all the right things, the foundation was really beat up by people who thought it had done all the wrong things. It was really unfair. When I was recruited to the foundation to succeed Martin Paley, the chair of the board was Susan Metcalf, who did a great job in the transition to the post-Buck Trust era.

But the foundation was really stripped, in many ways, of everything but its values, and sense of history, and its commitment to quality, which of course guaranteed its future. That's what I saw when I was recruited. The foundation had lost almost 80 percent of its assets and two-thirds of its staff--it had gone from forty-six to fifteen. My job when I came in as a turnaround specialist was to work with the trustees to do just that.

### **FINANCIAL CHALLENGES AT THE SAN FRANCISCO FOUNDATION AFTER THE BUCK TRUST LITIGATION**

There was a portion of the San Francisco Foundation assets that were attributed to Mrs. Buck. The court decided that it would just be simpler, and easier, and better for Marin County, if all the assets of the Buck Trust were spun off into a separate community foundation. That had a huge impact in the San Francisco Foundation, which had geared up over some eight years to manage the Buck Trust assets well.

The first year of my tenure, Susan Metcalf continued as chair and did a splendid job, and then Peter Haas took over. If I gauge that it took us twelve to eighteen months to begin the rebound, Peter Haas [must have come] on as chair of the foundation just as the rebound was about to begin. He was a key player for the following two years as chair, and then of course for most of the remainder of my tenure as a very active trustee. I had five chairs during my [nearly a decade at the foundation], and Peter was an extraordinary chair.

Among the things that he became very involved in was our commitment to become much more active in reaching out to the donor community, because the donor community was puzzled by what had happened with the Buck Trust litigation. Peter was willing to go out with me literally every day if I asked him to, to meet with donors.

We started a program under Peter's leadership to meet with every major law firm and accounting firm in the area that was working with people with substantial wealth. The job of the San Francisco Foundation as a public charity was to help lawyers and their clients to achieve their philanthropic goals and to do so with maximum tax benefits, so they could get the maximum number of dollars to their charities. So Peter became a partner of mine; I would arrange the appointment with one of the major law firms, and then Peter and I would have lunch with them, just sandwiches in a board room, and there would be five or ten or fifteen attorneys present. We would talk about kinds of cases we saw at the foundation and ways in which people could achieve their philanthropic objectives with maximum tax benefits, getting the most out the door to the charities. Peter was an incredible advocate of the foundation.

I was a stranger to most of these people even though I was the director of the foundation, and a lawyer, and a colleague, and a long-time resident of the Bay Area. Peter opened doors for me; he was in a class by himself. With his humble, self-effacing style, with his intelligence, people just adored being with him. And so it was great for me to have someone like this working in tandem with me. He would talk about the foundation with such enthusiasm and such sincerity that you really didn't have to do a lot of technical discussion. People just respected the foundation, and he was a key in rebuilding respect for the foundation. It wasn't just with donors and their representatives, the lawyers and accountants--Peter was good with all kinds of people. We were always in a highly politicized, exposed position, because we were perceived as having barrels of money and

of having power. As we all know, it is human nature to resent that, to be very angry if we said no, to be very resentful if we asked questions, to be labeled arrogant, distant, or whatever you call powerful organizations.

So we were frequently having to defuse these kinds of things. For example, a small nursery school, a childcare organization in the city, was complaining vehemently that we weren't giving it money they felt they had deserved. They were so vehement in their pursuit of the foundation and of me and of our trustees that Peter, who knew one or two of the board members of this organization, said, "I'll be happy to call these people. Let's sit down, and parley, let's talk about this." Peter would arrange formal meetings with an organization like this, using his impeccable reputation and his integrity to help people simply to sit down and talk to each other honestly. He was the greatest diplomat and ambassador the foundation knew in my time.

There was another situation in which a very angry young Latino leader from the Mission District was able to buy his fifteen minutes of glory in the alternative newspapers by lambasting the foundation for its discrimination against Latino organizations. You can imagine how upset we were, given the fact that historically we had been listed at one time as the most generous foundation, relative to its size, in the entire United States, when it came to Latino organizations. We had a great history with the Latino community. We give a disproportionate amount of our monies to Latino organizations. In fact, somewhat embarrassingly, when I started to look closely at the data, I found that we were being unfair to some of the Asian communities and some of the African American communities in relation to the Latino community. That was an ironic realization that came out of our looking at the data.

But in any event, we came under fire from the Latino community, and Peter became a key ambassador. We invited key Latino leaders to our offices, and we went out to visit them in their boardrooms. Peter would moderate a meeting like this, because he was such a prince. People would come together and talk about these things and air their differences.

## HANDLING THE DEMANDS OF A BUSY LIFE

At this time, his position officially at Levi Strauss then was as the chair of the executive committee. Even though he was at the office every day, it was his nephew at the time, Bob Haas, who had the day-to-day CEO responsibilities for Levi Strauss. But that's only half the answer to the question of how Peter managed to accomplish so much in a day; the other half is that Peter Haas, a very busy man, made the time. As he likes to say, "If you want something done, ask a busy man." Peter had boundless energy. I am sure he gave fifteen, twenty hours a week to the foundation. That means that he was doing that while he was meeting his obligations as a leader of Levi Strauss. Walter Haas, Jr., was alive at the time, Bob Haas was in charge, the company was booming. This was the time when Bob Haas and the family took the company private. It was a time of tremendous growth, so there were great demands on Peter. But he was just always available to us.

## PUBLIC RELATIONS AT THE SAN FRANCISCO FOUNDATION

Peter was terrific at rebuilding the foundation's public image after the Buck Trust Fund litigation. Just as we reached out to donors and their agents and community leaders, just as we reached out to people who were angry with us--frequently with no good reason, sometimes with good reason, but usually with no good reason--Peter would help us to work through these issues. Peter and I and others in the foundation made visits to the major newspapers. We sat down with the editorial staff, with the city editors, in some cases with the owners, like Nan McEvoy of the *Chronicle*, to talk about the foundation.

At the time of Peter's chairmanship, we weren't so much concerned about getting good news coverage as we were concerned about avoiding more bad press. What we really needed to communicate to the newspapers at the time was that the San Francisco Foundation was a better and stronger institution after it had been relieved of the responsibility of the Buck Trust. And that the foundation deserved the support of the local press because of its forty-year history of doing important things for the community, and the community had a big stake in the foundation.

We met frequently with newspaper leadership to promote the foundation, but we were afraid at the time to invite newspaper attention because it was irresistible to the newspapers, that soon after the Buck Trust litigation, for them to bring up the Buck Trust in every article praising the foundation. Their files were full of the Buck Trust stuff. So we really wanted to keep a fairly low profile in those years. After a few years had passed, our strategy changed. In fact, after a few years, I employed newspaper experts as my public relations specialists. Instead of public relations people, I employed a former publisher, and subsequently a former editor-in-chief, because I felt it was so important to get good stories out. But earlier on, we were trying to neutralize the constant digging up of the Buck Trust story when it was several years old. And Peter was great.

I think the bottom line on all of this is that when you have a Peter Haas as a trustee, let alone a chair of the trustees, you have to be an institution that's taken seriously. You have to be an institution that inspires trust and respect. That's what we needed more than ever at the time.

## **LEADERSHIP ROLE ON THE BOARD OF THE FOUNDATION**

The other San Francisco Foundation board members were crazy about Peter, without exception. They were absolutely wild about him. You had to love him.

Each position on the board was very important, as you can imagine; at that time, there were only seven members of the board (it's expanded to nine trustees). Our foundation, like most other major community organizations, is governed by a very small board. There were large differences among the board members. But Peter was a coalition builder, and there were no factions on the board. Peter built a harmonious sense of partnership and collaboration in the style of the board. If the board member was riled about something or out of line, they felt comfortable talking to Peter in total confidence. And Peter might come and talk to me about something, or he might bring in another member of the board whom he trusted, like the vice-chairman of the board, who at that time was Leonard Kingsley. The three of us could talk about very sensitive things and iron them out.

Peter was a strong internal leader, and he led on the program side. This was a time when we were sharpening up, based upon our historical values. After all, we are a forty-year old institution. The foundation had always enjoyed powerful leadership on the board and in the director's position. Martin Paley was an exceptional man. His predecessor, John May, who led the foundation for twenty-six years, was an exceptional man. This was a time not for change, but for clarifying and centering.

Peter led a significant number of internal board discussions, for example, about the balance between our grant making activities and our fundraising and donor services activities. He led major discussions about our emerging outreach program to professionals, our direct mail programs, our renewed publication program. He led major discussions about specific programs. For example, we began at this time to increase our funding to minority organizations, to grassroots organizations. We began to focus on immigration in more and more ways because in the middle 1980s there were new increasing pressures on immigration and naturalization. We began clarifying our responsibilities to the community for focusing on issues like immigration, like homelessness. There were new environmental issues emerging, like statewide water policy, as it affected the Bay Delta and the San Francisco region that we served. There were major issues about wetland preservation, about open space preservation, because, by the time Peter became chairman, and throughout his trusteeship in the mid-eighties and mid-nineties, we were feeling population pressure, tremendous immigration pressure. There was pressure with the emergence of new industries like biotech, and e-commerce, and their implications for land use, for congestion, for the economy of the Bay Area. Peter was at the forefront of the discussion of all these things.

Peter was a leader on the board during a period of great reinvigoration. In my first year at the foundation with Peter we gave away \$7 million, and my last year there with him we gave away \$46 million. In my first year there with him we received what was a fairly consistent annual donor charitable gift of about \$5 million, but in my last year there, we received \$120 million. So Peter Haas certainly contributed to this radical growth, this renewal of the San Francisco Foundation, in measurable and immeasurable ways.

## ***GROWTH AND RENEWAL OF THE SAN FRANCISCO FOUNDATION***

*By John Kreidler*

Peter Haas' reticence about himself and his accomplishments has a lot to do with his goodness. He's not the sort of person who likes to jump out and take a lot of credit. There is a certain amount of humility about him that I find refreshing. So I am especially happy to speak on the record about him.

I was at the San Francisco Foundation from 1979 to literally the last day of 1999. My main job there was serving as senior program director. That was my title. I handled the arts and humanities grants, including, by the way, grants to The Bancroft Library. There was a period of time in 1996-1997 when I served as the acting program director.

But, for the most part, I was involved in the grant making side of the San Francisco Foundation. I was helping the foundation develop its policies in the arts and executing those policies.

Peter joined the board shortly after his sister, Rhoda Goldman, had left the board. My rough remembrance is that Peter came on the board in 1985 at the earliest, '86 at the latest. He came on right after the foundation had gone through a lot of controversy about the Buck Trust, and he was a board member for two full five-year terms.

At the time Peter was coming on the foundation's board, there had been a very difficult period of litigation about the Buck Trust. The San Francisco Foundation had gone into that litigation in significant measure.

Peter had the same obligations that everyone else on the board had, which were to exercise authority over the grants that were issued by the foundation, approve the budgets, review the performance of the executive staff of the foundation. Those are the typical things anyone on a board is responsible for.

In addition, when Peter came on the board, it was a very sensitive time, because the foundation had had its reputation battered in the press. I believe it was unfair, but it happened nevertheless. The position the foundation took in court was a position of

principle. It had been the position that the attorney general of the state of California had been pressing the foundation to pursue for a number of years. The foundation deserved its day in court.

But, in the early part of 1986, some very nasty attacks took place. And it got through to the board of trustees of the foundation, who were being disparaged as though they were wantonly attacking people's wills. That label was being attached to the foundation and they felt very sensitive about it. Among other things, people like Peter Haas who were coming onto the board or had already been on the board at that point, were having to try to repair that damage. Whether it was just or unjust, the fact was it had to be repaired.

It wasn't long after he came on the board that Peter became chair of the board. I know that within no more than two years of his coming on the board that he had risen to be the chair.

Peter told me that he was influenced by (his uncle) Daniel Koshland, who was widely credited as being one of the key founders of the San Francisco Foundation (he and Helen Crocker, both of whom had served on the board for many years). Peter Haas was no newcomer to the San Francisco Foundation; his family had been involved in founding it. He understood the tradition that needed to be carried on, and he understood the needs at that moment.

The board at that moment, and I have no question that Peter was very influential in all this, took the attitude that they simply wanted to get out of the limelight for a period of time, quietly carry on the good work the foundation did in making donations to charitable causes throughout the Bay Area, but not make a lot of waves. Just gradually repair the kind of public damage that had been done to the foundation's reputation. I always felt that Peter was the perfect person for that job. That was in his nature: quiet, good work.

So for at least three years, while Bob Fisher was there, especially when it came to the press, there was no effort by the foundation to take its story to the press. Whatever good work it was doing, the attitude was, "Let's just stay in the background, and eventually we'll be seen the way we want to be seen," with the good work of the foundation there for all to see.

Peter had one very special approach to grant making, which I'll get to in a minute. In general, the board relied a lot on the professional staff of the foundation to refer recommendations. They questioned them from time to time, but it wasn't the case that any of them, including Peter, tinkered with things all that much.

Peter's great interest, especially in the late eighties, early nineties, was the whole matter of youth at risk. I remember him bringing that concern very forcefully before the board at a retreat that was held at the Inn of the Tides at Bodega Bay. It became a tradition to go there. Peter felt that in the recession that was occurring at that point, given the spiraling youth violence, given the major cutbacks at the federal level in support of all manner of social service programs--it was called "a period of devolution"--Peter felt that this was especially affecting the fate of youth, and especially the fate of youth at risk. Peter made a case for the foundation to do something extraordinary about this problem.

What came of it was something very unusual. The board made the decision that it wanted to continue all the programs it was currently funding, it didn't want to cut back on what it was giving [to environmental programs], in the arts, or in any of those other fields, and at the same time we wanted to do something about youth at risk. So it was decided that we would, over a three-year period, go into the foundation's endowment, and spend down some endowment in order to do something quite extraordinary for youth. So an entire initiative was crafted around that, and a separate person was hired to run that program, and the board extended it for at least a fourth year. And something like \$1 million a year was granted to try to deal with the system of services that are provided to youth in the Bay Area, toward the goal of making that system less piecemeal and more integrated.

This all came from Peter Haas taking the position that youth were being especially hurt by the recession and by the cutbacks and devolution that the federal government was instituting at that time. This initiative may have been Peter's single most significant contribution during his ten years of service on the board.

Of course, Peter and Mimi Haas have their own foundation, and I know for a fact that the foundation has also specialized significantly in issues related to youth.

One of the things I respected about Peter is that he listened very carefully, and he was always looking for balance in our grant making programs. I think it was true, certainly of his term as chair when he was leading the foundation, that he felt a good community foundation needed to have high quality, active programs in a lot of different areas. The culture of the San Francisco Foundation, certainly for almost the entire time I was there--well, in a way it was considered bad form to push any single organization for funding. In fact, that was a way to disqualify yourself, as you might be seen to have too prejudicial a connection to a particular grantee. Certainly Peter occasionally excused himself from a vote, as did other board members. As a board member, you weren't there to be an advocate for any particular organization.

Nor were you really there to be an advocate for one field over another field, and the foundation would move very slowly in adjusting its priorities. If you felt, for example, that environmental issues needed more attention--well, when I arrived at the San Francisco Foundation, the environmental field was hardly funded at all. It wasn't that they immediately turned around and tripled the amount of the environmental program, because you knew the money had to come out of some other field. It was a zero-sum game within the San Francisco Foundation, although the grant making staff did increase to some extent over the years, and later on did decrease to some extent because interest rates went down. The board could be very cautious about abruptly changing directions. That's why when Peter Haas came up with the idea of funding an initiative for youth, they decided not to take funding from existing programs, but instead to take it out of the endowment.

There was the sense that with a community foundation working in five counties, you had to have a presence in those five counties, you had to have a full spectrum of programs to address the issues.

Part of the thinking there was: a community foundation has to be distinct from private foundations that have the license to specialize in one or more fields. A community foundation also tries to balance them out. In San Francisco, for example, in the arts, if a local foundation made a name for itself in supporting major museums, that then became a reason why the San Francisco Foundation would lighten up its support of major museums. The foundation would try to fill in the gaps where there were populations or areas that were under-funded.

I think that Peter was very much that kind of person, looking for that kind of balance. I know he had an interest in the arts. He and I have had a long relationship, through his own personal philanthropy, and through Levi Strauss, and in connection with the foundation that he and Mimi founded; if he had a question about the arts or a specific arts organization, he would often call me up and say, “Well, John, what do you think about this?” We’d talk and I’d try to give him the best intelligence I could. He always had that very thoughtful, quiet, analytic approach to what he does. Beyond his concerns about any particular issue, these are the qualities that make him a good member of a community foundation.

## ***PETER HAAS IN THE LIMELIGHT FOR CAL***

*By John Cash, of the University of California, Berkeley*

Peter Haas was approached by former Chancellor Tien and former vice chancellor Dan Mote and me in the late fall of 1993 to lead the fundraising for the university's \$1 billion New Century campaign. It is important to remember that at the time we asked Peter to do this, it was a very challenging moment in the history of the university and for the California economy. The university had lost about a third of its state support, 27 percent of the faculty had taken early retirement, there was a wage freeze--in fact, the staff were all giving back 5 percent of their salaries. And the economy of the state of California was in the third year of a deepening recession. It was in the midst of this that we turned to Peter to ask him to help lead the fundraising for this extraordinarily ambitious capital campaign.

I say this because it was a big request for him. It was not something that he was going to take on lightly. We chose Peter for several reasons. First and foremost was his position in the community, and his history of support over many years for the university. Peter had done a lot of big volunteer fundraising in the Bay Area, so we knew he had a great deal of respect from the alumni and from potential wealthy donors to Cal. He is a man of extraordinary integrity and business acumen. Former Chancellor Tien thought he was the ideal person to lead this effort.

Peter Haas was approached initially by the chancellor, and Dan Mote and I went over to his home and met with him to discuss the campaign, and our plans, and our organization, and the staffing that would be available. Peter thought about it for about forty-eight hours, and then he called the chancellor up and accepted.

## **PETER HAAS' RELATIONSHIP WITH CHANCELLOR TIEN**

Peter and Chancellor Tien knew each other before they worked together on the campaign. Tien was close to all the members of the Haas family. He was very close to the late Walter Haas and to Peter, but I wouldn't say they were best friends or anything. In fact, Peter's friendship with Chancellor Tien deepened greatly as a result of their working together on the campaign.

## **THE "QUIET PHASE" OF THE CAMPAIGN**

Peter agreed to raise money for the campus during the quiet phase of the campaign. All major fundraising efforts have quiet phases and public phases. In the quiet phase, your objective is to make sure you can raise the money. You need to secure something between 30 percent and 50 percent of what you expect to be the overall total for the campaign. And you need to secure funds for many of the major projects, so you make sure you don't announce a building project and then don't have enough money or enough prospects to raise the full funds.

So Peter worked on establishing a funding base for the campaign. He did not want to be involved in the end, in the public phase of the campaign. Our plan was to start fundraising immediately. This was the fall of 1993 and early winter of 1994. And then we would announce the campaign some time in late 1996.

Peter didn't want to be part of the public campaign for two reasons: one, he felt he could be more useful, more effective, working with the very wealthy donors who would make up the nucleus fund of the campaign. Also, given his age, he saw that the campaign would run through the year 2000, and he didn't want to sign up for such a lengthy period of time. He saw he could really have impact in soliciting these initial large gifts.

So we all agreed on this strategy, and Peter was extraordinarily effective. His title was "Chair of the Chancellor's Campaign Cabinet." The campaign cabinet consisted of a group of about twenty-five individuals who were selected to help Peter achieve the goals of the nucleus fund of the campaign. Those goals were: to raise between 30 percent and 50

percent of the total amount needed for the capital campaign. And there were four goals underneath that overarching goal. First, we needed to establish the big nucleus fund gifts for each of the top priorities of the campaign, particularly the building projects that were included in the campaign. The second priority was to secure the full support of the University of California Berkeley Foundation. The third priority was to get as much corporate support as possible, recognizing the university's long history with corporations in the Bay Area, recognizing the contributions that Cal has made to research and development, and to providing a professional labor force through our graduates. The fourth goal of the campaign was to increase our fundraising presence in southern California.

The Chancellor's Campaign Cabinet consisted of individuals who brought a particular strength in that area. There were people like Peter, who were capable of making and capable of soliciting very large gifts. There were leaders from the foundation board of trustees, leaders from the corporate world, and there were important Cal alumni leaders from southern California.

Peter presided over the meetings of the cabinet, and we met every other month from about February--I think the first meeting was either in February or March of 1994--through the campaign kickoff in September of 1996.

These meetings were only a small part of Peter's personal involvement. His involvement was really extraordinary. He met with us and reviewed prospects on a monthly basis. He was actively engaged in contacting and soliciting major donors. He participated in events. In particular, he was an active participant in a program of events called the Chancellor's Leadership Dinners. These were dinners that were held at the homes of individual volunteers, leaders, and donors, and at the chancellor's residence. And these were held around the state and, indeed, around the country.

Peter participated in nearly every one of these dinners, speaking about the campaign to individuals who were thought capable of making gifts of \$1 million or more to the university. We had about twenty-five of these dinners, and Peter was at every one of them.

He was also active in attending various regional events and speaking on behalf of the university. He went to southern California many times, he was in Monterey with us, in Sacramento. He was a constant presence speaking on behalf of the university and the capital campaign. He and his wife, Mimi, hosted two events for us.

So his involvement was extraordinary. And throughout, he brought this incredible credibility, honesty, and integrity. So his word on behalf of the campus and on behalf of the campaign carried a great deal of influence for Berkeley. In the end, we raised about \$480 million during the nucleus fund of the capital campaign. By September 20, 1996, we had about \$480 million in the bank, which caused Chancellor Tien to increase the original goal from \$1 billion to \$1.1 billion when we announced the campaign at this large banquet in the library.

At that point, Peter stepped down as the leader, but he continued to play an important advisory role behind the scenes, both with the other campaign co-chairs of the public phase of the campaign, and with former Chancellor Tien, and Dan Mote, and me. He was also very generous in welcoming Chancellor Berdahl to the campus when he joined us in July 1997. His presence with Chancellor Berdahl really helped to introduce Bob to the donor community here in the Bay Area.

Peter wrote letters of introduction, he wrote letters asking people to participate in the campaign, and he was very generous in writing thank you notes to people. Anyone who made large gifts to the university frequently received handwritten notes from Peter. He was very active in all elements of the fundraising during this period as volunteer leader.

Peter cares about Berkeley in a number of different ways. He cares about it because it was an important personal experience for him coming to Cal when he did as a student. He has a larger view of the value of Berkeley's presence, and the university's presence within the Bay Area community.

Northern California, our Bay Area, has historically been led by a relatively small number of older families that have contributed tremendously to the development of our educational and cultural resources. I think Peter feels and felt that responsibility strongly. He and Mimi are very active in the San Francisco Museum of Modern Art, which he thought was of tremendous importance to his mother. The University of California, Berkeley, has been of tremendous importance to his father, and to his brother and sister, to

his grandparents. I think he felt a great deal of family responsibility to the university, and he has an understanding of what it meant to the success and stability of our larger community. So I think there were both personal and larger macro reasons, if you will, why he felt this commitment to help Cal out.

I also think we caught him at a good time in his life, when he was looking for something interesting to do as a volunteer. He was strongly encouraged to do this work by his wife. Mimi was ardent that Peter take on this leadership role.

I think Peter is a shy person, but he is also a business leader, and he is certainly used to speaking in front of people and being put in situations where he has to take center stage.

## **THE THINGS THAT MATTER**

Peter is a huge Cal athletics fan. He goes to all the football games and as many of the basketball games as he can. He likes to talk about how Cal athletics is a character-building experience, he tells stories about long afternoons in Memorial Stadium.

Peter and Mimi have both been very active in public service, and have a commitment to public service, and are huge supporters of John Gardner. Peter was one of the founding figures in the John Gardner Fellowship Program, which is a joint Berkeley-Stanford graduate fellowship program related to public service. They helped establish the Haas Public Service Center at Stanford.

Peter is also very interested in students and student development. He just loved Chancellor Tien, just loved him. He admired him, everything he stood for. The energy and vision the former chancellor brought to the campus were things that Peter really believed in.

These are some of the reasons Peter has always been there for Cal, especially in the area of fundraising. I don't know how he survived eating all those banquet dinners! I mean, here is Peter at seventy-nine years old in the back of my Ford Explorer, coming back from Sacramento at 11:00 at night on a Wednesday. This is the kind of thing he would do for Cal.

You know, he would stand in line with all the rest of us to get a Southwest flight down to Burbank, you know, sit in the middle seat. He could obviously have taken a private plane if he wanted to. But these are the kinds of things Peter would do to work with us to get the job done right.

***PETER HAAS' CHAIRMANSHIP OF THE "KEEPING THE PROMISE" CAMPAIGN AT THE UNIVERSITY OF CALIFORNIA, BERKELEY***

*By C. D. (Dan) Mote, formerly of the University of California, Berkeley, now Chancellor of the University of Maryland*

Peter Haas and his family have been the soul of the university for a century. They have been supportive in so many ways, starting with Peter's parents, and then through Peter and his brother and sister as well.

When we were seeking leadership for the Keeping the Promise Campaign, we were looking for someone who had a long and deep history with the university, and a great affection for it, someone who, by example, could inspire others to support the university in great ways.

As we went around the state and region, talking to people about who this leader might be, Peter's name was mentioned constantly, because of his success in business and his closeness to the campus, and because of his love for the Bears.

I remember going to meet with Peter--it must have been in 1993 or 1994--to discuss with him the possibility that he could take on the responsibility as a co-chair of the initial phase of this campaign. I could tell immediately that he was interested, but he was non-committal, because he wanted to insure that the campaign would be well run, and if he was associated with the campaign, it would be a first-class job.

We continued these conversations over a number of meetings with him. He was always very helpful, very willing for us to come in and talk to him about it. I remember when the day came that he said he would be co-chair of this initial phase of the campaign to help us get it going. I told him at the time, and I still believe it to this day, that the entire success of the campaign depended on his commitment, because his commitment to the campaign would essentially be the credibility the whole campaign needed to get it moving.

It was a very exciting time for us. You needed someone like Peter to lead the campaign. Of course, he made a very generous contribution to the campaign, as well as being a sparkplug, as it were, for allowing the campaign to have access to the business community and other various successful people in the state, people Peter knows well, which means almost everybody of significance in the state.

His contribution was not the first contribution to the campaign, but it was the first major contribution. It was the largest one we had for the campaign; he committed \$15 million. I think he told me at the time that it was the largest contribution he had ever made. Of course, he's a very generous person, very philanthropic, and has supported lots and lots of things for many, many years. But he really took on the leadership responsibility of this campaign by making this very important gift. And the first big gift like this from someone like Peter was so critical because it essentially set the bar: what does it take to be a significant contributor to such an ambitious fundraising campaign? Peter's commitment, and the gift he and Mimi made, were critical to the success of the campaign.

Peter not only gave us the resources of his name and reputation, but he gave freely and willingly of his time. He was willing to meet with people, and to go to endless dinner parties, and to speak eloquently and effectively about the campus and the campaign. We went together to raise money.

On one occasion we drove to Carmel in my 1988 Ford Taurus. It was a very hot day and the air conditioner didn't work. I felt rotten this whole time because here was this elegant, eminent person, who had to ride down to Carmel in this hot car with no air conditioning--but no complaints or anything. He was always a gentleman, always willing to help out. We made many successful excursions together on behalf of Cal. Peter really deserves the credit for the success of this campaign effort.

Peter only wanted to stay in the chairman's role for what was called "the quiet phase," which lasted until the kick-off in 1996. He remained associated with the campaign, but he didn't continue in the chair's role once the funding base was established. He has continued to support the campaign and come to things afterwards, but not as the chair. His goal was to make sure the campaign got off to a good start. The whole campaign was a seven-year effort. The public kick off was in 1996, and the celebration of the victory is going to be in April of 2001. So it is a very long process.

Of course, Peter just loved Chancellor Tien. A lot of his effort had to do with not just his love of Cal, but with his great affection for Chancellor Tien. He wanted to help the programs Tien was involved in and leading. And he was at a time in his life when he felt he wanted to do this for Cal also.

Peter's bond with Chancellor Tien is interesting. Tien was Asian, he was a minority person, he was lots of fun, very intelligent, extremely capable, and he came in like gangbusters at the university; and he displayed an affection for athletics that Cal fans never expected to see. People were thinking, "Here is a Chinese professor of engineering, what the hell is he going to know about athletics?" That was most people's view of Tien. So when Tien came in and was more of a supporter of athletics than anyone could possibly be, that was a big surprise and a very welcome treat, I think. I think the whole Haas family, Walter, Jr., and Peter, and Rhoda, they were very attracted to, and infatuated with, Tien. He was just a lot of fun and treated them well. There was just an automatic "click" there that was very helpful.

Peter and I are in touch even to this day in e-mail communication, mainly about Cal sports, and about University of Maryland sports. After our various competitions, the Cal-Stanford game and so on, we commiserate via e-mail. I very much enjoy our constant contact about Cal sports.

In 1990, Walter Haas was already talking about supporting the Haas Pavilion, indicating that he was going to put up \$10 million to support the building project. That conversation started right away with Tien when he took the chancellorship in 1990. So Peter got into that conversation with Tien. Things crystalized around the building of the basketball pavilion and the remake of the Harmon Gymnasium. That is probably the way the whole thing got going, and Tien was supportive of it.

And of course Peter was devoted to the building of the business school. That was a Haas family endeavor, and I recall when the statue was put up outside the business school. Rhoda, Peter, and Walter were there; it was a really great day.

There had been a lot of doubt whether the business school would actually be built on that site. There was a lot of community opposition: “Do you tear down a hospital to build a business school?” was the way people were portraying it. It was not an attractive statement to many of the community people. Of course, Cowell Hospital needed to be torn down, no matter what you put there.

There were plans to move the business school down into the center of Berkeley, and there were other sites; people wanted to move it away. Finally, it was Tien who said we were committed to building this building and we were going to build it here. So he stood up for the business school being built on that site, which had been planned by the earlier Heyman administration. That was another thing that brought the Haases and Tien together very effectively.

There were a number of things that happened very early in Tien’s leadership that brought the Haases to him and him to them in a very significant way. It wasn’t just fluff and conversation, there were actions that were quite substantial. The Haases loved him, basically. They thought he was a great person.

### **PETER HAAS, A SHY MAN AND A LOYAL CAL FAN**

For so many years, Peter let the spotlight shine on his brother, Walter, when it came to Cal, because Peter is a shyer person. But when it came to the campaign, Peter accepted his fate as the bearer of “the weight of tradition” in the Haas family, and he stepped into the limelight. As the leader, it was Peter’s job to go and speak on behalf of the campus in various ways, in very public events. He had dinner parties for us, and all kinds of things like that. It’s a marvel how much he and other people like this do for the campus.

He enjoys it. Of course, he was on the board of trustees at Stanford. When we first met with him, we knew he supported Stanford, of course. Mimi might even have been more supportive of Stanford, that was the impression I had at the time, though she seemed to come around and enjoy what was going on at Berkeley, too.

So there was a question in our minds whether Peter would actually do the campaign for Cal, because of his activities with Stanford, and the excellent programs he supported there, and because of Mimi's interest, also. But he made it very clear, very early in our conversations, that he's always been a Cal person, and he just loves Berkeley. He talked about when he was invited to this Big Game to sit in the president's box at Stanford, and told us that he always wore blue and gold, Cal's colors. So it was very clear where his affection and allegiance lay.

Peter was a diehard Cal fan, always loyal to the end, win or lose. We would invite him to sit in the box above Memorial Stadium football field, and he was always a little bit shy about coming. Then he was completely into the game, concentrating every minute of it. We would sit together watching these games, each of us agonized at various moments. Then we'd call each other the next week to commiserate about how the teams did and how the various plays went. Peter is a great, loyal fan, and one of the university's greatest supporters ever.

## *PETER AND MIMI HAAS' COMMITMENT TO PUBLIC SERVICE AT STANFORD*

*By John Gardner*

I have had some very good and interesting experiences with Peter Haas. I guess the first one--although I knew him and I knew the family, I knew his brother Wally very well--was when we persuaded him to come on the Stanford board. I think I was chairman of the nominating committee, at least I was on the committee.

Peter, of course, has very strong University of California ties, but his father was very helpful to Stanford on a number of occasions. We thought he might be interested, and it turned out that he was. He joined the board.

And our second connection was: Peter put up funds for an endowed professorship, the Miriam and Peter Haas Professorship in Public Service, to be administered by the provost. I went to the business school and held the post while I was there, and then I held the post a while longer, after I went over to the school of education. I finally resigned the post because I had accepted the chairmanship of the National Civic League, and it was just more than I could handle. I think I was eighty by that time. So I stepped down.

And then I worked with Peter and Mimi on the Haas Public Service Center. The Public Service Center undertakes to provide Stanford students with opportunities for community service. It supports some established programs that do this, but it also helps to place students. If students come in and say, "I want to do community service," staff at the center can help them to figure what they ought to do. They tell them the opportunities and so forth. It is a very lively program and has been ever since it started.

The program was in existence long before the Haas Center--maybe fifteen, eighteen years. It was just called the Public Service Center up until Peter and Mimi gave their generous gift.

## **THE BERKELEY FELLOWS**

Peter and I belong to an organization called the Berkeley Fellows. I got my Ph.D. at Berkeley, and they have a kind of honorary society called the Berkeley Fellows. I think they have about a hundred members, and it meets yearly for dinner in Berkeley.

At these events I see Peter in the Berkeley context. He is very well known among the Berkeley alumni. He has played a very important role. You know, there is a Haas Business School in Berkeley. When he speaks, people cheer him. They think very highly of him. He is a figure of not only respect but of affection there.

## **RELATIONSHIP TO MIMI HAAS**

I think the first relationship of the Haas family to the Public Service Center was through Mimi. She became interested and I urged her to pay them a visit. Eventually I went down there with her to visit the center, and she did become interested, and accepted a position on the board.

Mimi was genuinely committed to the center and the idea of public service. She is on the main board of the center and attends meetings faithfully. I occasionally have dealings with her, other dealings of a philanthropic nature. She and Peter have their own foundation, of course, and they do a lot of work with children. And she, again, is a very, very active figure in that. Her engagement with philanthropy is not pro forma. She is really deeply interested in the direction and the activities of the organization.

## YOUTH AND CHILDHOOD AS ABIDING CONCERNS: THE MIRIAM AND PETER HAAS FUND

### *INVESTING IN OUR YOUNGEST CITIZENS AND THE COMMON GOOD*

*By Mimi Haas, co-founder of the Miriam and Peter Haas Fund*

At our foundation, we knew fairly quickly that we wanted to do something for very young children and their families and caretakers and teachers. We thought that if you dealt with issues before the children ever entered kindergarten, you might be able to avert the other problems that might arise later, such as criminal activity or drugs, or teen pregnancy. Although much more research about children has been done since we began funding in this area, we felt it was already clear that those first few years of life are developmentally crucial; if you don't have certain abilities and self-esteem by the time you're five, you honestly never catch up.

The Packard Foundation is really one of the leading foundations in early childhood across the country. But they haven't wanted to come into San Francisco, so we try to fill the gap. But they are one of the leading foundations for the issue across the country. So we have worked with them on Bay Area-wide issues, and national issues of changing how early childhood teachers are trained, how they're compensated, how they're respected.

What we give away for early childhood is minuscule compared to a lot of major foundations in America. But we are part of the National Early Childhood Funders Network. And we are deeply committed.

First Lady Laura Bush is very interested in early childhood education, and early literacy. And last summer we were invited to a White House Summit on Early Childhood Cognitive Development. We attended, and agreed with most of what they're doing. The White House has decided to fund a lot more research, but we're not totally in agreement with doing more research because we think it's been proven that early intervention makes a big difference in all kinds of positive ways. But the trend of interest in these issues at that level is all to the good. I noticed that this past January, in the State of the Union Address, President Bush actually mentioned early childhood development and the importance of it, and I don't think that's ever happened before. So things are changing.

In San Francisco, I think that there was excitement in the community that we were going to fund model centers. In addition to that, we work with the San Francisco School District. This has been a passion of mine, and this is something that Peter and I share.

We make our decisions based on research, experience, passion, and sometimes on instinct. There have been times when I've walked into a childcare center and had a gut feeling that this could work, or might not work, for leadership reasons, or other reasons. It's just a feeling that you have. I should say that Cheryl Polk, the executive director of our Fund, is an expert in the area of early childhood. She has done a magnificent job.

Early childhood service and education are a high priority for us; we allocate about 40 percent of our giving for programs in this area. Of course we continue to fund the symphony, the arts, other areas, and in these cases Peter and I can rely on our own expertise about institutions with which we've had long relationships. I'm so completely involved with the San Francisco Museum of Modern Art, which was so important to Peter's mother. I have unusually strong feelings about things there. Right now we are one of the funders of the Eva Hesse exhibit at the museum. It is an incredibly powerful and emotional and beautiful body of work. In the visual arts it has never occurred to us not to back the most avant-garde work. But at the symphony, and the opera, we're just annual donors. We've never been asked to fund newer work, new commissions, for either the symphony or the opera, so we haven't been involved in those discussions in those fields. Generally, if we hear that the quality of a cultural organization and its leadership is high, if it is financially well-run, and if it's good for San Francisco, we try to support it in one way or another.

## ***“A REAL GENTLEMAN”***

By Cheryl Polk, executive director of the Miriam and Peter Haas Fund

The Miriam and Peter Haas Fund incorporated in 1982, and for the first ten years it was administered by Mimi and Peter. Then in 1992 after Peter’s mother’s death, the Fund received a large bequest. With that bequest, the Fund hired staff and established what became our most formalized grant making structure. Mimi and Peter took about a year and one-half to decide what they were going to focus on with the newly reorganized Fund. They chose early childhood as their primary grant making focus.

They decided they would develop a grant making framework that would be implemented over several years. Our staff is now five people, and essentially our work is designed to support activities for San Francisco’s young children, ages two to five, and their low-income families. To provide them with access to high-quality early childhood programs. We are very, very committed to connecting our work to an ongoing discussion of public policy, and we try very much to collaborate with other funders and with the public sector. More and more now, we try to engage corporate donors in our work. Support for education and services in early childhood needs to be seen as a social good, as a social investment, a responsibility of all citizens, and not just the responsibility of parents of young children. In Mimi’s words, we really have to change the way America regards its youngest citizens. It needs to be a concerted effort, it can’t be seen as an effort only by a select sector of the population.

We have a defined strategy; we’re in year six right now. We started grant making in this new way in 1994. We have several strategies, one we have that we call our Model Centers program. Six years ago the trustees invested in three centers in low-income and high-risk neighborhoods. These are: the Mission, the Latino area; the Tenderloin, which used to be a red light district but has an increasing population of families, mostly Southeast Asian and families at risk of homelessness; and Visitacion Valley. We used our resources to help develop the professional skills of staff at these centers, to improve their facilities, to increase parental involvement, and to link the children and their families to needed health services.

As we designed the grant making model for our strategy, we hired an assessor from New York to evaluate our efforts. We're very proud that all the programs we've funded are now at a higher level of quality than those at the national or state levels. Our strategy was successful, and we are very excited, and we are planning to replicate the approach beginning next year.

We are going to choose new centers; we've just decided on our strategy. San Francisco is divided into eleven supervisory districts, and our hope is that before this program is done, we'll have a model center in every neighborhood district. That could be a source of support for other childcare centers and childcare homes in those neighborhoods. And we will continue to support the original centers we funded, but at a more modest level.

We have seen a real increase in corporate funding for early childhood education and services to augment our own efforts at addressing these challenges. In particular, Providian Financial Corporation has become a major corporate supporter here in town. I just saw their vice president a couple of nights ago at a social event, and he was telling me that Providian's chair and board have decided to invest even more resources in early childhood development. They're very excited about it. Their national headquarters is based here in San Francisco. They became our partners in another major venture, support of childcare facilities, which is another cornerstone in our grant making. It has become clear that quality in early childhood services develops out of three separate things: people, program, and place. Results and high standards come from the people who run the program, the quality of the program and the curriculum, and the place itself, the learning environment. What was happening in early childhood services was that the environments were often run down, and sub-par facilities presented real health and safety challenges. We really wanted to find a way to help improve those environments, and make them better for young children. But the cost of capital campaigns in this area is just prohibitive. We helped establish a public-private partnership called the Childcare Facilities Fund, with resources from the city, from developers' fees, from foundations, and we were the lead foundation. And Providian became the lead corporate foundation, so we are very excited about that. We just re-capitalized the fund; it was really exciting. And Peter and Mimi Haas made a challenge grant of \$400,000.

We also continue to support trustee-initiated grant making in the arts, public affairs, and health and human services. But our main concern is with early childhood education and services.

About Peter Haas: I was thinking about him this morning as I was walking to work. And the thought that came immediately to mind is that Peter is a gentleman. He is one of the most gracious and kind men I know, and he's consistently that way. He's a gentleman with all people, in all places, in the office, at public events, and with Mimi.

I think he is also a financial genius. His financial acuity is amazing to me (I've been here five and one-half years); we'll do a docket, what is called a board proposal. Peter will go through the financial sheet, which explains the finances of the grant and what we hope our money will do, and invariably he can summarize that sheet in two or three minutes, tops. It is a marvel to watch.

### **A SENSE OF PERSPECTIVE AND HISTORY**

The other thing that Peter brings to our grant making is a sense of perspective and history. He has been in the field of philanthropy, I would guess, about fifty years or so. When I'm getting frazzled and worried about things, he brings a perspective about organizational management and people that helps hone and sharpen our grant making. He asks perceptive and incisive questions. He trusts the process of grant making. He's been around enough to know that most grants work. Sometimes they won't, but it's not for lack of trying. For new grant makers, he was and continues to be very reassuring.

His influence in the community is immense, as is his reputation for integrity. When we did the challenge campaign last year, Peter wrote personal letters to donors asking them to contribute, and they did, just by virtue of who he was. One donor wrote that just because Peter Haas wanted him to do it, it was a must for him. Peter will talk about wanting to give back to this community where the family made its wealth, and wanting to deliver the resources in a concerted and directed way, and see change in the community. But he will never say much about himself; he is just too modest, and, as I said, a real gentleman.

## ***THE HAAS FAMILY TRADITION OF PHILANTHROPY***

*By Bruce Sievers, of the Walter and Elise Haas Fund*

I have worked with Peter for a long time in philanthropy. This is an area of life that he is best known for, in which he has engaged himself over a long period of time. I worked with him after I came on board at the Walter and Elise Haas Fund in 1983. The fund was created with the estate of Walter and Elise Haas, Peter's parents. After Walter, Sr., died in 1979, the three children set up the foundation as a staffed fund. It had existed before, but essentially it had existed only on paper. Mr. Haas, Sr., had made some grants only as a pass through. The fund received its endowment in 1983, and that's when I came on board. Peter was one of three board members, along with his brother and sister. He was in the first group that hired me and I have worked with him in various capacities since then, primarily as a board member. Until his sister died, he was a vice-president of the fund. Upon her death, he became president. He is the last of the three children.

Peter Haas has always had a strong interest in various areas that we work in. The family as a whole has been a strong supporter of San Francisco institutions. The Museum of Modern Art, the various institutions in the Jewish community, the Jewish Community Federation, the parks, et cetera. And Peter, as part of that tradition, has been involved in those things as well. So his involvement in our fund has carried on in that tradition.

We operate in several important areas almost equally: the arts, human services, education, and Jewish life. Those are our major areas and we also do some funding in the environment, mostly around park issues, and a couple of other areas. I would say Peter has been involved in all of those areas, but I would say his greatest connection has been around our interest in Jewish life, because he has been such a leader and supporter in that field. Also, in human services, he has been a strong proponent on our board of giving to the areas where people are most in need, around food and shelter programs, around various kinds of outreach programs in the community that are most in crisis situations.

## ORAL HISTORY AS A RECORD OF THE HAAS FAMILY'S VALUES

In deciding on grant making, we went through a process at the beginning in 1983 of looking at the legacy of interests and values of the founders. As part of that I looked at the Regional Oral History Office's oral histories of Walter and Elise Haas. I pulled out of that some general themes. Obviously, the children knew their parents' concerns, but it was helpful for them to sit and think about the thematic elements, the values that their parents represented. From those we chose these priority areas, also relating to key institutions they had supported, like the Museum of Modern Art. But beyond that, broader programs in the arts which evolved into a priority in arts education for us. We've repeated this process in other areas. One area that comes out of the review of the values of the founders is an area we call professional ethics, which relates both to corporate responsibility, which was a very specific interest of Walter, Sr., and, along the same lines, we fund programs in bio-ethics. Those are some of the ways we have derived our current interests from the oral history records of Walter and Elise Haas' major passions and philanthropic concerns.

In the actual grant making process, from those general interests, we outline some guidelines of the kind of institutions we would like to support. We operate both pro-actively and reactively. That is, sometimes at the staff level, or at the board level, individuals see areas that maybe aren't covered by other kinds of funding or where there are important opportunities for private funds. At other times we simply receive and respond to proposals in accordance with our guidelines. Then they go through a staff process of screening. Ultimately they end up at quarterly board meetings where the trustees basically say yea or nay. We continually review and evaluate these programs and also look at our guidelines and see if we need to alter those. We do a follow-up to see how the grants are being used.

Peter is the first one to look at a budget and say, "This doesn't add up," or, "I don't see how these numbers reconcile with each other," or something like that. Everyone is always living in terror of the possibility that Peter is going to look for a page and find it is not added correctly. He's not picky, but he'll go for important issues and pick them up very quickly on a page of financial information.

In several instances, we've been talking about a grant, and it may be for a capital grant and it may be for \$1.5 million. Peter will sort of wryly look around and say, "Well, couldn't they get along with a million or three-quarters of a million." Then everyone has to

start negotiating in terms of what the final number will be. He's always looking to see that we're not over-spending or over-allocating. When we might be on the same docket considering a big allocation of a million or two million dollars, that one will get argued about. Then the next page will be something for \$15,000, and the same kind of attention and acuity will go into looking at that one, too. It goes all the way up and down the line.

About capital grants versus program grants: historically there has been a majority of capital grants; now it's only about 25 percent, but it's still fairly significant. Peter does believe, as many of the other trustees do, that sometimes these big grants are among the best things we do, because they allow a new institution to be built. So there is a willingness in our fund, unlike other foundations, to consider capital grants.

On the board, the plan has always been that there is equal representation among the three branches, and two from each family. That means that there is Peter and his son Peter, Jr., there is Wally J. Haas and Betsy Eisenhardt, and John and Doug Goldman. We continue to keep Peter, Sr.'s daughter, Peggy, in the loop in terms of information, and so on.

Peter is a wonderful, delightful man. He has an incredibly wry sense of humor, quite taciturn. He's notorious for having short meetings and not having a lot of patience for people who blather on in various ways. It's always an interesting and fun time to be with him because he really zeroes in on the key issues. He doesn't spend a lot of time on the frills. He's very thoughtful, very loyal and committed to both the work he's doing and the people he works with. He has a really strong sense of doing things to help the community directly. He's very interested in the human services arena, where funding can directly benefit people in need.

## TONY VERMONT: A HORSE WITH A MIND OF HIS OWN

*Peter Haas talks about his horse Tony Vermont.*

I didn't ride horses when I was young. This became an interest later in my life. Tony Vermont was a Morgan horse. They're bred in Vermont; hence, Tony Vermont. He just had a special personality. When I bought him, I hadn't done very much riding. He was supposed to be trained well, but it turned out that he wasn't well-trained, and he and I just kind of learned to get along together. We went on some so-called endurance rides together, fifty miles, a hundred miles, in a short period of time. Went on a lot of trail rides together, and bonded. He just had a special personality, and a special way of going. I became very attached to him, as you see.

He was very stubborn. I think he could trot faster than most horses galloped. He trotted beautifully. No one has ever ridden him besides me, except for Mimi, as a matter of fact. Shows how much I love Mimi!

I was on something called the Golden Gate National Recreation Area Citizen Advisory Commission, which was the advisory board for the Park Service for GGNRA; they manage the Point Reyes Seashore. At the time there was, and still is, much controversy between the horse people and the outdoors people, the hikers, about use of the trails. It still goes on. I thought it'd be a great idea to plan a ride from the northern tip of the Golden Gate National Recreation Area, to the southern tip, to the Golden Gate Bridge. So Mimi and I made the trip. One of my favorite trips ever.

We worked out the details of the trip in advance, and I thought it would not only be a good publicity thing, but in a way, somehow, psychologically, would help us make the case for the rights of the horses and riders on the trails. Mimi and I camped out at three or four spots on the way. And we took another riding trip, with a completely different group. I rode from Yosemite, over the top of the Sierras, on the John Muir Trail, to Lake Tahoe.

That was a completely different kind of ride. The terrain just changed so dramatically, from the granite of Yosemite, to the forest and more. So you see, I spent a lot of time with Tony Vermont.

He always needed to be in the front. If there were fifty riders, he always wanted to be in the front. Which could be embarrassing, because you're not supposed to be competitive on these trips; that's not in the spirit of these excursions. But Tony Vermont had a mind of his own, and had to lead the way.

Tony Vermont was actually a surprise guest at my surprise birthday party at Trader Vic's. A complete surprise, really. Mimi pulled this off. Tony Vermont was there when the other guests arrived; they hid him when we arrived, and I went upstairs to the party, and Mimi said to me, "Peter, you have to come back downstairs and see something." Then they brought Tony Vermont back, and tied him to a rail they'd built in front of the restaurant, especially for the occasion. A complete surprise!

## MEMORIES OF TRAVEL FOR THE COUNCIL ON FOREIGN RELATIONS

*Peter Haas was invited to be a member of the Council on Foreign Relations in August 1980. Here he recalls some of his travels on behalf of the council, and talks about his insights and experiences on these semi-diplomatic missions around the world.*

One of the special dividends of belonging to the Council on Foreign Relations was that we were invited to go on some very special trips with small groups headed by David Rockefeller and Pete Peterson. They, particularly David Rockefeller, opened doors for us to meet with government officials. Because of his great experience internationally, he knew political and business leaders all over the world.

One of the more interesting trips we took was to Saudi Arabia and Kuwait, just a year before the first Gulf War. One thing that stays in my mind was, we were warned within an inch of our lives that we simply could not take any liquor with us, that in Saudi Arabia, it was absolutely forbidden. And they said that if we tried to sneak any liquor in. . . well, there would be consequences. I enjoy a cocktail every night, but I managed there without any liquor. Except that one night, we were invited to the American ambassador's residence, where, because of diplomatic immunity, they were allowed to serve liquor.

I remember, I was right in the middle of having a drink when they suddenly announced that we had to go visit King Fahd. It was the middle of the night, almost midnight. I had to drag myself away from a beautiful drink I was enjoying. It was an amazing evening. King Fahd always conducted his business in the middle of the night. He launched into a monologue about education and the need for education, which was not news to any of us at this point in the trip. We were all falling asleep and doing our best to stay awake and listen to him. Every so often, David Rockefeller would ask some question, which would just prolong the monologue, and it was just agony, staying awake and listening, but we managed to.

Of course, aside from that, the whole visit to Saudi Arabia was illuminating as to the status of women in that country; a woman cannot drive an automobile, for example, and women were deprived of so many basic rights. And many of these women had gone abroad for their education, so they'd seen how the rest of the world lived, they'd seen for themselves the freedoms that were available to women elsewhere. How they went back to the country and submitted to those indignities, we never quite understood.

I didn't experience any anti-Semitism in Saudi Arabia. But I'm not sure I would recognize it, or was sensitive to it. I guess I had been concerned enough to ask about it in advance of the trip. One of the people on the trip was Peter Tarnoff, who I'd known from San Francisco. He had been the executive of the World Affairs Council here. Now he was president of the CFR. I guess the relationship with him was one of the many reasons that we were invited on the trip. But when I asked him about anti-Semitism, he said, "Don't worry, I'm Jewish myself," which I hadn't known. Actually, I think we were all so impressed with the gleaming new buildings and the prosperity of Saudi Arabia that we didn't notice much else.

Mimi was with me on this trip. She had to be completely covered up. But foreign women were exempt from the more extreme prohibitions. I remember you never really saw a Saudi woman by herself.

We met with a number of Saudi families and princes. And then in Kuwait, it was completely different there. Women mingled pretty well. Of course after the Gulf War started, we remembered vividly the meeting with our own ambassador, and we could visualize where he was holed up for the duration.

I guess our general mission on this trip, these trips, was to learn what was going on there. I remember seeing our warships escorting the Kuwaiti tankers. And then I was quite shocked by the apparent lack of friendliness on the part of the Kuwaiti ministers. They didn't seem to be quite beholden to us for what we were doing. One very small incident at dinner: I was sitting next to a general, a fairly young man who had been in the States getting his education. I asked him where he had been in the States. I forget, it wasn't any prominent college or university, but strangely enough, he had been living in Johnson City, Tennessee. Now, who would know where Johnson City was, except by coincidence? But Levi's had a plant in that small town. So in fact I was quite familiar with Johnson, Tennessee.

Just before we went to Vietnam, I had some heart trouble. I was scared we weren't going to be able to go on the trip, because the doctor submitted me to an angioplasty. Fortunately, that has a comparatively minor effect on you. So within a few days, I was able to go on the trip. We had a heck of a time trying to get there in time. Then of course, our luggage got lost, and so we arrived there without our luggage, without any change of clothes. The manager of the hotel was very nice. I was in pretty good shape, and his wife lent Mimi some clothes that worked out very well. We just got there in time to meet the group as they came to the hotel. This was much after the Vietnam War, of course. The Communists were in power when we went to Vietnam.

On one of our tours we saw that the Vietnamese had a system of these underground tunnels, an entire underground civilization. Which showed how they survived the bombing. They also showed us a movie that was very anti-American. It was chilling. Showing an American plane being shot down, and the Vietnamese cheering and waving their fists. They let us climb down into the tunnels, and that was quite a chilling experience too.

In the case of Vietnam, it was the consensus of the group that Vietnam wanted to be recognized and that trade should be started. So someone from the council went to speak at the State Department, and maybe to the Congress, and sometime after that, relations between Vietnam and the United States opened up. I can't say that our mission had anything to do with it, but it might have tipped the scales.

Under the auspices of the Council of Foreign Relations, we also took trips to Russia, and to Kazakhstan, which of course I never knew existed before that. Now, it has become more prominent, of course, because it has such a strategic importance for oil.

We traveled about once a year with the Council on Foreign Relations. We went to India and Pakistan; we met Benazir Bhutto after her role as prime minister. She was quite a miserable character, in a way. Her husband had been in jail for a long time. She never went to see him. He probably didn't want to see her anyway.

And we went to Turkey. And from there to Israel. I know Mimi was particularly upset about some things on that trip. She thought we were not being given an even-handed presentation of the situation in Israel at all. It was slanted more to the Palestinian side than to the Israeli side.

We went to Ramallah and in fact we met with Arafat one time, and once with Barak. I seem to remember a little too much propaganda. I guess Mimi and I were much more informed about Israel than anyone else on the trip. I think that's why we were particularly sensitive to the apparent bias of some of what we heard. I guess Mimi was much more sensitive to it than I was.

There were business leaders and journalists on these semi-diplomatic excursions. And then after the trips we usually met in New York to discuss our observations.

Wherever we went, we found recognition for the Levi's name. Even in China, where I was questioned quite extensively, because Levi's had gained a lot of publicity for refusing to do business in China. This was in 1993. I wasn't sure I was going to be able to get out of China. People would ask me about our reluctance to do business in China, and didn't quite understand our position about human rights there.

It was very interesting to meet with some of the top government people in China. I found their attitudes rather frightening; they kind of intimidated that eventually China would be more powerful than the United States, both militarily and economically, and then they would take advantage of it. Mimi caught this drift very strongly and often comments on it.

I remember at one point, we at Levi Strauss had been trying to decide whether we should go into China. Because, I mean, after all, the number of legs in China, even divided by two, is pretty high. So we knew we could sell a lot of pants there. But we felt it wasn't quite moral to go in as a manufacturer in China at that time. We decided we couldn't do business under those conditions.

About China, we were pretty well split within the company. It was a very close call. Certainly, we got a lot of brownie points and publicity for it, and our own employees appreciated our stand.

Our corporate position in relation to China and human rights concerns was very unusual. And maybe too idealistic, I don't know. Our stand did draw attention to the issues we were concerned about in China. Eventually we realized we had to adjust our position, because of the position of our own State Department. So our stand was a futile gesture in many ways, but it tied in with our values and our history.

## EDITOR'S AFTERWORD

*Peter Haas: A Life* is an oral memoir, based on interview transcripts at the Regional Oral History Office, The Bancroft Library, University of California, Berkeley. Eleanor Glaser, Leah McGarrigle, and I (ROHO interviewer/editors) and Richard Cándida Smith (Director of ROHO and Professor of History at the University of California, Berkeley) conducted interviews with Peter Haas and his friends, family, and associates from 2000-2003 in San Francisco and Berkeley. The narratives in this volume are edited versions of those interviews. Earlier oral histories of Peter Haas' work at Levi Strauss & Co. and the Jewish Community Federation also contributed to the shape and substance of this new volume, a holistic account of Mr. Haas' rich life story and contributions to community, family, and industry. The Regional Oral History Office's volumes of interviews with other members of the Haas family provided additional background for the editing of this volume. All illustrations in this volume appear with permission from the Haas family.

-Linda E. Norton, Senior Editor

*Linda Norton is a senior editor at the Regional Oral History Office of the Bancroft Library at the University of California, Berkeley. From 1987 to 2001, she worked for the University of California Press, first as manager of the Manhattan office (a public relations and marketing outpost of the press) and then as an acquisitions editor in Berkeley. She is also a writer and a visual artist. She grew up in Boston and now lives in Oakland with her daughter, Isabel Lyndon.*

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