

Rotary Club of Hershey

"Our Hershey Heritage"



The Hershey Mansion

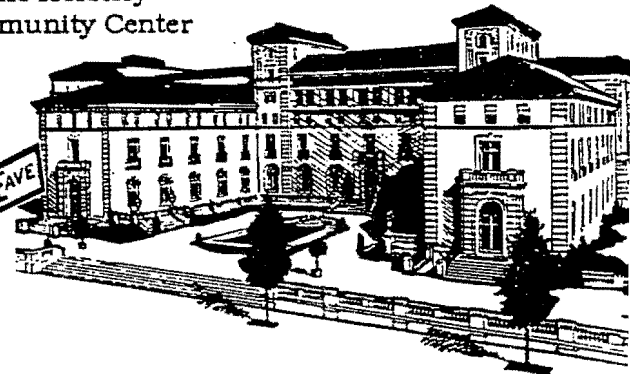


The HOTEL HERSHEY

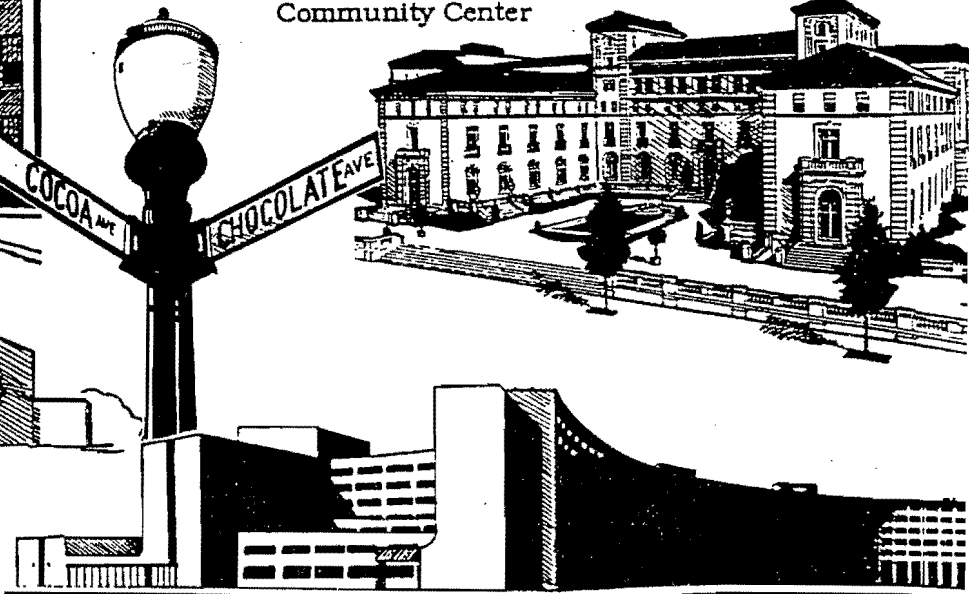
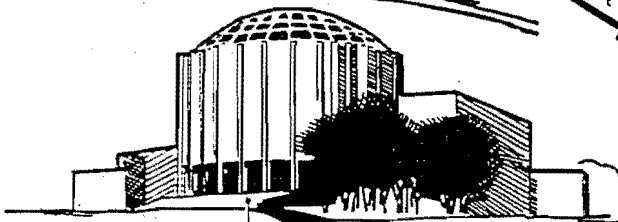
The Milton Hershey
Senior Hall



The Hershey
Community Center



Founders Hall



The Milton S. Hershey
Medical Center



The HERSHEY PARK Arena

November - December 1992

ROTARY CLUB OF HERSHEY
"OUR HERSHEY HERITAGE"
NOVEMBER - DECEMBER 1992

SUBJECT: "The Salesman, William F. R. Murrie"
SPEAKER: Milton T. Matthews, Vice President, Sales
(Nov. 9) Hershey Chocolate, U.S.A.

SUBJECT: "The Business Leader, Percy A. Staples"
SPEAKER: Kenneth L. Wolfe, President
(Nov. 16) Hershey Foods Corporation

SUBJECT: "The Builder, D. Paul Witmer"
SPEAKER: William H. Alexander, Chairman
(Nov. 23) H. B. Alexander & Son, Inc.

SUBJECT: "The Chemist, Samuel F. Hinkle"
SPEAKER: Dr. Nicholas M. Nelson, M.D.
(Nov. 30) Milton S. Hershey Medical Center

SUBJECT: "The Lawyer, John Snyder"
SPEAKER: Robert M. Reese, Assistant General Counsel
(Dec. 7) Hershey Foods Corporation

SUBJECT: "Our Hershey Heritage"
SPEAKER: Peter G. Gurt
(Dec. 14) Training and Development Manager

MILTON SNAVELY HERSHEY

I'd like to think, when life is done,
That I had filled some needed post,
That here and there I'd paid my fare
With something more than idle boast.
That I had taken gifts divine,
The Breath of life and manhood fine,
And tried to use them now and then
In service for my fellowman.

I'd hate to think when life is through
That I had lived my round of years
A useless time that leaves behind
No record in its vale of tears;
That I had wasted all my days
By treading only selfish ways
And that this world would be the same
If it had never heard my name.

I'd like to think when life is done
That here and there, there shall remain
A happier spot which might have not
Existed had I toiled for gain,
That someone's cheery voice and smile
Shall prove that I had been worthwhile
That I had paid with something fine,
My debt to God for life divine.

Edgar Guest
1938

"OUR HERSHEY HERITAGE"

NOVEMBER 9, 1992

"THE SALESMAN, WILLIAM F. R. MURRIE"



Milton T. Matthews
Vice President, Sales
Hershey Chocolate, U.S.A.

William Franklin Reynolds Murrie

for Milt Matthews, Hershey Chocolate U.S.A., to Hershey Rotary Club
November 9, 1992 (from a speech by Gary W. McQuaid, November 7, 1983)

In 1873, David and Amanda Murrie became the proud parents of Bill Murrie, raised in Bedford County in Western Pennsylvania. His father, a Scottish immigrant, was a coal miner. His mother, Amanda Horne, was a native Pennsylvanian and the sister of prominent Pittsburgh retailer Joseph Horne.

At the age of 16, Bill Murrie completed Bedford High School and began an apprenticeship as a telegrapher with the Western Maryland Railroad. Despite rapid advancement to a train dispatcher, Murrie soon became bored with railroad life and went to work for the Pittsburgh Confectionery Company of Weaver and Costello.

Within a couple years Mr. Murrie, not yet 23, was the top salesman and ready for increased responsibilities and challenges.

Milton Hershey first met Bill Murrie in Pittsburgh and was immediately impressed by the young man's intelligence and ambition, and gave him the challenge he was seeking. It was 1896 and Mr. Hershey was heading the thriving Lancaster Caramel Company. He had recently purchased and installed some chocolate-making equipment that he had seen at the Chicago World's Exposition. Selling chocolate was Bill Murrie's first challenge. The story is told that in the first week, Bill Murrie, as salesman, sold as much chocolate -- 200 barrels -- as the equipment could produce in a year. Bill Murrie was on his way.

At a double desk in Lancaster, Milton Hershey ran the caramel business from one side while across from him Bill Murrie looked after the growing chocolate business. In 1901, Milton Hershey sold the caramel business to devote full time to making a wide variety of chocolate products. Sales were \$600,000 per year when Mr. Hershey decided to relocate the chocolate firm to Derry Church and, in 1903, Mr. Murrie moved to what was to become Hershey, PA.

As General Manager, he took up residence in the former Tea House at the intersection of the Reading Turnpike (now Chocolate Avenue) and Spring Creek.

When the chocolate firm was relocated, Mr. Murrie and Mr. Hershey decided to drop all novelties to concentrate on nationally distributing a limited line of high quality, mass-produced chocolate products that everyone could afford. The five-cent milk chocolate and almond bars were born and so was the winning strategy that created the Hershey success.

By 1908, sales were \$2 million a year. Hershey Chocolate was incorporated, with Milton as Chairman of the Board and Bill Murrie as its 35 year-old president, a position he was to hold for an astounding 39 years.

From the executive office building Mr. Murrie ran the chocolate company, while Mr. Hershey devoted himself to building a town, starting his school for boys, and concocting new candy bars.

On call to assist Mr. Murrie was a promising young secretary by the name of Dick Uhrich, as well as an energetic young man by the name of Sam Tancredi.

Many of the major business milestones during Mr. Murrie's career with Hershey Chocolate Company occurred during the times of national crisis.

During World War I, the Federal government decided to give its servicemen a Christmas present and chose Hershey bars as the gift, establishing an even stronger niche in the minds of those men.

In the 1920s, Mr. Murrie became intrigued with the idea of selling a chocolate bar containing peanuts. Mr. Hershey was dubious about the proposition for a variety of reasons, but allowed Murrie to go ahead -- provided the Hershey name did not appear on it. Mr. Goodbar was introduced successfully under the fictitious sponsorship of the Chocolate Sales Corporation of Hummelstown.

During the Depression, Mr. Murrie and his chief chemist, Sam Hinkle, took a tour of Europe to study the latest chocolate-making trends and techniques. The immediate results of this trip were two new products, Aero and Biscrisp, that were introduced into the U.S. market, but discontinued before the war.

The relationship begun by Mr. Murrie was continued on by his successors and 35 years later resulted in the Rowntree-Mackintosh/Hershey licensing agreement that, through the popular Kit Kat brand, remains a major contribution to the company's growth.

Like all the early leaders of the town, Mr. Murrie was on virtually every Board in sight. However, his activity and influence seemed to have been pretty much concentrated on the chocolate company except for a two-year stint as President of Hershey Estates from 1927 to 1929. Mr. Murrie was a lifelong and sometimes vocal Democrat in an area that was overwhelmingly Republican.

While vocal, he was not very active on the political front until the second term of Franklin Roosevelt's presidency when two events coalesced to incite Mr. Murrie to political action. The first was the strike at Hershey Chocolate which was widely rumored to have been actively supported by the Labor Department in Washington.

The second was the explosion of New Deal Regulatory Agencies that threatened to, and did, change forever the way business is done in the U.S.

Through Secretary of Agriculture Henry Wallace -- later FDR's wartime Vice President (a convenient coincidence) -- Murrie gained access to Washington's inner circle.

These seeds sown, two benefits were promptly harvested. First, Mr. Murrie obtained the assignment to develop what later was to become the 'Ration Bar' and entrusted the project to his chemist, Mr. Hinkle. The ration bar spread the name and fame of Hershey around the world.

Second, throughout the wartime sugar quotas -- which actually lasted into 1948, Hershey Chocolate received at least equitable, if not beneficial treatment.

Following the 1937 strike, Mr. Hershey became progressively removed from direct involvement with the company and his 40-year old friendship with Bill Murrie began to cool, but not die. By the time the war was over, Mr. Hershey had passed away and Mr. Murrie's health was failing. Due to cataracts that operations could not correct, he was functionally blind.

Percy Staples, the mastermind of a highly profitable Cuban sugar operation, had been hand-picked by Milton Hershey to succeed Mr. Murrie. In a lightning swift bit of boardroom maneuvering, Mr. Staples forced the 74-year old Bill Murrie into retirement in January 1947.

Shattered by his ouster, Bill Murrie moved to Plainsfield, New Jersey. He died three years later. He was buried in the Hershey cemetery.

So much for Mr. Murrie's history. How about the man? He was a strapping, handsome, dignified, six-foot-one-inch, towheaded Scotsman. He looked the part of a company president. And he lived up to the Scottish heritage.

His frugality was legendary. Bill Murrie was the "Barry Bonds of Business" in the 1920s and 1930s. In a world shocked by Babe Ruth's \$100,000 yearly salary, Bill Murrie was one of the five best-paid men in American industry, and quietly earned as much as the Babe.

When asked in the 1930s how he could justify receiving \$50,000 per year more than FDR, Murrie chomped angrily on his cigar, then perked up and said, "That's easy, this outfit is making money. That gang in Washington is losing dough every day."

Only a very few people really became wealthy in Hershey, PA, but Bill Murrie was certainly one of them.

Despite his big income, his flashy Packard roadster, his elegant clothes and the mansion he built on East Chocolate -- the biggest house in town -- Bill Murrie had a deserved reputation for frugality.

As President, at Christmas he was buried under an avalanche of gifts -- liquor, hams, turkeys, etc. One night he enlisted two men from the Sales Department to help him cart all the gifts home from the office. After packing all the gifts into a huge closet already overflowing from previous gifts, the two sales guys figured they would at least get a bottle of booze for their efforts. It was not to be. "Thanks, fellows", Bill Murrie said and handed each four bananas. In those days, Milton Hershey tipped his barber 25¢, Bill Murrie 10¢.

While Bill Murrie was a tight man with a dollar, his wife -- undoubtedly with his full knowledge -- quietly established a reputation as one of the most charitable people ever to live in Hershey.

Throughout the Depression, when the pantries or coal bins of people in town were empty, deliveries of groceries or coal would mysteriously be made - at no charge to the recipient. The bills were quietly paid by Sara Murrie, with no one's knowledge except the merchants.

Mrs. Murrie was from Maryland and Mr. Murrie met her at a picnic following a semi-pro game his ball team was playing. She was a Catholic. The Methodist Bill Murrie changed religions to marry her.

As the Catholic president of the largest employer in an area and era where Catholics were the economic underclass, Bill Murrie was under constant, and sometimes not too subtle, pressure from the local Monsignor to show a bit of favoritism in the hiring and promotion of Catholics. After a particularly high-pressure session he was once overheard to explode to the priest, "Holy sucker in Hell, Father, I'm running a business here, not a charity".

Mr. Murrie was undoubtedly a consummate "people person". For instance, when he was a traveling salesman, he met Catherine Sweeney in a candy shop in Jamestown, New York, introduced Mr. Hershey to her and played cupid for over a year until Milton Hershey and Catherine Sweeney became man and wife. Some believe Mr. Murrie's role as matchmaker was the reason for Mr. Hershey's promotion of Murrie. Most evidence is that ability was an even greater factor.

Bill Murrie was reported to be extremely punctual. Having been chauffeured the 150 yards from his house to the factory, he would arrive at his desk at 8:03 on the dot every morning, the extra three minutes having been spent standing at the front door checking to see who was getting to work late.

Mr. Murrie, although not the Sales Manager after the move from Lancaster to Hershey, still kept tight personal control of the three big industrial customers - Mars, Peter Paul and Reynolds Tobacco.

Shortly before the war, Frank Mars' son Forrest was interested in marketing a new chocolate product, but could foresee a shortage of chocolate developing during the inevitable war. With his father's support, son Bruce Murrie teamed up with Forrest Mars in assuring a supply of scarce chocolate for their new product - M&Ms (for Mars and Murrie) throughout the war. After quotas ended in 1948, Forrest Mars maneuvered Bruce out and went on to become Hershey's largest competitor. Mr. Murrie's role in helping to establish our biggest competitor, partially to benefit his son, is one decision we'd like to make over again.

His biggest contribution, of course, was taking Mr. Hershey's products and building the chocolate company from \$600,000 per year when he became General Manager to \$120 million per year when he retired. Bill Murrie successfully implemented what Milton Hershey invented, leaving Mr. Hershey time to build the town and start the school.

My favorite and final story about Bill Murrie concerns the habit of people saying that "the Hershey bar doesn't taste like it used to". Confronted with this chronic comment, Mr. Murrie would inevitably reply, "It never did".

Thank you.

(END)

"OUR HERSHEY HERITAGE"

NOVEMBER 16, 1992

"THE BUSINESS LEADER, PERCY A. STAPLES"



Kenneth L. Wolfe
President
Hershey Foods Corporation

K. L. WOLFE COMMENTS
ROTARY LUNCHEON
NOVEMBER 16, 1992

PERCY ALEXANDER STAPLES

PERCY ALEXANDER STAPLES, PERSONALLY HANDPICKED BY MILTON HERSHEY TO BE HIS SUCCESSOR, WAS AN INTERESTING MAN. DESCRIBED AS RETICENT, EXTREMELY CONSCIENTIOUS, YET SOMEWHAT STRANGE, HE WAS GIVEN THE OMINOUS RESPONSIBILITY OF MANAGING THE VARIOUS HERSHEY INTERESTS DURING A CRITICAL TIME OF TRANSITION. WHAT DID MR. HERSHEY SEE IN PERCY STAPLES' BACKGROUND THAT WOULD EQUIP HIM FOR THE JOB?

PERCY STAPLES WAS BORN IN MARCH 1883 IN PORTLAND, MAINE. AN ENGINEER BY TRAINING AT THE MASSACHUSETTS INSTITUTE OF TECHNOLOGY, PERCY STAPLES HELD POSITIONS IN PUBLIC UTILITIES IN NEW JERSEY AND OHIO, AS WELL AS POSITIONS IN TWO ENGINEERING FIRMS BEFORE MEETING MR. HERSHEY IN 1921.

MR. HERSHEY IS SAID TO HAVE LIKED AND RESPECTED MR. STAPLES AT THEIR VERY FIRST MEETING AND, IN FACT, HE HIRED HIM IMMEDIATELY TO RUN THE CUBAN OPERATION. THUS IN 1921 AT THE AGE OF 38, MR. STAPLES BECAME RESPONSIBLE FOR THE GROWING HERSHEY ENTERPRISE IN CUBA.

IT IS INTERESTING TO NOTE THAT HERSHEY ACTIVITIES IN CUBA AT THAT TIME WERE MUCH LARGER THAN IN PENNSYLVANIA, WITH OVER \$60 MILLION INVOLVED IN THE MID-1920'S. AROUND 60,000 ACRES OF LAND WERE ACQUIRED IN CUBA, MORE THAN FIVE TIMES AS MUCH AS THAT OWNED IN PENNSYLVANIA.

SUGAR PRODUCTION IN CUBA WAS, OF COURSE, PARAMOUNT TO HERSHEY, AND EVENTUALLY HERSHEY CONTROLLED AS MANY AS 300,000 ACRES IN SUGAR CANE (THROUGH DIRECT OWNERSHIP AND LEASING). DUE TO MR. STAPLES LEADERSHIP IN IMPROVING REFINING PROCEDURES AND GREATER PRODUCTIVITY IN GROWING AND PROCESSING SUGAR, THE CUBAN OPERATIONS GREW TO A POINT WHERE THEY PRODUCED MORE THAN THREE

TIMES HERSHEY'S REQUIREMENTS FOR SUGAR IN CHOCOLATE MAKING.

THE CUBAN OPERATIONS WERE ALSO INVOLVED IN THE PRODUCTION OF SISAL (A FIBER USED IN MAKING ROPES AND SACKS) AND PEANUT OIL, AS WELL AS SUGAR, TO PROVIDE YEAR ROUND EMPLOYMENT FOR THE HERSHEY WORKERS.

WORKING CLOSELY WITH MR. HERSHEY, PERCY STAPLES DEVELOPED WHAT BECAME KNOWN AS "CENTRAL HERSHEY," THE CENTER OF THE VAST COMPLEX IN CUBA THAT WAS VIRTUALLY A COUNTERPART TO THE MODEL TOWN OF HERSHEY, PA. IT CONTAINED ALL AMENITIES EXPECTED IN ANY MODEL COMMUNITY -- HOMES, SHOPS, STORES, SCHOOLS, THEATER, POST OFFICE. AROUND THIS CENTRAL LOCATION, MR. STAPLES SPOTTED THE PLANTATIONS, REFINERIES, IMPORT FACILITIES AND, OF COURSE, THE RAILROADS BUILT BY HERSHEY.

IT IS INTERESTING TO NOTE THAT AT THE TIME THE TWO RAILROADS BUILT BY HERSHEY COMPRISED OVER 12% OF ALL THE RAILS IN CUBA. HERSHEY ALSO WAS

INSTRUMENTAL IN CONNECTING THE TWO ENDS OF THE ISLAND, UTILIZING TRACK LAID BY THE HERSHEY OPERATION.

IN 1925 MR. STAPLES, AT THE DIRECTION OF MR. HERSHEY, COMPLETED A SCHOOL FOR ORPHAN CHILDREN. HOWEVER, THE CUBAN MILTON S. HERSHEY SCHOOL WAS DISCONTINUED IN 1935.

MR. HERSHEY DIRECTLY CONTROLLED THE INFORMATION FLOW BETWEEN CUBA AND PENNSYLVANIA AND CHOSE NOT TO INTEGRATE THE CUBAN SUGAR OPERATION WITH THE HERSHEY CHOCOLATE COMPANY. ONLY A VERY SELECT NUMBER OF INDIVIDUALS WERE AWARE OF WHAT WENT ON IN THE CHOCOLATE COMPANY, AND THOSE RUNNING THE CHOCOLATE COMPANY WERE NOT NECESSARILY KEPT INFORMED AS TO WHAT WAS GOING ON IN CUBA.

EVENTS WERE SET IN MOTION IN 1927 THAT WOULD SHAPE MUCH OF THE DEVELOPMENT WE NOW SEE IN HERSHEY. IT WAS DECIDED THAT THE HERSHEY CHOCOLATE COMPANY WOULD GO PUBLIC THROUGH A COMPLEX STOCK ARRANGEMENT CONTAINING BOTH COMMON AND

CONVERTIBLE PREFERRED STOCK. THE HERSHEY CHOCOLATE COMPANY BUSINESS WAS BROKEN OFF AND BECAME THE PUBLIC COMPANY.

ALL OTHER ACTIVITIES (INCLUDING THE FARMS AND VARIOUS BUSINESSES) WERE COMBINED TOGETHER UNDER HERSHEY ESTATES WITH 100% OWNERSHIP BY THE TRUST. THE STOCK OF HERSHEY CORPORATION IN CUBA WAS ALSO PUT UNDER HERSHEY ESTATES BUT MR. STAPLES CONTINUED TO REPORT DIRECTLY TO MR. HERSHEY. HERSHEY CONTINUED TO THRIVE IN CUBA, AND OBVIOUSLY THE MANAGEMENT SKILLS OF PERCY STAPLES CONTINUED TO IMPRESS MR. HERSHEY.

AS YOU KNOW WITH THE DEPRESSION OF THE 1930'S, MR. HERSHEY BEGAN TO BUILD UP THE COMMUNITY OF HERSHEY WITH THE CONSTRUCTION OF THE HOTEL, ARENA, AND THE COMMUNITY CENTER. THESE LOCAL BUILDING PROGRAMS WERE FUNDED BY MONIES BROUGHT IN DIRECTLY FROM THE CUBAN SUGAR OPERATION AND CHanneled THROUGH HERSHEY ESTATES.

FOR NEARLY HALF A CENTURY, MANY HAD ASSUMED THAT MR. MURRIE WAS THE LOGICAL CHOICE FOR TAKING OVER THE CORPORATION. AFTER ALL, HE HAD SERVED AS MR. HERSHEY'S RIGHT-HAND MAN, KNEW THE CHOCOLATE BUSINESS INSIDE AND OUT, AND HAD BEEN SERVING WELL AS PRESIDENT. BUT, LIKE MR. HERSHEY, HE WAS GROWING OLDER AND DEVELOPING HEALTH PROBLEMS.

FOR WHATEVER REASONS, IN OCTOBER 1944 MR. HERSHEY MADE THE FIRST STEP TOWARD TRANSFERRING HIS CONTROL BY NAMING PERCY STAPLES AS PRESIDENT OF THE BOARD OF THE HERSHEY TRUST COMPANY AND CHAIRMAN OF THE BOARD OF MANAGERS AT THE HERSHEY INDUSTRIAL SCHOOL.

MR. STAPLES WAS NOW IN A POSITION OF AUTHORITY GREATER THAN THAT HELD BY MR. MURRIE WHO CONTINUED AS PRESIDENT OF THE HERSHEY CHOCOLATE CORPORATION.

DURING 1945 AND 1946, MR. STAPLES DIVIDED HIS TIME BETWEEN AN OFFICE ON THE SECOND FLOOR OF THE HERSHEY BANK BUILDING AND AN OFFICE IN NEW YORK,

ALTHOUGH HIS OFFICIAL RESIDENCE STILL REMAINED IN CENTRAL HERSHEY, CUBA. AT THIS POINT IN TIME, MR. STAPLES RECOMMENDED TO MR. HERSHEY THAT THE CORPORATION SELL ITS OPERATIONS IN CUBA BECAUSE OF THE UNCERTAINTY OF THE POLITICAL SITUATION.

DURING ONE OF HIS RETURN VISITS TO CUBA TO EFFECT THE SALE, HIS FURNISHINGS WERE BOXED IN HUGE CASES AND SHIPPED TO HERSHEY. MR. AND MRS. STAPLES MOVED TO HERSHEY INTO A FURNISHED APARTMENT AT "THE MEADOWS" (ORIGINALLY THE LEITHEISER HOME ON WEST CHOCOLATE AVENUE) AND THEN LATER, ENGAGED A SUITE OF ROOMS AT THE HOTEL HERSHEY WHERE THEY LIVED UNTIL HE DIED. THE FURNISHINGS WHICH WERE PACKED IN CUBA REMAINED UNOPENED FOR TEN YEARS UNTIL AFTER MR. STAPLES' DEATH.

AT MR. HERSHEY'S 88TH AND LAST BIRTHDAY PARTY ON SEPTEMBER 13, 1945, THE SEATING ARRANGEMENT WAS SIGNIFICANT TO MANY. MR. MURRIE, KNOWING BY THEN THAT HE WAS NOT HEIR, WAS SEATED ON MR. HERSHEY'S RIGHT AND MR. STAPLES WAS SEATED ON HIS LEFT. ONLY WEEKS AFTER THE CELEBRATION, MR. HERSHEY DIED.

IN 1947 WHEN WILLIAM MURRIE RETIRED FROM HIS POSITION AS PRESIDENT, PERCY STAPLES, THEN 63, WAS ELECTED AS CHAIRMAN OF THE BOARD AND PRESIDENT OF THE CORPORATION. HE THEN BECAME THE FIRST INDIVIDUAL IN HERSHEY HISTORY TO HOLD ALL OF THE TOP POSITIONS OF THE ORGANIZATION. HE WAS ALSO THE LAST. IT WAS A DRAMATIC -- AND SOMEWHAT TRAUMATIC TIME FOR SOME. MANY OF THE COMPANY OFFICERS DID NOT KNOW MR. STAPLES WELL. HE WAS ALSO CONSIDERED AN OUTSIDER AND, OF COURSE, VERY DIFFERENT FROM MR. HERSHEY. MR. STAPLES WAS STRICTLY A PROFESSIONAL MANAGER WHO RAN THE COMPANY FROM THE FINANCIAL STATEMENTS. THE QUESTION WAS -- COULD HE MAINTAIN THE LEGACY OF MR. HERSHEY?

THE CUBAN BUSINESS WAS EVENTUALLY SOLD IN 1946 AFTER MR. HERSHEY'S DEATH TO THE CUBAN ATLANTIC SUGAR REFINING COMPANY. JULIO LOBO, WHO HAD MADE THE PURCHASE AND PAID SOME \$25 MILLION TO HERSHEY, LATER FOUND HIS HOLDINGS IN JEOPARDY WITH THE OVERTHROW OF THE GOVERNMENT BY FIDEL CASTRO. APPARENTLY PERCY STAPLES' POLITICAL JUDGMENT WAS

CORRECT AS HE DID BRING BACK THE CAPITAL WHICH HAD BEEN INVESTED IN CUBA.

HE GATHERED AND RESTRUCTURED THOSE REPORTING TO HIM TO GIVE HIM CONTROL OF THE OPERATION. THE NAMES OF THE DIRECTORS INVOLVED IN THE OPERATION AT THAT TIME INCLUDED MANY YOU RECOGNIZE -- EZRA HERSHEY; LESTER MAJOR, OSCAR BORDNER, PARIS HERSHEY, D. PAUL WITMER AND JOHN GALLAGHER.

MANY ONLOOKERS FELT MR. STAPLES SEEMED TO HAVE THE LARGER PICTURE IN MIND -- SEEMED TO BE IN CONTROL IN MUCH THE SAME WAY MR. HERSHEY MAINTAINED CONTROL. BUT MAINTAINING THAT CONTROL AND INVOLVEMENT IN SO MANY BUSINESS ENDEAVORS DID TAKE EFFORT. IT WAS SAID THAT HE WOULD SPEND THE WEEKDAYS AT THE CHOCOLATE COMPANY, TAKING WORK HOME EVERY EVENING. HE OFTEN RETIRED EARLY BUT WOULD WAKE AT 3 A.M. TO BEGIN AGAIN. MOST WEEKENDS WERE SPENT AT THE BANK BUILDING ON TRUST COMPANY WORK. MANY FELT HE WAS BRILLIANT, BUT WE WOULD NO DOUBT LABEL HIM A "WORKAHOLIC" THESE DAYS.

DURING HIS YEARS AT THE HELM, THE COMPANY FACED MANY CHALLENGES INCLUDING THE DRAMATIC RISE IN COCOA PRICES, YET THE COMPANY CONTINUED TO BE PROFITABLE. WHEN HE JOINED THE COMPANY IN 1921, HERSHEY HAD SALES OF \$26.5 MILLION AND PROFIT AFTER TAXES OF APPROXIMATELY \$1.2 MILLION. WHEN HE BECAME CHAIRMAN AND PRESIDENT IN 1947, TOTAL SALES WERE \$120 MILLION AND PROFITS AFTER TAXES WERE ALMOST \$15 MILLION. TEN YEARS LATER IN 1956 (THE YEAR IN WHICH HE DIED) THE CORPORATION HAD TOTAL SALES OF \$149 MILLION AND NET PROFITS AFTER TAXES OF ALMOST \$13 MILLION.

AS COULD BE EXPECTED, HIS BUSINESS DECISIONS WERE NOT ALWAYS AGREED UPON BY THE HIGHER ELEMENTS OF MANAGEMENT. SUCH WAS THE CASE WITH HIS DECISION TO DROP THE EMBOSSED LABEL ON THE HERSHEY BAR. IT WAS TRADITION! THOSE IN THE FIELD DID NOT WANT IT DROPPED, THE SALES DEPARTMENT DID NOT WANT IT DROPPED, AND EVEN MR. GALLAGHER DID NOT WANT IT DROPPED. BUT PERCY STAPLES WAS ADAMANT AND HE PERSEVERED.

THERE WAS ALSO ANOTHER BATTLE WAGED DURING THAT TIME. MR. GALLAGHER WANTED OUT OF THE COATING BUSINESS BECAUSE OF THE M&M MARS SITUATION. INSTEAD OF GETTING OUT, MR. STAPLES FORGED AHEAD TO DEVELOP THE "LENTIL" SHAPE WE LATER REFERRED TO AS *HERSHEY-ETS*. I STRONGLY SUSPECT WE AS A COMPANY WOULD BE MUCH BETTER OFF TODAY HAD MR. STAPLES NOT PERSEVERED ON THIS ONE.

SOME FELT HE WORRIED HIMSELF TO DEATH OVER THE COCOA BEAN SITUATION. ALTHOUGH AN OVERSTATEMENT, IT WOULD HAVE BEEN UNDERSTANDABLE. IN 1946 THE SPOT PRICE OF COCOA WAS 11.5 CENTS. IN 1947 (THE FIRST YEAR MR. STAPLES WAS IN CHARGE), THE AVERAGE PRICE WAS 34.9 CENTS AND THEN CLIMBED TO A HIGH OF 57 CENTS IN 1954! MR. STAPLES CONTINUED TO SEEK WAYS TO PROTECT THE CORPORATION FROM ITS EXPOSURE BY RECOMMENDING THE PURCHASE OF CHOCOLATE LIQUOR FROM THE DOMINICAN REPUBLIC AND OTHER NONTRADITIONAL SOURCES. HE ALSO SUPPORTED RESEARCH PROJECTS IN COCOA GROWING LOCATIONS TO INCREASE THE AVAILABILITY OF COCOA.

IN ANY EVENT, PERCY STAPLES GUIDED THE DIVERSE HERSHEY ENTERPRISES FOR THOSE TEN YEARS IN A MANNER THAT HE FELT HAD BEEN ESTABLISHED BY MR. HERSHEY HIMSELF. HE ALSO LED THE PATH OF THE CORPORATION FROM BEING CONTROLLED AND DIRECTED BY ITS FOUNDER TO ONE THAT WOULD MOVE ON TO BECOME A MAJOR PUBLIC CORPORATION.

MR. STAPLES WAS AN INTROVERT AND DID NOT BECOME INVOLVED IN THE DAILY LIFE OF THE COMMUNITY -- RARELY APPEARING AT PUBLIC FUNCTIONS. HOWEVER, HE DID MAINTAIN A DEEP LEVEL OF INVOLVEMENT WITH THE ACTIVITIES OF THE MILTON HERSHEY SCHOOL PERHAPS BECAUSE OF THE IMPORTANCE OF HONORING THE MEMORY OF MR. HERSHEY.

RUMORS DID ABOUND REGARDING HIS PSYCHOLOGICAL HEALTH. THESE RUMORS RAN RAMPANT DURING 1953 WHEN HE SIMPLY DISAPPEARED FROM THE SCENE FOR A NUMBER OF MONTHS. HE COLLAPSED IN MARCH AND DID NOT RETURN TO THE JOB UNTIL OCTOBER OF THAT YEAR.

MANY ALSO SPECULATED ABOUT THE QUALITY OF LIFE HE LIVED. AFTER ALL, HE AND HIS WIFE HAD NO CHILDREN AND LIVED A VERY ISOLATED LIFE IN A FEW HOTEL ROOMS. AT ONE POINT, HE SUFFERED A HEART ATTACK IN CUBA WHILE PLAYING GOLF. THIS APPARENTLY LED HIM TO BECOME VERY MUCH CONCERNED ABOUT HIS HEALTH. HE BECAME A HYPOCHONDRIAC, OFTEN GOING FROM ONE PHYSICIAN TO ANOTHER SEEKING ADVICE IN RELATION TO HIS HEALTH. EVEN THOUGH HE HAD NO MAJOR HEALTH PROBLEMS, HE CONTINUED TO VISIT DOCTORS AND PAID RELATIVELY LARGE SUMS OF MONEY TO BE TOLD THAT HE HAD NO PROBLEMS.

MANY PEOPLE BELIEVED THAT HE DID NOT DESERVE THE ACCOLADES FOR THE COMPANY'S SUCCESS. IT WAS FELT THAT WHEN HE INHERITED THE COMPANY, IT WAS SO WELL POSITIONED FOR THE FUTURE BECAUSE OF THE PLANNING OF MR. HERSHEY THAT IT COULD NOT FAIL. SOME EVEN FELT THAT PERCY STAPLES JUST "MILKED" WHAT EXISTED AND DID NOT ADD MUCH TO THE BUSINESS.

REGARDLESS OF HIS PERSONAL IDIOSYNCRASIES (OF WHICH HE HAD MANY) OR THE CONTROVERSY WHICH OFTEN

SURROUNDED HIM, NO ONE COULD DISPUTE THAT PERCY STAPLES WAS PERSONALLY HIRED BY MR. HERSHEY AND WAS OBVIOUSLY CHOSEN TO BE RESPONSIBLE FOR THE MAJOR TRANSITION AFTER HIS DEATH. PERHAPS MR. HERSHEY BELIEVED HE HAD SELECTED THE ONLY PERSON WHO COULD HAVE MADE THE CRITICAL BUSINESS DECISIONS NECESSARY TO STRENGTHEN AND STABILIZE THE ACTIVITIES OF THE VARIOUS BUSINESS ENTERPRISES AND FURTHER, TO ABSOLUTELY ENSURE THE ONGOING SUPPORT OF HIS LEGACY -- THE SCHOOL.

HE DIED SUDDENLY ON JULY 23, 1956, AND IN NOVEMBER OF THE SAME YEAR, MRS. STAPLES ALSO DIED UNEXPECTEDLY.

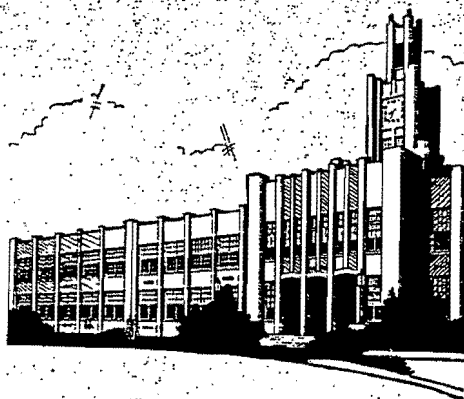
AS MR. STAPLES GUIDED THE VARIOUS HERSHEY INTERESTS THROUGH THE CRUCIAL PERIOD FOLLOWING THE DEATH OF MR. HERSHEY, HE PERSONIFIED THREE PRINCIPLES VERY MUCH ADMIRER BY OUR FOUNDER: (1) THAT SUCCESS IS PRINCIPALLY THE RESULT OF HARD WORK, HARD WORK IS A DISCIPLINE LEARNED EARLY IN LIFE, AND THERE IS NO AGE LIMIT TO THOSE WHO BELIEVE IN HARD WORK. (2) THAT THE RESULTS OF SUCCESS SHOULD BE

USED FOR THE BENEFIT OF OTHERS. MONEY ITSELF IS NOTHING, AND IT IS THE GOOD THAT ONE ACCOMPLISHES THAT COUNTS. AND (3) THAT LEADERSHIP IS EARNED THROUGH HARD WORK AND LOYALTY, AND A LEADER MUST SEE, HEAR, TOUCH, AND FEEL WHAT IS GOING ON WITHIN THE INSTITUTION.

"OUR HERSHEY HERITAGE"

NOVEMBER 23, 1992

"THE BUILDER, D. PAUL WITMER"



William H. Alexander
Chairman
H. B. Alexander & Son, Inc.

ON JULY 2, 1959, THE FRONT PAGE OF THE HERSHEY NEWS CONTAINED THIS PICTURE WITH THE HEADLINE, "D. PAUL WITMER RETIRES AFTER 35 YEARS AS A HERSHEY EXECUTIVE AND BUILDER". IT IS MY PLEASURE TO PROVIDE YOU WITH SOME OF THE HIGHLIGHTS OF THAT REMARKABLE 35 YEAR CAREER, A CAREER WHICH EARNED MR. WITMER NOT ONLY THE TITLE AS MR. HERSHEY'S BUILDER, BUT ALSO RECOGNITION AS PROBABLY THE MOST OUTSTANDING CONSTRUCTION EXECUTIVE IN CENTRAL PENNSYLVANIA DURING THE 20TH CENTURY.

LET'S MOVE FROM 1959 BACK TO THE BEGINNING OF THAT 35 YEAR CAREER IN 1924. HERSHEY LOOKED LIKE THIS. THIS PICTURE WAS TAKEN STANDING ON THE RAILROAD TRACKS, LOOKING NORTH TOWARD THE HILL WHERE THE SCHOOL AND HOTEL ARE NOW LOCATED. AS YOU CAN SEE, THERE IS NO HOTEL AND NO SCHOOL, AND THAT BUILDING WHICH NOW LOOKS VERY FAMILIAR TO YOU AS THE MUSEUM, WAS A CONVENTION CENTER. THE ONLY THING THAT'S THE SAME IS THE ANTIQUE AUTO SHOW WHICH WAS GOING ON AT THE TIME. THIS IS WHAT HERSHEY LOOKED LIKE WHEN A HOUSE BUILDER FROM ELIZABETHTOWN, D. PAUL WITMER CAME TO TOWN TO BUILD A HOUSE ON MAPLE AVENUE, FOR A CLIENT.

AT THAT TIME, MR. HARRY HERR WAS THE CHIEF ENGINEER FOR THE HERSHEY LUMBER COMPANY. IN THAT CAPACITY, IT WAS HIS JOB TO DESIGN THE WATER AND SEWAGE SYSTEMS FOR MR. HERSHEY'S NEW TOWN, AS WELL AS LANDSCAPING, WHICH MR. HERSHEY CONSIDERED ESSENTIAL TO A PLEASANT LIVING ENVIRONMENT. DUE TO THE RAPID GROWTH OF HERSHEY IN THE 1920'S, THIS JOB BECAME TOO GREAT FOR ONE MAN, AND MR. HERR WENT TO MR. HERSHEY AND REQUESTED THAT HE BE ALLOWED TO

HIRE AN ASSISTANT. BOTH MEN WERE AWARE OF THE PROFESSIONALISM OF THE YOUNG MAN BUILDING THE HOUSE ON MAPLE AVENUE, AND AGREED THAT HE WAS THE RIGHT MAN FOR THE JOB.

THAT YOUNG MAN, DAVID PAUL WITMER, AT THE TIME WAS 30 YEARS OLD, HAVING BEEN BORN IN ELIZABETHTOWN IN 1894. AFTER ATTENDING THE PUBLIC SCHOOLS IN ELIZABETHTOWN, HE GRADUATED FROM STEVEN'S TRADE SCHOOL IN LANCASTER IN 1914 AT THE AGE OF 20. AFTER WORKING IN ERIE AND CLEVELAND, HE CAME BACK TO ELIZABETHTOWN WHERE HE BEGAN BUILDING HOUSES, AND FORTUNATELY FOR HIM, AS WELL AS MR. HERSHEY, ONE OF THOSE HOUSES WAS IN MR. HERSHEY'S RAPIDLY EXPANDING COMMUNITY.

WITHIN ONE YEAR AFTER PAUL WITMER CAME TO WORK FOR THE HERSHEY LUMBER COMPANY, THERE WAS A SHAKE UP WITHIN THE ORGANIZATION. MR. HERSHEY DISMISSED RAY GLACE, WHO WAS IN CHARGE OF THE LUMBER COMPANY AT THE TIME, AND DEMONSTRATING ONCE AGAIN HIS UNIQUE KNACK FOR SELECTING THE RIGHT PEOPLE, MR. HERSHEY PROMOTED PAUL WITMER TO HEAD THE LUMBER COMPANY AFTER JUST ONE YEAR OF EMPLOYMENT. MY RESEARCH DOES NOT PROVIDE INFORMATION AS TO WHAT MR. WITMER DID IN THAT ONE YEAR, BUT CLEARLY IT WAS ENOUGH TO ATTRACT MR. HERSHEY'S ATTENTION. THE SUBJECT OF TODAY'S TALK WAS NOW IN POSITION TO EMBARK ON A REMARKABLE JOURNEY OF ACCOMPLISHMENT WHICH IS STILL VERY VISIBLE TO ALL OF US HERE IN HERSHEY TODAY.

ALTHOUGH HIS ENTIRE 35 YEAR CAREER IN HERSHEY WAS ONE OF MERIT, WITHOUT ANY DOUBT, THE HIGHLIGHT OF THIS REMARKABLE CAREER HAD TO BE THE DECADE OF THE 1930'S. WITH THE ARRIVAL OF THE DEPRESSION, MR. HERSHEY SAID, "THE PEOPLE OF HERSHEY ARE GOING TO CONTINUE TO WORK AND THEY ARE GOING TO MAINTAIN THE QUALITY OF LIFE THAT THEY'VE BECOME ACCUSTOMED TO". HE WAS ABLE TO PROMISE THIS BECAUSE HE HAD A GREAT DEAL OF CASH FLOW COMING FROM THE HERSHEY SUGAR INTERESTS IN CUBA, A CASH FLOW WHICH HE DEDICATED TO CREATING JOBS IN THE HERSHEY AREA.

THE FIRST PROJECT TO BE UNDERTAKEN WAS THE CONVERSION OF THE CONVENTION CENTER INTO AN ICE PALACE. I ASSUME THERE WAS NO GREAT NEED FOR CONVENTION SPACE DURING THE DEPRESSION, AND MR. HERSHEY WANTED SOME DIVERSION FOR HIS PEOPLE. SO HE TURNED TO MR. WITMER TO UNDERTAKE THIS UNIQUE CHANGE OF USAGE FOR THE FACILITY. WITHIN A PERIOD OF FIVE MONTHS, THEY WERE PLAYING ICE HOCKEY IN THE BUILDING AND THE HERSHEY BARS WERE BORN TO PROVIDE DIVERSION FOR MR. HERSHEY'S PEOPLE DURING THE DEPRESSION.

THE NEXT MAJOR CHALLENGE FOR MR. WITMER WAS THE COMMUNITY CENTER. I WOULD LIKE TO READ FROM AN ARTICLE IN THE HERSHEY PRESS WHERE IT DESCRIBED THE RENDERING OF A GREAT SOCIAL SERVICE CENTER WHICH WAS TO BE THE CHIEF ARCHITECTURAL ACHIEVEMENT OF HERSHEY. THE ARTICLE WENT ON TO SAY "CONSTRUCTION WILL BEGIN NEXT SPRING. THERE WILL BE FIVE STORIES. IT WILL BE 360 X 240 FEET. IT WILL BE THE ONLY BUILDING OF ITS KIND IN THE WORLD." IT'S INTERESTING TO NOTE THAT THIS PAPER WAS DATED NOVEMBER 4, 1915, AND I DON'T KNOW WHAT HAPPENED IN THE 17 YEARS BETWEEN 1915 AND 1932, BUT PAUL WITMER BROUGHT THIS PROJECT TO REALITY COMMENCING IN 1932.

IT IS INTERESTING TO NOTE THE COMMUNITY CENTER TOOK 18 MONTHS TO BUILD. I CAN ASSURE YOU THAT ANY MODERN CONTRACTOR WOULD TAKE A MINIMUM OF THREE YEARS UTILIZING SPECIALTY CONTRACTORS FROM THROUGHOUT THE UNITED STATES IN ORDER TO ACCOMPLISH THE QUALITY OF WORK THAT STANDS IN THAT BUILDING. MR. WITMER SUPERVISED THAT PARTICULAR PROJECT IN HALF THE TIME THAT IT WOULD TAKE TODAY, AND WITH THE EXCEPTION OF THE STEEL ERECTION, HE DID IT USING A WORK FORCE THAT WAS ENTIRELY UNDER HIS SUPERVISION RATHER THAN SUBCONTRACTING ANY PART OF THE WORK. PLEASE RECALL, THIS WAS A MAN WHO JUST SEVEN YEARS AGO HAD BUILT NOTHING MORE COMPLICATED THAN A HOUSE.

TO MAKE THE COMMUNITY CENTER PROJECT AN EVEN MORE IMPRESSIVE ACCOMPLISHMENT, MR. HERSHEY COMPLICATED PAUL WITMER'S LIFE WHEN JUST TWO MONTHS INTO THE CONSTRUCTION OF THE COMMUNITY CENTER, MR. HERSHEY RETURNED FROM A VACATION IN THE MEDITERRANEAN AND BROUGHT WITH HIM THE FAMOUS POST CARD OF A HOTEL WHERE HE STAYED. HE SAID TO MR. WITMER, "I LIKE THIS HOTEL, I WANT YOU TO BUILD ONE JUST LIKE IT ON THE TOP OF THE HILL". MOST PEOPLE HAVE HEARD THE POST CARD STORY, BUT VERY FEW REALIZE THAT THE POST CARD SHOWED THE PICTURE OF A 35 ROOM HOTEL, AND MR. HERSHEY SAID I WANT 200 ROOMS. MR. WITMER LABORED LONG AND HARD TO FIGURE OUT HOW TO CONVERT A 35 ROOM HOTEL INTO A 200 ROOM HOTEL AND STILL HAVE IT LOOK THE SAME. HE REALIZED THEY COULDN'T GO UP IN THE AIR BECAUSE THAT WOULDN'T LOOK RIGHT. IF THEY TRIED TO STRETCH IT OUT, IT WOULD BE AN AWFULLY LONG WALK TO THE CENTRAL

CORE. SO AFTER A LOT OF GIVE AND TAKE, MR. HERSHEY FINALLY AGREED THAT THEY WOULD BUILD 150 ROOMS. AS YOU CAN SEE, MARKETING STUDIES FOR HOTELS WEREN'T NEARLY AS ELABORATE IN THE 1930'S AS THEY ARE TODAY.

THE HOTEL WAS BUILT IN THE AMAZINGLY SHORT PERIOD OF ONE YEAR. TWO STORIES HAVE BECOME LEGEND WITH RESPECT TO THE HOTEL CONSTRUCTION. THE FIRST DEALS WITH THE FAMOUS CHANGE ORDER IN THE DINING ROOM. MR. HERSHEY WANTED A DINING ROOM WHICH WOULD PERMIT EVERYBODY TO HAVE A VIEW. MR. WITMER PRODUCED A DESIGN THAT RESULTED IN A CIRCULAR DINING ROOM THAT HAD JUST ONE COLUMN IN THE CENTER OF THE BUILDING. MR. HERSHEY FELT THE DESIGN WAS OUTSTANDING EXCEPT THAT HE DIDN'T WANT THE COLUMN. SO HE SAID "TAKE IT OUT". MR WITMER, DEMONSTRATING A CAN-DO ATTITUDE, SAID "IT WILL BE TAKEN OUT". HE DEVELOPED A TRUSS THAT IS STILL STATE OF THE ART, AND THIS CAN-DO ATTITUDE ON THE PART OF MR. WITMER NOW ALLOWS YOU TO SIT ANYWHERE IN THE HOTEL HERSHEY'S CIRCULAR DINING ROOM WITHOUT ANY COLUMNS BLOCKING YOUR VIEW OF THE FORMAL GARDENS AT THE REAR OF THE HOTEL. EQUALLY AS IMPRESSIVE AS COMPLETING THE COMMUNITY CENTER IN 18 MONTHS WAS THE COMPLETION OF THE HOTEL IN JUST 12 MONTHS. MR. WITMER ACCELERATED THE CONSTRUCTION BY ADAPTING A RAILWAY FLAT CAR THAT WOULD FIT ONTO THE TROLLEY TRACKS THAT RAN UP THE HILL, AND AS A RESULT, WAS ABLE TO TAKE ALL THE MATERIALS DIRECTLY FROM THE TRAINS TO THE JOB SITE BY RAIL, THEREBY SAVING A GREAT DEAL OF HANDLING, AS WELL AS COST. I MIGHT INTERJECT HERE THAT YOU MIGHT SAY THAT COMPLETING THE COMMUNITY CENTER IN JUST 18 MONTHS, AND BUILDING

THE HOTEL IN JUST ONE YEAR HAD TO BE THE PRODUCT OF A LOT OF INEXPENSIVE LABOR AVAILABLE AT THE TIME. I PROPOSE TO YOU THAT YES, THERE WAS A LOT OF LABOR, AND YES, THERE WAS READY AVAILABILITY OF MATERIAL BECAUSE VERY FEW OTHER PEOPLE WERE DOING ANY CONSTRUCTION. BUT, IT STILL TAKES THE SAME AMOUNT OF TIME FOR CONCRETE TO HARDEN AND FOR PLASTER TO DRY, AND IT IS BEYOND MY UNDERSTANDING HOW MR. WITMER WAS ABLE TO ORGANIZE THESE PROJECTS OF SUCH COMPLEXITY IN ORDER TO BE COMPLETED IN SUCH A SHORT PERIOD OF TIME ESPECIALLY WHEN YOU CONSIDER THE UNIQUE TILE, MOSIACS, AND MILLWORK FOUND IN EACH OF THESE BEAUTIFUL BUILDINGS.

MR. WITMER'S NEXT MAJOR PROJECT WAS THE CONSTRUCTION OF WHAT WE NOW REFER TO AS SENIOR HALL OF THE MILTON HERSHEY SCHOOL WHICH WAS STARTED IN 1933. THIS BUILDING OF OVER 800 FEET IN LENGTH ALSO TOOK A REMARKABLY SHORT PERIOD OF TIME TO COMPLETE, 18 MONTHS TO BE SPECIFIC. IT WAS BUILT IN 13 DIFFERENT SECTIONS DESIGNED BY MR. WITMER AND HIS TRUSTED DESIGN ASSOCIATE, MORRIS GLACE. ONCE AGAIN, THE TROLLEY TRACKS THAT I SHOWED YOU IN THE PREVIOUS PICTURE WERE USED TO GET THE MATERIALS TO THE SITE. LET ME DESCRIBE A DOCUMENTED EVENT CONCERNING THIS SCHOOL WHICH TYPIFIES THE RELATIONSHIP BETWEEN MR. HERSHEY AND MR. WITMER. THIS IS THE PICTURE OF THE DEDICATION IN NOVEMBER OF 1934, AND MR. HERSHEY IS SITTING IN THE SEAT OF HONOR IN THE CENTER OF THE STAGE, AND MR. WITMER IS SITTING TO HIS LEFT. IMMEDIATELY PRIOR TO THE PICTURE BEING TAKEN, MR. WITMER TOOK MR. HERSHEY THROUGH THE SCHOOL. I MIGHT INTERJECT THAT MR. HERSHEY ENJOYED TALKING TO MR. WITMER ON A REGULAR BASIS, BUT HE DID NOT INTERFERE NOR DID HE

BECOME A NUISANCE AS A SIDEWALK SUPERINTENDENT, EVEN THOUGH IT WAS HIS WEALTH THAT WAS PROVIDING THE CONSTRUCTION OPPORTUNITIES. AS A RESULT, HE HAD NOT SEEN THE SCHOOL PRIOR TO ITS COMPLETION. AFTER THE TOUR, WHILE THE TWO WERE STANDING IN THE LOBBY OUTSIDE THE AUDITORIUM, MR. WITMER SAID, "WELL MR. HERSHEY, DO YOU LIKE IT?" MR. HERSHEY SAID, "YES I DO", AND HE WALKED INTO THE AUDITORIUM. THAT'S ALL HE SAID, AND FOR YEARS MR. WITMER WOULD SAY "THAT'S ALL I NEEDED FROM M. S. HERSHEY BECAUSE IF HE SAID THAT, I KNEW I WAS DOING MY JOB". I BELIEVE THIS ANTIDOTE ACCURATELY TYPLIFIES THE RELATIONSHIP BETWEEN THESE TWO OUTSTANDING GENTLEMEN.

PROBABLY THE GREATEST ACHIEVEMENT OF MR. WITMER'S CONSTRUCTION CAREER TOOK PLACE IN 1936 WHEN THE ARENA WAS BUILT. THE HERSHEY BEARS WERE DOING PHENOMENALLY WELL. THEY HAD WON SOME CHAMPIONSHIPS AND IT WAS NECESSARY TO GET THEM OUT OF THEIR 2,000 SEAT ICE PALACE, WHICH WE TODAY KNOW AS THE HERSHEY MUSEUM. MR. WITMER DID A LOT OF PROFESSIONAL READING AND BECAME FAMILIAR WITH A GERMAN SYSTEM FOR BUILDING STRUCTURES UTILIZING CONCRETE SHELLS. I EMPHASIZE THE WORD SHELL BECAUSE THE GERMAN ENGINEERING CALLED FOR THE CONCRETE TO BE BUILD SO THAT STRUCTURALLY IT WOULD BE SIMILAR TO AN EGG SHELL. AS YOU KNOW, IF YOU PUSH ON THE END OF AN EGG SHELL IT IS VERY DIFFICULT TO BREAK IT. YOU CAN DO THE SAME THING WITH CONCRETE AS A SHELL IF YOU MAKE SURE IT IS CURVED AND THERE ARE NO FLAT SPOTS IN IT. MR. WITMER, BEING FULLY CONFIDENT IN HIS CONSTRUCTION ABILITIES, UNDERTOOK THE FIRST CONCRETE SHELL PROJECT IN THIS COUNTRY. PLEASE NOTE THE VERY

ELABORATE FRAMING SYSTEM THAT WAS REQUIRED TO FORM THE ARENA. AGAIN, ALSO REMEMBER THAT THIS PROJECT WAS UNDER THE SUPERVISION OF A MAN WHO 12 YEARS EARLIER WAS A HOUSE BUILDER. YET, WITH THE SAME ATTITUDE THAT ELIMINATED THE COLUMN IN THE HOTEL AND BUILT THE COMMUNITY CENTER AND SENIOR HALL IN RECORD TIMES, THIS MAN, THROUGH SELF-EDUCATION AND SELF-CONFIDENCE, AND TOTAL DEDICATION TO A BOSS WHO SAID I WANT SOMETHING, UNDERTOOK THIS MOST DIFFICULT PROJECT.

THE ONLY WAY THE CONCRETE COULD BE POURED WAS TO START ON THE GROUND ON BOTH SIDES AND POUR CONTINUOUSLY UNTIL THE TWO POURS CAME TOGETHER AT THE TOP OF THE ARENA. THESE POURS TOOK ANYWHERE FROM 14 TO 20 DAYS, WORKING 24 HOURS A DAY. THE CONCRETE WAS MIXED IN A BATCH PLANT ON THE SITE TO PROVIDE A STEADY AND CONSISTENT SUPPLY. ONCE THE POURS WERE COMPLETE, THE FORMS WOULD BE LOWERED SLIGHTLY SO THAT THE CONCRETE COULD BEGIN TO CARRY ITS OWN WEIGHT. AFTER A MINIMUM PERIOD OF CURING, THE JACKS WOULD THEN BE LOWERED AND THE FORMS WOULD DROP AWAY FROM THE CONCRETE SHELL. MR. WITMER REPORTED THAT THE NORMAL CONCRETE DEFLECTION WAS ABOUT 2-1/2" AND WHEN THEY LOWERED THE FIRST FORM AND THE CONCRETE CONTINUED TO STAY ATTACHED TO THE FORMS FOR THE FIRST 2", HE FELT THAT A MONUMENTAL FAILURE WAS ABOUT TO OCCUR. NEVERTHELESS, THE CONCRETE STOPPED SETTLING AS THE FORMS WERE LOWERED FURTHER, MUCH TO HIS PLEASURE, I MIGHT ADD.

HERE IS A PICTURE OF THE INTERIOR WHICH SHOWS THAT WHILE THEY WERE FORMING THE SHELL, THEY WERE ALSO DOING THE SEATING, WHICH IS ALSO OUT OF CONCRETE.

HERE ARE VIEWS OF THE CONCRETE POUR PROCEDURES. AS I INDICATED, THEY WOULD BUGGY THE CONCRETE UP ELEVATORS AND THEN WALK IT ACROSS CATWALKS AND DROP IT DOWN TO WHERE THE FINISHERS WOULD FINISH IT.

AGAIN, THIS PROJECT PROVIDED SOME UNIQUE SIDE STORIES. FIRST OF ALL, THE LUMBER THAT YOU SEE IN THIS PICTURE IS STILL IN USE TODAY BECAUSE NOT ONLY WAS MR. WITMER A GREAT PLANNER, BUT HE WAS ALSO A FRUGLE STEWARD OF MR. HERSHEY'S MONEY AND HE DID NOT WASTE ANYTHING. THAT LUMBER CAN NOW BE FOUND IN THE NUMEROUS BARNs, FARMS, AND OUTBUILDINGS LOCATED ON THE MILTON HERSHEY SCHOOL CAMPUS. THERE IS ANOTHER INTERESTING STORY CONCERNING THE BUILDING OF THE ARENA. AS I INDICATED, ONCE YOU STARTED POURING YOU HAD TO CONTINUE FOR A MINIMUM OF TWO WEEKS, AND OBVIOUSLY YOU DIDN'T KNOW WHAT THE WEATHER FORECAST WAS TWO WEEKS IN ADVANCE. ON ONE OF THE POURS, THEY WERE CONFRONTED WITH AN UNUSUAL TEMPERATURE DROP FROM 38 DEGREES DOWN TO 22 DEGREES. THE CONSULTING GERMAN ENGINEER COULDN'T BE FOUND FOR ADVICE, AND THEREFORE, MR. WITMER HAD TO TAKE MATTERS INTO HIS OWN HANDS. HIS SOLUTION WAS TO GO OUT TO THE STATE POLICE ACADEMY, WHICH AT THE TIME WAS LOCATED IN THE VICINITY OF COCOA AVENUE, AND TO ALL THE FARMS IN THE MILTON HERSHEY SCHOOL WHERE THEY COLLECTED ALL THE HORSE AND COW MANURE THAT THEY COULD FIND, BROUGHT IT UP IN THE WHEELBARROWS AND PACKED IT AROUND THE CONCRETE, THEREBY UTILIZING THE WARM MANURE TO KEEP THE CONCRETE FROM FREEZING. THE NEXT TIME YOU ATTEND AN EVENT IN THE ARENA, LOOK UP AT THE CEILING, POINT OUT A DARK SPOT TO YOUR CHILDREN OR

GRANDCHILDREN, AND IMPRESS THEM WITH YOUR KNOWLEDGE OF HOW THAT DARK SPOT CAME TO BE.

I WANT YOU TO OBSERVE IN THIS PHOTO THE NUMBER OF CARS THAT ARE PARKED ADJACENT TO THE ARENA PROJECT. IN CASE YOU THINK THAT MR. HERSHEY AND MR. WITMER TOOK ADVANTAGE OF MASSIVE UNEMPLOYMENT IN THE 1930'S TO OBTAIN INEXPENSIVE LABOR FOR THESE PROJECTS, YOU ARE WRONG. BOTH MR. HERSHEY AND MR. WITMER FELT THAT THE SKILLED MANPOWER SHOULD BE PAID A WAGE COMMENSURATE WITH THE SKILL AND THE TALENT THAT THEY BROUGHT TO THE PROJECT IRRESPECTIVE OF THE HIGH UNEMPLOYMENT RATE IN THE COUNTRY. AS A RESULT, THESE WORKERS LIVED WELL AS INDICATED BY THE QUANTITY OF CARS IN THIS PICTURE.

HOW MANY PEOPLE WERE EMPLOYED ON THESE PROJECTS DURING THE 1930'S? IT IS ESTIMATED THAT MR. HERSHEY PROVIDED OVER 6,000 JOBS FOR THE CENTRAL PENNSYLVANIA WORK FORCE WITH APPROXIMATELY 3,000 WORKING IN THE CHOCOLATE FACTORY, 1,000 WORKING FOR HERSHEY ESTATES, AND THE OTHER 2,000 EMPLOYED UNDER THE SUPERVISION OF MR. WITMER AT THE HERSHEY LUMBER COMPANY.

ALTHOUGH THE ARENA WAS THE LAST MASSIVE PROJECT UNDERTAKEN DURING THIS DECADE, BEFORE THE END OF THE 1930'S, MR. WITMER HAD DESIGNED AND SUPERVISED THE CONSTRUCTION OF SUCH OTHER DIVERSE FACILITIES AS THE ABATTOIR, THE LAUNDRY, AND THE STADIUM, ALL OF WHICH STILL STAND TODAY EVEN THOUGH THE ABATTOIR HAS NOW BEEN RETROFITTED INTO THE LOCAL POST OFFICE.

AS IF ALL THIS CONSTRUCTION ACTIVITY WAS NOT ENOUGH FOR MR. WITMER, HE ALSO SET UP A FURNITURE FABRICATION FACILITY WHICH, BY THE BEGINNING OF WORLD WAR II, EMPLOYED 600 PEOPLE.

MR. WITMER CONTINUED HIS LEADERSHIP OF THE LUMBER COMPANY THROUGHOUT WORLD WAR II AND AFTERWARDS UNTIL HIS RETIREMENT IN 1959, HE SUPERVISED A WORK FORCE THAT AVERAGED OVER 200 EMPLOYEES DURING THAT POST WAR PERIOD MOSTLY BUILDING HOUSES IN DERRY TOWNSHIP. ALSO DURING THAT PERIOD, MR. HERSHEY UTILIZED THE MANAGERIAL SKILLS OF MR. WITMER TO HELP BUILD YOUNG MEN OF HIGH CHARACTER BY APPOINTING HIM AS PRESIDENT OF THE MILTON HERSHEY SCHOOL IN 1938.

YOU HAVE HEARD OF THE EXPLOITS OF D. PAUL WITMER, THE BUILDER, LET ME NOW TURN TO D. PAUL WITMER, THE PERSON. HE WAS A VERY STRAIGHTFORWARD, NO NONSENSE, HONEST INDIVIDUAL. ON A WEEKLY BASIS, HE ENJOYED EATING ICE CREAM WITH MILTON HERSHEY AT THE COCOA INN. IT IS WELL KNOWN THAT ANY TIME THERE WAS A COST OVERRUN OR A DELAY, MR. HERSHEY WAS SURE TO KNOW ABOUT IT, MANY TIMES FINDING OUT WHILE ENJOYING ICE CREAM FROM THE HERSHEY CREAMERY. THERE WAS NEVER THE LEAST THOUGHT THAT MR. WITMER WOULD ATTEMPT TO COVER UP A MISTAKE. I AM SURE HIS INTEGRITY WAS ONE OF THE THINGS THAT GREATLY IMPRESSED MR. HERSHEY.

HE WAS VERY FRUGLE. I ALREADY MENTIONED ABOUT HIS REUSE OF LUMBER IN MANY OF THE BUILDINGS THAT ARE STANDING TODAY IN DERRY TOWNSHIP. ANOTHER EXAMPLE OF HIS FRUGALITY WAS WHEN THE TROLLEY

TRACKS WERE TORN UP WITH THE DEMISE OF THE TROLLEY SYSTEM IN HERSHEY. THOSE TIES WERE USED TO BUILD ALL THE CHICKEN COOPS ON THE MILTON HERSHEY CAMPUS FARMS, SOME OF WHICH ARE STILL IN USE TODAY. IT WAS CLEAR THAT HE WAS A GREAT STEWARD OF MR. HERSHEY'S MONEY.

HE WAS ALSO A GREAT FAMILY MAN. HE HAD TWO CHILDREN, A DAUGHTER AND A SON. HIS FIRST WIFE, WHO HAD THE NAME OF ANNA, DIED EARLY IN HIS LIFE, AND HE REMARRIED IRONICALLY, ANOTHER WOMAN NAMED ANNA. WHEN ASKED ABOUT BOTH WIVES HAVING THE SAME NAME, MR. WITMER WAS ALLEGED TO HAVE SAID "WELL, IT MAKES IT A LOT EASIER TALKING IN YOUR SLEEP THAT WAY". HE WAS ALSO A VERY ACTIVE INDIVIDUAL, ENJOYING BOWLING, THE COLLECTION OF HUMMEL FIGURES, AND FLYING.

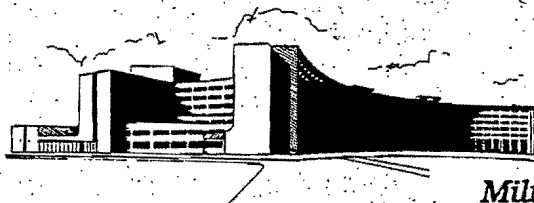
IN SUMMARY, TODAY, YOU HAVE HEARD THE STORY OF A TRULY UNIQUE HUMAN BEING. COMPETENT, ORGANIZED, RISK TAKING, FRUGLE, INNOVATIVE, STRAIGHTFORWARD, HONEST, FAMILY ORIENTED, ACTIVE. HOW MANY MEN CAN COMBINE ALL OF THESE ATTRIBUTES INTO ONE LIFE WHICH WOULD LEAVE SUCH A LASTING VISIBLE LEGACY IN THE UNIQUE STORY WHICH WE CALL OUR HERSHEY HERITAGE. HOW MR. HERSHEY SAW ALL THOSE CHARACTERISTICS IN THAT HOUSE BUILDER ON MAPLE AVENUE IS YET ANOTHER EXAMPLE OF THE MYSTIQUE OF THE MAN WE HONOR IN THIS SERIES OF TALKS.

THANK YOU FOR ALLOWING ME TO SHARE THIS CHAPTER IN HERSHEY'S HERITAGE WITH YOU.

"OUR HERSHEY HERITAGE"

NOVEMBER 30, 1992

"THE CHEMIST, SAMUEL F. HINKLE"



Dr. Nicholas M. Nelson, M.D.
Milton S. Hershey Medical Center

<<< Eric Walker >>>

There seems to be a propensity these days to establish one's bona fides by being of the past generation. To establish mine, let me say that two days from now I will be 80 years old, a fact to which my doctor (Graham Jeffries) can attest. Four score years — the age of legal senility. You're allowed to forget things, you're allowed to omit things and people are supposed to forgive you. I do find, however, that memory fades. I don't remember things in the way John Hershey remembers them, or Gil Nurick remembers them. Poets say we look back through the mists of time, but I don't think it's a mist. I think it's sort of a sieve, because you remember the good things and you forget the bad. You remember your good decisions and forget the bad ones. You remember when you made the remark that you would have wanted to make, but you forget that you didn't actually make it. And you seem also to move towards the center of the stage. Instead of being the little nipper who helped steer the flagship, Victory, you become Nelson. Instead of being the spear carrier, you're Iago. Instead of being someone in the audience, you're the guy up there acting. And, therefore, you must forgive me, if I seem to exaggerate about this "magic phone call."

Let me go back now and give you a little history which John Hershey did not give you. Milton Eisenhower became President of Penn State in 1950, and Milton's one ambition was to have Penn State join the American Association of Universities. But, how can you join the American Association of Universities when you're the President of The Pennsylvania State College, known mostly as an agricultural school? Well, Milton took advantage of the fact that we were in the peculiar position of being both a private corporation and a state agency. One of Gil Nurick's colleagues figured out that we could simply go to the judge, or Milton would go to the judge, and have the college renamed as The Pennsylvania State University — which he did.

Well, we weren't a university, but the change certainly did give you a new freedom. You could take a school and make it into a college. You could take a department and make it into a school. And you could promote some more associate professors to become professors and that made everybody happy. Even the alumni were happy about now being alumni of The Pennsylvania State University instead of The Pennsylvania State College. But after a while, you know, reason began to set in and we realized that we weren't really a university. The alumni said you can't be a university, because you haven't got a medical school and you haven't got a law school.

Well, I became president in 1956 and with my business background I immediately set about to appoint a committee and have a survey made. Our first survey was to see what should be done about a law school and it very quickly came out, I'm sorry to say, Gil, that we already had too many lawyers (same as today!), and that the average lawyer made \$7,000 a year, which is certainly very different from what happens today. So, obviously, we did not need another law school. Nevertheless, I got to talking with Dickinson Law School and found that there was, in fact, some affinity there and, finally, the administration of Dickinson and the administration of Penn State decided that Dickinson wanted to become affiliated with Penn State. Everything went fine. Our trustees thought it was great, at least most of them, until we finally had a meeting of both Boards of Trustees where the chairman of the Dickinson board said "I'm against it." Since he was the judge of that county and had control of the charter of Dickinson Law School, Dickinson Law School never became part of Penn State.

Similarly, we made a survey of medical needs. And it was obvious that more

doctors were needed nationally, but the state of Pennsylvania already had six or seven medical schools, Delaware had none, Ohio State had one, and New Jersey had none. We were just producing doctors and exporting them. So, everybody said, "No more medical schools in the state of Pennsylvania; we don't need it." And, as I went around the country talking to alumni, I would say in answer to their questions that "the state of Pennsylvania does not need another medical school and it does not need another law school." I became quite belligerent about it and the alumni eventually began to quiet down.

Now, I need to break my story for a moment. At this same time I happened to be chairman of the National Science Foundation board. That's the outfit that gives away money for scientific research. And it was a job that I took seriously and the other members of the board took very seriously; we spent three days each month going through all these grant requests and program requests, dispensing what at that time was several hundred million dollars (today it's several billion dollars). Meetings were very formal; we sat around a big table, everything we said was recorded in a closed door operation, nobody to interrupt. The rules were that only if you had a family emergency could the secretary bring you a slip of paper and put it at your place saying, "Call home!"

On this one particular day we were in a real contentious and knotty discussion about something called the "Mohole." Congress had decreed that the National Science Foundation should lead an effort to drill a hole down through the Earth towards the core to examine the Earth's mantle and plasma. Now, our problem was this; we knew that we ought to design it so that we could drill from a ship and thus gain the first 30,000 feet through seawater. But, this would be a million dollar job; a ten million, a hundred million dollar job! Who's going to run it? Well, the government people wanted to run it through the government laboratories; and the universities wanted to run it through a university consortium; and industry said "Look, you know nothing about it, get an oil drilling company to drill it for you."

Well, all this was going on when a secretary came in and put a note on my desk that said "Call Mr. Hinkle at Hershey!" Now, Sam was raised in Columbia, Pennsylvania, and I was raised in Wrightsville, just across the river. He was a Trustee of Penn State and we knew each other pretty well. So, I looked at it and said to myself, "Sam can wait"; and we went on with the discussion. After a while came another little slip "Urgent! Call Mr. Hinkle" and, again, I pushed it aside. Lunch time came and I called Mr. Hinkle:

"Eric, you have to come up here right away!"

"Sam, I'm in a meeting, an important meeting. I just can't come up."

"This is Penn State business; so you come up here right away!"

"I'll come as soon as I can."

We finished lunch and went back into the session. We were going through this business of who gets the contract when another piece of paper comes in which said "Call The White House!" So I called the White House, but it wasn't The White House, it was President Johnson's Chief of Staff who had a simple message for me. He said, "In letting the contract for the 'Mohole', please do not forget the attributes of Brown and Root of Austin, Texas." So, the problem was settled! - Brown and Root got the contract and I turned the meeting over to my vice-chairman, got on the plane and came up here to land on that little strip alongside the hotel, where there was a car waiting.

I came into the meeting attended by, I think, all the boards of the Hershey Chocolate Company, Hershey Estates, Hershey School and (you must have half a dozen boards, John!) the Hershey Trust Company -- these men would just put on different hats, depending upon which board was meeting. I came in and Sam greeted me and invited me to sit down. All the way up I had wondered, "What are they going to do; what do they want?" I finally concluded, John, that they were going to offer me the vice presidency in charge of putting those little paper slips in the Hershey Kisses -- a job which I understand is much sought after. Anyway, I came into this meeting and sat down. Sam opened the conversation:

"Eric, we think that Penn State needs a medical school."

"Sam! You've heard me say that Pennsylvania doesn't need a medical school. We can't afford a medical school."

"I didn't say Pennsylvania. I said Penn State."

"Sam, we can't afford it. It costs a lot of money."

"How much?"

"Look Sam, you and I are country boys. We can't imagine how much -- millions!"

"How many?"

"Fifty."

"I think we can get it."

Well, I walked out of that meeting still breathless and said "Sam, should I have asked for seventy-five?" -- He never answered!

But that didn't end it. Because there were all the legal problems of changing Mr. Hershey's will so that money could be diverted to this purpose from the boy's school.

There was the problem of where it should be -- my faculty wanted it at Penn State and I wanted it at Penn State. But, pretty soon a survey showed that there just wasn't enough clinical material up there, so we agreed on Derry Township. Anyway, all the legal things were worked out by Gil Nurick and our counsel, Roy Wilkinson.

Then came other problems. Lots of people began to say that if the Hershey people had that much money to give away, why did they give it to Penn State for a medical school? There are other deserving people, after all. One of the legislators even came to me and said, "We're going to block it!" I didn't see how they possibly could, but, nevertheless, they said they would block it. One of them said to me "Look, you better never come to the legislature for money to run this medical school." And I said, "I never will." (I knew I was going to retire in two years!)

But then there were other problems, you know: who was going to build the buildings; who was going to manage the grounds; and so forth. As I pause now and look back over the years, though, I think we did some wise things. One of the first was to put together a committee consisting of deans of other medical schools to determine what sort of a medical school we should be. That was

when we decided we would go in for family medicine. This was one of the things we would push. We would try to put together a faculty and select a dean who would do that sort of thing.

But we had an awful time finding a dean. Everyone I went to said, "You know I'd like to do it, but it's just too risky." One night I was sitting in the Cosmos Club in Washington with George Harrell, who was one of the members of this committee and I said, "George, we just can't find a dean for this place. Why in the Hell don't you take the job?"

And he said, "You never asked me!"

So I asked him right then and there and it turned out to be the wisest decision I ever made. George had the concept; he annoyed people by saying we were going to have a Department of Humanities, which carried the day; he annoyed my Trustees by saying we were going to build an animal farm before we built a classroom building, but he was right! I look at this magnificent edifice today and its organization and I say, "Thank God we had George Harrell!"

<<< George Harrell >>>

The Medical Library (Penn State Medicine, Winter 1990-91) presents several views of the background leading to formation of The Milton S. Hershey Medical Center. That of the Milton Hershey School was contributed by John Hershey, while Penn State's view was given by Eric Walker. The very complex legal aspects are only briefly presented by Gil Nurick, senior partner in the law firm that solved them. What is missing is the view of the Hershey interests, which controlled the fiscal aspects of the trusts. This is told in a letter to me from Sam Hinkle, a trustee of both the trust and the university, written before his death, but belatedly delivered. I hope it can be printed.

Eric Walker's remarks recall the events leading to my appointment as founding dean. But my own recollection differs from Walker's, since I actually knew nothing about Penn State's exploration of a possible medical school until I received a phone call from him one day. He introduced himself, said he had heard I had founded the medical school in Florida (Gainesville), and that it seemed to be going along satisfactorily. Would I consider meeting him and telling him just how I had gone about it? I said, "Of course," since I considered such consultations to be a part of my job as dean and had done the same for a number of groups considering starting a school. There was no indication from Walker that he considered me a candidate as dean. Further, I had never been a member of any Penn State committee before his call and had never even been on the University Park campus.

The committee he mentions had, indeed, met (but previous to my appointment) under the chairmanship of Ray Carpenter, a distinguished primatologist. Its consultant academic medical members I knew to be excellent and successful in traditional schools, but none of them had had a program in family medicine. An academic program in family medicine had in fact been badly needed for years, and not just in Pennsylvania, but nationwide.

In negotiations after I came to Hershey, it became apparent that the faculty at the main campus wanted the basic sciences taught by the departments there, if the school were to be located at University Park. This idea had been discussed at length at Florida before I came, but I did not adopt it. The Carpenter committee would, of course, be expected to recommend location of the medical school on the University Park campus, as the faculty and President Walker wished, but the Hershey trust required that it be located in Derry Township, so there was no choice.

In the meeting at the Cosmos Club, Eric and I discussed Florida, the difficulties in starting in a town (Gainesville) only a little larger at that time than Hershey and with a university student body of only about 7000. The University of Florida is the land grant college of the state, as is Penn State, with a faculty heavily oriented toward agriculture and engineering, which had dominated the school for years. There had been long political battles between Miami and other major cities over the medical school's location. Penn State would not face this problem, because of the existence of schools already in Philadelphia and Pittsburgh. I told Walker what had gone well in Gainesville: young faculty selected who were likely to choose to make their careers there; the enthusiasm of the students, especially from rural areas and small towns, who proved very loyal and strong in their support of the school after graduation.

Eric said, "What's the matter with you? Didn't you make any mistakes?" Yes. "Do you know what they were?" Yes. "Do you know what should have been done." Yes, but many that might have been considered mistakes were actually

frustrations. I described some clashes with the central university administration (about computers, electron microscopes, isotopes and counting equipment, animal facilities for large species away from the medical school, marine species facilities, personnel and purchasing problems, graduate students), none of which actually needed to have occurred. Other frustrations were imposed by the legislature: we were not to become the charity clinic and hospital (not yet authorized) for Alachua County, but were, rather, to become a state-wide resource. This was coupled with opposition from the local physicians, who were afraid that the faculty would absorb their patients. (Exceptions were one surgeon and one family doctor oriented toward obstetrics and gynecology, who was a past president of the state medical society and a great supporter, even though he lacked courtesy admitting privileges.) I assured the doctors that such a loss of patients had not happened at other schools, but that local practices had actually increased. Nevertheless, these reactions in the local medical community precluded a program in family medicine in Gainesville, even in one of the three graduate student housing units on campus, and it forced us solely into tertiary care (which also was badly needed in north Florida) from the very beginning. Moreover, the university's president at Florida would not approve programs or departments in behavior or humanities. He considered them to be liberal arts disciplines which had nothing to do with practice and patient care. Most of these problems were partially solved, by subterfuge, negotiation, or grants. But we were not permitted to accept offers of grant support for a gulf marine station or for a position in religion; one for a small animal farm was delayed for years. However, with appropriate support from its president, I said, all of these frustrations could be avoided at Penn State.

As the discussion continued, it suddenly dawned on me that Walker might be trying to recruit me, so I asked him point blank. He gave me that wry grin and said it had crossed his mind. I told him to forget it. I was already 55 years old, had spent nearly 10 years of very hard work at it, no one had ever built two new schools, I had used up all my ideas, and I was tired. He looked at me and said, "I don't believe a word of it." I replied, "Get a young man, no older than 45, a few years less if you can find him, with lots of ideas and energy." Walker said, "Why don't you come and do it right for once?" I said, "That's a new argument I've never heard before;" — and it was at this point that I said "you never asked me!" He looked at me and said, "Would access to \$50 million to work with change your mind?" It took me about a minute to say, "I think it would." He then told me about the Hershey trust. I told him I would come only if I could have the three innovative departments and the animal facility with easy accessibility and capability for research. This kind of academic support did not exist on any other medical school campus, to promote both education and research. It could be built quickly and would be a recruiting device for faculty, even before we had anything else to show. He agreed, but with the understanding that if he got unfavorable feedback within three years, he would call me and we would stop the curricular innovations immediately. I was not worried about success and said, "OK!"

Gil Nurick's brief remarks give only the faintest hint of the tremendous job he had done in complete and unbroken secrecy over the years, in order to accomplish the transfer of funds from the Milton Hershey School Trust to Penn State, for the purpose of building the medical school and teaching hospital. Fortunately, there exists in the Penn State archives at University Park a record of Nurick's interview by Leon Stout (the university archivist) on July 17, 1984. It goes into considerable legal detail from the points of view of the various Hershey trusts and state government officials, all of which had to be coordinated before the appropriate judge could be approached to change Mr. Hershey's trust and thus permit the initiation of discussions with Penn State.

The one committee mentioned by Nurick during this interview was that sent to Hershey by the joint committee on accreditation of medical schools, composed of representatives of the Association of American Medical Colleges and the American Medical Association. It normally met on the site of a new school, such as ours, to hear a presentation by the dean of his plans, both programmatic and architectural. This committee's provisional approval would be needed before application for federal construction funds, with reasonable assurance that such provisional approval would be extended after two years and final approval given, four years after opening, as a fully accredited school. I chaired the meeting and invited Sam Hinkle to come or send a representative as an observer to report back to the trust. I believe it was at this point that John Hershey was designated as liaison between the medical school and the Hershey Trust Company, a position he filled so well over the years; always available, completely cooperative and unbelievably efficient in getting things done quickly and correctly.

The unusual innovative departments (behavioral science, humanities, family medicine) we planned and the proposal to develop a unique (farm) type of model animal resource directly on the campus presented no problems, nor did the architectural plans to build primarily around student educational needs. The only suggestion that had long-range effect was that the original site of 102 acres, which the Trust initially felt to be rather large, proved inadequate to implement our plans. The very next day they provided 204 acres and, most important, an unwritten agreement, sealed by a handshake between Sam Hinkle and me, that the Hershey interests would do nothing with the land surrounding Bullfrog Valley Road, Sand Hill Road, and the hill behind Long Lane, without first talking with me. Hershey stuck with that agreement, except for the small portion between Sand Hill and Cherry Drive, and their support has resulted in the present 512-acre site. It was not remotely conceived as such by the Trust at the beginning, but has permitted the growth which we anticipated.

Formal provisional approval came quickly from the joint committee on accreditation and applications for federal construction grants were then submitted. Sam Hinkle was sure we would get no grant money if the Department of Health, Education and Welfare knew how much we already had. I told him that the applicable law mentioned no such restriction, and that I would write a figure estimating what we could get, seal it, keep it in my desk, and then wait to see what happens.

Another committee mentioned in Nurick's interview was one appointed by the U.S. Public Health Service after the construction grant applications were reviewed in Bethesda. The amount of student space, including unusual types, exceeded any they had approved in previous awards. This committee met on site to discuss the architectural plans, inspect the site and relate them to the approved program. I chaired that meeting also. Soon after, Nurick, Roy Wilkinson and I went to Bethesda to clear the unusual and unique legal arrangements for funding the matching money. This committee also recommended approval.

We were subsequently asked to come to Bethesda to review the funding aspects, in view of all the complex legal angles. I took Sam Hinkle and Arthur Whiteman as the responsible fiscal people. The meeting opened with the remark by the USPHS people that they had never had a grant recommended for approval like this one. By law, the grant could only be made and funds awarded to a medical school which would guarantee to run a fully accredited school for 10 years. But in our proposal neither the school nor its parent university had

either existing funds or state appropriations for such a guarantee. Furthermore, the proposal was for the medical school to build buildings it would not own on land it did not own. Suppose, for instance, that after several years either the trust or the university decided they did not want to continue. What would happen to the federal money? Whiteman quietly said we don't expect that to happen since Mr. Hinkle is a trustee of both the Hershey Trust and Penn State, but if it did the trust would refund the monies granted back to the government. Blank stares of disbelief appeared and one official said that no one ever refunds to the government and, moreover, PHS has no mechanism to receive it. Another turned to me and said how much are you asking for? I said in the range of \$20 million on this first round. He then asked Whiteman, "Did you hear that?" Arthur replied "Oh, if it's that much, we would require 48 hours notice!" The meeting broke up. Actually, I knew we would not get that much at first, but overall for the two phases of the school (the basic and clinical sciences wings; the hospital and the animal farm) the amount finally awarded exceeded my guess for Sam.

Nurick also pointed out a problem that was one of the few troublesome ones with the Hershey people. They thought of the medical school largely as a hospital. I knew from talks with the accreditation people in Harrisburg that the local Hershey hospital would lose its accreditation on the next inspection visit. I asked them not to do it and wait for us to open the teaching hospital. Hershey would immediately close theirs and it would revert to its original purpose as the infirmary for the Milton Hershey School. They agreed.

Hinkle expected a medical staff which would be open to local physicians, with admitting privileges for Hershey residents and employees. I met with the local hospital staff in the old Cocoa Inn and explained that the name "Teaching Hospital" indicated its prime purpose was education, which also met the requirements of the M. S. Hershey Foundation. Therefore, admitting privileges would be restricted to teachers on the faculty. I accepted the proposition that the satisfied patients in their practices were sufficient credentials for family physicians who would be eligible to apply for faculty appointments in the new Department of Family and Community Medicine. But, they had had no experience as teachers of medical students and residents, either in their prior training or present practice. Therefore, to qualify for appointment, each would have to take three months in a major medical center to gain such experience at their own expense and at a time of their choosing, but before the hospital opened. I could arrange it for them. Only one, Tom Leaman, accepted; so, in effect, the others elected themselves out of consideration. After the medical sciences building opened and Family and Community Medicine moved in (but before the hospital was completed in 1970), we had our only other serious problem with Hershey. Family and Community Medicine was simply overwhelmed by local patients, and we didn't have enough clinical faculty to handle them. Sam Hinkle pointed out that since we had some M.D.'s in the basic sciences, I should simply order them to see patients. I replied that clinical activity was not their role in the school, and I would not do it. As soon as the student apartments became available, we moved into a four-apartment unit, expanded staff, and an acceptable compromise was reached.

That is the story as I remember it and I have never been sorry for a minute.

Samuel F. Hinkle
HERSHEY, PENNSYLVANIA
112 Para Avenue

June 10, 1971

Dr. George T. Harrell
Dean and Director
The Milton S. Hershey Medical Center
Hershey, Pennsylvania 17033

Dear George:

You were most considerate in including me with your associates at dinner on the evening of June 4 when I had the opportunity of meeting Dr. DuVal and listening to several hours of most stimulating conversation about medical schools and teaching hospitals.

Dr. Nelson impressed me in his urging that I set down the facts which transpired in the years before our Medical Center became a reality, and when this was seconded by you and the other doctors present, I realized, perhaps for the first time, that matters which seemed to me to be just prologue and, therefore, "water over the dam", might have some degree of historical interest and value in the future when we as individuals are no longer on the scene.

Where, then, shall I begin this bit of history? Obviously, the seeds of the ~~idea of a medical school in Hershey could not germinate until they were~~ planted. I believe that the planting date can be fairly fixed as January 7, 1948. On that Thursday afternoon, I became a member of the Board of Directors of the Hershey Trust Company and of the Board of Managers of the Milton Hershey School (then known as Hershey Industrial School) and, as such, had my first opportunity to examine the financial statement of the Trust Fund which was administered by these boards on behalf of the Milton Hershey School for orphan boys. For brevity, I shall refer to the members of these boards as the "Trustees."

Having already been in Hershey employ for more than twenty-three years, I was aware of the fact that our Trust Fund was of no mean size, but when I first saw the official figures, I must confess that it exceeded substantially any private estimates that might have occurred to me up to that moment.

After my tenure of more than eight years on these boards, Mr. P. A. Staples, our board chairman at that time, died suddenly on July 23, 1956. The fact that the size of our trust had been increasing constantly stood out in my mind as one of the matters of prime importance with which we as Trustees would have to deal. There had already been reference in the public press to the immensity of some of the well-known trusts and foundations in the United States, and their tax-exempt status was a frequent subject for speculation, both in official and unofficial channels. While the Milton Hershey School Trust did not compare in size with the better known ones, yet it could not hope to escape scrutiny if these organizations were to undergo a change of status, altering their exemption from taxation.

During the years immediately after Mr. Staples' death, John B. Sollenberger, his successor as President and Chairman of the Trustess, and some of the older members of our group had several, but rather infrequent, discussions about

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future actions to be taken. It was essential beyond any disagreement that the Milton Hershey School in all its phases - education of the boys, their living conditions, the physical plant, and most important of all, our methods and philosophies - needed to measure up to the most modern conceptions of rearing orphan boys to the status of upright American manhood.

This project merited immediate attention. At the same time, I became more actively concerned with what was to follow, once our plans for updating the school were implemented and completed. Having known Mr. Hershey for the last twenty-one years of his life, due largely to the fact that I was a chemist by profession and he was an indefatigable experimenter to the very end, I became reasonably familiar with his philosophies without the need to become a hero-worshipper as so many of his employees naturally were, and, to their great credit, are to this day. I was well-informed of his interest in the education of others since his own schooling was so meager and, specifically, I was aware of his attraction to new and better remedies for the relief of human suffering - probably traceable to the untimely death of his wife, although he seldom mentioned her years of degenerating illness for which he could find no cure. He admired greatly certain members of the medical profession and observed their work at his own hospital and as they attended to his personal needs for medical treatment.

In short, I was completely convinced that if Mr. Hershey could have been consulted, he would have approved heartily the proposition of dedicating any surplus funds, which might accrue through the years, to education in the healing arts, so long as his prime project of caring for poor, orphan boys was fully assured. Since another trust established by Mr. Hershey (The M. S. Hershey Foundation) was devoted to educational purposes in Derry Township, Dauphin County, Pennsylvania, the obvious solution lay in the establishment of a medical school and teaching hospital in the Hershey area.

Having many friends whom I respected in the medical profession, it was purely a coincidence that those who were graduates of the Jefferson Medical School in Philadelphia outnumbered the others in the group. For this reason, I felt that it would be a splendid idea if this school could be persuaded to leave the big city, where all but one of Pennsylvania's medical schools were located, and come to the country and the center of the Commonwealth if the Trust could provide the funds. However, before this idea could take form, I learned that Jefferson was even then enlarging upon a ten-million-dollar expansion program and that such a move would not be feasible. It also became clear that a medical school should be university-oriented if it were to function at its best. Jefferson could not be a possibility for Hershey, and some other approach to the potentials of the idea had to be thought of if there was sufficient substance for further developments.

At this time our Trustees concentrated their thinking upon the continuing growth in the size of the trust and what action should be taken in relation to the over-all problem. Mr. Sollenberger asked us as individuals to submit our thoughts about this in writing. My reply to him was dated May 25, 1959. Following are quotes from it:-

"The first order of business is to get our present system in the best of order. ...

"No time should be lost in launching and coordinating a program of this type. ...

"If we were to ask the court's permission for trust modification ... to ...

admit boys from broken homes, for example, it seems that we immediately would be inviting criticism of our methods ... and in no time our worst fears of 'The line forming on the right' would be realities. It appears to me that there is a way to avoid this.

"It seems to me that a first-rate medical school, including an outstanding hospital, provides the perfect answer in our situation. ... As I think about it, it seems that all of our efforts in acquiring land and developing Derry Township, and all of our accumulation of trust funds through these years, have been pointing towards this one great opportunity to revere and perpetuate Mr. Hershey's name in a way that will bring credit to his memory and great satisfaction to us all."

Appended to my letter was a paper which I titled "Thoughts for Improving Milton Hershey School." The letter and the appendix were never acknowledged nor presented to the Trustees and the medical school subject was laid aside and superseded by the implementation of our plans for the fiftieth anniversary (1909-1959) of the founding of the school.

We employed the best team we could find in the field of child care and titled them the "Anniversary Evaluation Committee." Dr. Leonard Mayo, Executive Director of the Association for the Aid of Crippled Children, with headquarters in New York City, was named chairman of this group of three experts - the other two being Dr. Frederick Allen and Miss Helen C. Hubbell.

In November of 1959, Dr. Mayo was engaged by Mr. Sollenberger to conduct a study of the present and future programs of the school. He in turn enlisted the services of Dr. Allen and Miss Hubbell. The Trustees and the committee first met as a group on January 16, 1960. The following day marked the committee's first official meeting. Their finished report was submitted to the Trustees on August 2, 1960. It was studied by the individual Trustees and acknowledged by Mr. Sollenberger to Dr. Mayo on September 20, 1960, after which the implementation of its recommendations was begun. Ten years were to pass as the evolutionary processes moved towards completion, and on September 13, 1970 (the one hundred and thirteenth anniversary of the birth of Milton Hershey), the official dedication of Founders Hall marked the end of the truly spectacular project of modernization of the Milton Hershey School facilities, thus making it the foremost institution in the world devoted - indeed consecrated - to the care of orphan boys.

But other events were concurrently developing during this decade and in an important sense were closely integrated with the total concept of the Hershey Trust and its aims and goals. On June 28, 1962, Mr. Sollenberger retired from active service, and was succeeded by Arthur R. Whiteman as president of the Hershey Trust Company, among his other advancements. Mr. Whiteman and I have always been the closest of friends and business associates. In a matter of weeks, we decided to reactivate the medical school project and, without any adverse opinions among the Trustees, we inaugurated discussions with our legal advisors concerning the practical phases of this project.

During the summer and early autumn months of 1962, Gilbert Nurick, Esq., head of the law firm of McNees, Wallace & Nurick and a long-time friend and consultant of the Hershey companies - in particular the Hershey Chocolate Corporation - became a guiding light in the unfolding of ideas and their potential realizations. This dramatic concept of developing a medical school and teaching hospital within the Derry Township area would be made possible with funds furnished by the Milton Hershey School Trust and to the extent of fifty million dollars.

There was no alternative to the choice of The Pennsylvania State University as the proper affiliation for such a project since this was the only large educational institution in the Commonwealth without a medical school. The fact that both Mr. Nurick and I were Penn State graduates had no bearing whatever upon this decision, but it was of no small significance that this institution, being supported by the Commonwealth, would be in a strong position to gain approval to undertake this enterprise. The aid of the Attorney General and the Governor of Pennsylvania would be of prime importance in such a project, since the disposition of any and all funds of a tax-exempt trust of the Hershey type was a responsibility of the Attorney General as the representative of the people of the Commonwealth.

The legal decision which would permit or deny permission to remove surplus funds from the Trust, drawn especially for the care and education of orphan boys, and to expend them in the building and operation of a medical school and teaching hospital would have to be obtained from the President Judge of the Orphans' Court of Dauphin County, Pennsylvania. Mr. Nurick outlined the details of this procedure to the Trustees, clearly described the uniqueness of the situation in Hershey and stressed the difficulties which could occur in attempting to accomplish what at least one attorney involved in Hershey affairs deemed was impossible. He then expressed his deep interest in the tremendous potential of the project and his willingness to assume the legal ramifications and challenges inherent in an attempt to open the iron-bound gates of a trust for the avowed purpose of drawing off a huge sum of money to be diverted for another purpose. However honorable the petition to the court might be, the judge charged with the responsibility for the decision would have to possess great courage to decide in favor of the petitioner. All of this Mr. Nurick well knew from the outset. He realized that his approach to those in authority would have to be masterful, thorough in its researches, and that every phase of the presentation from the founding of the Trust in 1909 throughout its long history to the very day of the confrontation in court would have to be explored. He rose to the challenge without hesitation as summer turned to autumn in 1962.

It was in October of that year that I had the misfortune to fall victim of a coronary attack. After this illness, when I was permitted to have a visitor in the hospital, I lost no time in requesting that Mr. Nurick be first on the list. My proposal to him was brief: "Gil, will you carry the ball for both of us until I can get back in the traces?" Fortunately, we already had our procedures relating to the Trust fairly well in mind and with the full support of our Trustees there was a substantial task ahead in preparation of the legal approach to the court.

In due time, and before the year 1962 came to a close, I was able to resume most of my duties. Our board and Mr. Nurick decided to consult in private Judge Robert Woodside who, before becoming a member of the Pennsylvania Superior Court, had served as Attorney General of the Commonwealth. Judge Woodside met with us at Hotel Hershey on a Sunday afternoon in January of 1963. His reaction to our concept of a medical school in Hershey was immediately enthusiastic. Having known Mr. Hershey personally and having been closely associated with Hershey activities for many years, he could and did give his blessing to the project.

Early in 1963, Gil and I were given permission by the Trustees to make the first overt move relating to the "opening" of the Trust. By appointment, we called upon Governor William W. Scranton and Attorney General Walter Alessandroni to seek their blessings and the Attorney General's support as we

prepared to petition Judge Lee F. Swope of the Orphans' Court for an order in a cy pres proceeding, authorizing the transfer of fifty million dollars from the School Trust to The M. S. Hershey Foundation for the purpose of establishing The Milton S. Hershey Medical Center.

Governor Scranton approved of our proposal at once. Attorney General Alessandrone stated that he and his Deputy Attorney General, Edward Friedman, would review our situation and give us their decision at the earliest possible moment. Within a short time, we were advised that the Attorney General would support our petition when it was ready for presentation to the Orphans' Court.

It was now in order to approach Penn State to probe its interest in having a medical school in Derry Township and, if so, to join us officially in the all-important cy pres proceeding necessary in order to obtain the court's permission to activate the enterprise. Herein lies the widespread story of the "fifty-million-dollar telephone call." Events did not evolve exactly as reported in the press, but the basics of the procedure are factual.

In March 1963, Mr. Arthur Whiteman, president of the Hershey Trust Company; Mr. James Bobb, chairman of the Board of Managers of the Milton Hershey School; Mr. Harold Mohler, a member of both boards; our counsel, Gilbert Nurick, Esq., and I gathered in my office for a final discussion of developments to date. The time had arrived to take Dr. Eric Walker, President of The Pennsylvania State University, into our confidence. The telephone call was placed with these men present. Being a member of the Penn State Board of Trustees, I was accustomed to speaking with Dr. Walker on a first-name basis.

"Eric," I said, "Can you arrange to come to Hershey to discuss an important matter as soon as possible?" Dr. Walker replied, "I'm flying to Washington tomorrow morning and can stop off at the Hershey airport on my way home. I should be able to arrive at about five o'clock in the afternoon." "Fine," I replied, "We'll have you met there and brought to my office. The meeting will not be a long one and you should be able to be home in time for dinner." That was all and nothing was said about the subject we were ready to discuss.

The same group mentioned above were again in my office when Dr. Walker arrived on schedule. We seated ourselves at the table in my office and I opened the business phase of our conversations at once. "Eric, we would like to know whether Penn State would be interested in establishing a medical school in Derry Township on land which could be made available to the University by our Trust. We visualize its location as being to the West of Hershey proper, as close to the western boundary of the Township as practicable, thus situating it on the Harrisburg, as well as the Penn State side of our area." "Just a minute, Sam," Eric interjected. "There isn't a five-cent piece available in any of our funds at the University or in the State Treasury for the founding of a medical school. We may as well save your time and mine and not prolong this discussion." Well," I replied, "What would you say if I were to tell you that we have fifty million dollars available for you to proceed with such a project?"

Eric's eyes widened and his expression changed completely. "Oh, boy," he said, "That would be an entirely different situation. Let me take this proposition home with me and as soon as I can consult with my principals, I'll be back to you with our answer." The conference ended on this note. An exuberant Dr. Walker was on his way home in a matter of minutes.

The reply from Penn State came quickly. Urgency and secrecy were the key

words to be kept in mind and, in retrospect, it is truly remarkable that so much was accomplished in so short a time with no leaks to the public and the press. It is needless to report that no one was of a mind to turn down a grant of fifty million dollars if it could be made available.

Through the spring and early summer months of 1963, matters were largely in the hands of the attorneys - Gilbert Nurick and his able assistant, Jack Riggs, for Hershey, and Roy Wilkinson of Bellefonte, for the University. Under Mr. Nurick's direction and constant surveillance, Mr. Riggs prepared the masterful petition for the court's consideration. The thoroughness of this work involved extensive research into very old English law relating to trusts, as well as the developing and current law. The highly esteemed Jack Riggs, now prematurely deceased, lived to see the completion of The Milton S. Hershey Medical Center of The Pennsylvania State University.

With the consent of the Attorney General, our counsel reviewed the situation with Judge Swope on several occasions. It was our great fortune that he approached the situation with a progressive spirit and an erudite mind. Finally, on August 23, 1963, the petition was presented in his chambers. Attorney General Alessandroni concurred in the petition and Judge Swope signed the decree authorizing the transfer of \$50,000,000 from the School Trust to The M. S. Hershey Foundation for the purpose of establishing The Milton S. Hershey Medical Center. That decree is, in essence, the charter of the Medical Center.

It was deemed fitting and appropriate to invite Governor William W. Scranton to make the first public announcement of this high-water mark in Hershey history. He immediately agreed to do so and in this action he added dignity to the proceedings, honor to the memory of Milton S. Hershey, and no little credit to himself and his Attorney General Alessandroni for their notable assistance in making possible this achievement.

From this day forward, the evolution of the project which was more than a score of years in development from the germ of an idea to the realities of 1971 when the first class of medical doctors was graduated and from the date of Judge Swope's decree - August 23, 1963 - the historical records are a part of the annals of Penn State. I feel sure that you have long known that the entire experience is the most thrilling and most satisfying of any achievement in which I have had the good fortune to play a part in my lifetime.

With profound regard and respect for you and your associates, I am

Sincerely yours,

Sam

(Sam Hinkle died on April 19, 1984, but not before the founding of The Hinkle Society of Faculty professors, some of whose meetings he joyfully attended. His letter was written shortly after the College of Medicine's first Commencement ceremony in 1971. Judge Swope's Decree is commemorated in the entrances to both the College of Medicine and the University Hospital.)

"OUR HERSHEY HERITAGE"

DECEMBER 7, 1992

"THE LAWYER, JOHN SNYDER"



Robert M. Reese
Assistant General Counsel
Hershey Foods Corporation

Hershey Heritage
Judge John Snyder

President Tom, distinguished guests and visitors, and fellow Rotarians, it's a privilege to talk today about the life and accomplishments of John E. Snyder, who was Mr. Hershey's lawyer and life-long confidant and friend.

I begin this talk by a lawyer about a lawyer with a serious confession to make and one that may seem a little odd - and that is that I don't particularly care for lawyers as a class of people. I feel a great deal of kinship with Sir Thomas More, a lawyer himself and Lord Chancellor of England. More wrote the book Utopia and it contains his vision of the perfect society. Interestingly, he conceived Utopia as a place where there were no lawyers.

I also admit I heartily sympathize with our own Ben Franklin, who was once heard to exclaim in surprise: "God works wonders now and then; behold! - A lawyer, an honest man".

I have to say that I even enjoy the "dead lawyer" jokes which are fairly popular right now. I think my favorite is the one that asks: how can you tell the difference between a dead snake and a dead lawyer lying in the road? The answer: there are skid marks before the snake! I am ever mindful that this joke was told with great relish by a retired member of our Hershey Foods' management team who is probably here today.

The last remark about lawyers I want to share with you is from the humorist Jean Kerr, who made this very trenchant observation: "A lawyer today is never entirely comfortable with a friendly divorce, anymore than a good mortician wants to finish up his job and then have the dearly departed sit up on the table."

What Jean Kerr is saying is the key of what I want to talk about today. The reason that so many lawyers have a bad reputation today - and this also I think applies to politicians, doctors, businessmen and others as well - is that they put their own interests above those of their clients; or those of their constituents, or patients, or stockholders, as the case may be. In short, it's a matter of self above service.

What's so refreshing about John Snyder's life and career is that it epitomizes what the occupation of a lawyer can and aspires to be -- an honorable profession of service. Judge Snyder served his client, Milton S. Hershey, first and foremost, and in fact so well that while we have a fairly complete record of Judge Snyder's accomplishments from the many documents he drafted, we know precious little about him as a person.

I'd like to first tell you briefly about what we do know about John Snyder the man and then talk about what he accomplished for Mr. Hershey and his enterprises over the years.

Mr. Snyder was often referred to as Judge Snyder. However, he was not a judge, nor did he even attend college or law school. He was affectionately called "judge" for his wisdom, which I think you will find will be amply demonstrated later when we review some of his accomplishments.

He was born on April 13, 1863 in Lancaster, Pennsylvania, and was descended from distinguished early Pennsylvania pioneer families.

He attended Lancaster High School, where he was a distinguished student, graduating in 1878. At age 15 he left high school to make his own way in the world. He worked for a year in a grocery store and then spent five years working in the Hamilton Watch factory in Lancaster. At age 21, he began the study of law, or as it was then called "reading the law", in the office of a Mr. David Eshleman, where he remained for two years. From there he went to the law office of a Mr. William Atlee, reputed to be one of the most able lawyers in Lancaster county at the time. Under Mr. Atlee's tutelage, he completed his studies and in 1886 was admitted to the Lancaster County Bar. He then began practicing law on his own, opening an office in Lancaster. He was city solicitor for Lancaster from 1893 to 1895.

In 1895 he married Minnie Longenecker Esbenshade, who with a name like that was, not surprisingly, from the Lebanon area. Similar to Milton and Catherine Hershey, John and Minnie Snyder were not to have any children, although they were later devoted to the children both at the Hershey Industrial School and the Derry Township public schools. He served both as a vice-president of the Hershey Industrial School and as president of the Derry Township School Board.

John Snyder's other positions included vice president, general counsel and secretary of Hershey Chocolate Corporation, Hershey Estates and Hershey Trust Company. He was also on the Board of Directors of these companies and served on the Board of Managers and as Vice Chairman of the Hershey Industrial School.

The Snyders' home from 1913 on was this one at the corner of Chocolate and Para Avenues, which they left to the Hershey Trust at their deaths.

His hobbies were his work, in which his friends say he over indulged, and books. He was a collector of first editions and the possessor of a fine library, which he later donated to the Hershey Public Library. He took a keen interest in sports and was a frequent spectator at Hershey area sports contests.

His politics and religion were in deep contrast to those of Mr. Murrie, Mr. Hershey's other right-hand man. Mr. Murrie, you will recall from Milt Matthews' talk, was a fervent Democrat and devout Catholic. Judge Snyder was a life-long Republican; in fact, when he died he was serving his second term on the State Republican Committee. He was also a delegate to the 1932 Republican National Convention. He was apparently well acquainted with many Pennsylvania governors and U.S. senators. He also had a close connection to politics through his sister, Mrs. Roland Kinzer, who was married to the U.S. Congressman from Lancaster.

In religion he was a deeply committed Lutheran and served on church councils both in Lancaster and Hershey. In his Will he left substantial sums to

both the Lutheran church in Hershey and in Lancaster, as well as to Muhlenburg College, of which he was a trustee.

Like Mr. Murrie and the other close associates of Mr. Hershey, Judge Snyder engaged in his own quiet philanthropy. Jane Whiteman, wife of Trust Company President Arthur Whiteman, had this to say:

Mr. Snyder was just a dear. He was the kind of man who would call a teacher in and say, "I've heard of such and such a child who doesn't have enough clothing to wear. Would you take him to the Hershey store and charge it to me?" He wouldn't ever want me to tell this, but this is the kind of thing he would do. He and Mrs. Snyder were just delightful people.

Judge Snyder first began doing legal work for Mr. Hershey in 1891. Judge Snyder was Mr. Hershey's neighbor at the time in Lancaster, and they were introduced by a Mr. Brenneman, the Lancaster banker who took the today unthinkable risk of lending his own money to a penniless upstart who wanted to expand his one-room caramel business. Mr. Hershey and his lawyer got along well from the start. As told in an unpublished part of Paul Wallace's book on Mr. Hershey:

John Snyder was a slow, quiet-spoken Lancastrian. Milton Hershey had a temperamental dislike of professional men and lawyers in particular, but Snyder was an exception. For one thing, he had not been through college. Hershey had a suspicion of college degrees. For another, Snyder did not put himself forward. Like Hershey, Snyder always had a cigar in his mouth, the difference being only that Hershey smoked his while Snyder merely chewed.

Outsiders were inclined to smile at Snyder's mannerisms, but everyone respected his abilities. He was never precipitate in decisions, but always wise and cautious. At the same time he was a 'stiff settler' - that is, stiff in making settlement of cases. If he thought a thing was wrong, it was wrong, and you could not budge him. For a self-educated man, he knew a lot about the law: corporate finance and fair trade, the latter being very important for Hershey over the years.

It would be impossible to cover all the things that Judge Snyder accomplished for Mr. Hershey as his lawyer over many years, so I thought I'd just hit some of the highlights in chronological order.

We begin in 1897 when Judge Snyder worked his way through a thicket of legal problems to buy back the Hershey family farm in Derry Township. The owner was in bankruptcy and it took six months to clear up all the details. This farm was the place of Mr. Hershey's birth and, of course is now known as the Homestead.

We move on to 1900 and the sale of the Lancaster Caramel Company. As most of you know, Mr. Hershey had been extremely successful in his caramel business and had been approached by his main competitor, the American Caramel Company, to sell to them. The two companies would have a combined market share of 95%. Imagine that, a 95% market share. Now those were the days! Judge Snyder didn't have to worry about the Hart-Scott-Rodino Pre-Merger Notification Act.

At any rate, Mr. Hershey was interested in selling his caramel business because he correctly saw that the future was in chocolate and not caramels and wanted to take the proceeds from the sale and invest them in chocolate-making equipment.

As was Mr. Hershey's practice, Judge Snyder was given the task of negotiating the agreement, selling the company, and obtaining the best price. It was Judge Snyder who thought he could get one million dollars - in cash - for Mr. Hershey's business. The problem was the American Caramel Company wanted only to pay \$500,000 in cash and \$500,000 in stock.

When Judge Snyder concluded the negotiations, Milton Hershey walked away with a certified check for one million dollars -- and remember this is 1900 before any income taxes. However, part of the contract provided that he would reinvest \$100,000 of the proceeds in American Caramel Company stock and another that the American Caramel Company would lease back space to him to produce chocolate and would buy its chocolate requirements from him. So in the end both sides had won, and one thing I think you learn as a corporate lawyer over the years is that this is the best basis for successful business deals.

From 1900 on the action comes fast and furious. Judge Snyder took Mr. Hershey's endless well of ideas and translated them into reality. He negotiated the agreements, drafted the contracts and created the basic plan for Mr. Hershey's enterprises that continues to serve us very well to this day.

In 1905 Judge Snyder incorporated the Hershey Trust Company, which was not eventful at the time but which was to be of considerable importance later. The sole corporate purpose for Hershey Trust Company, by the way, as stated in its original charter was to provide title insurance for real estate.

In 1908 he incorporated the Hershey Chocolate Company which took title to all of Mr. Hershey's business assets, including both the chocolate factory and the town of Hershey.

He was instrumental in the massive land acquisitions in Derry Township made by Mr. Hershey for building his factory and creating his town in the early part of the century. He did all the work to acquire the rights-of-way for the trolley system that ran from Hummelstown to Palmyra and eventually to Lebanon, a major feat in itself. The records show Judge Snyder ably handled

year-in and year-out the legal work of the ever-growing Hershey Chocolate Company - from supply agreements to customer collections. One of the best services he rendered to Hershey Chocolate Company and the industry as a whole was his success in getting the federal government to accept that chocolate was a bona fide food and not just a flavor.

One of Judge Snyder's greatest achievements, came, or I should really say began, in 1909 with his drafting of the Deed of Trust for what was then named the Hershey Industrial School, and since 1951, the Milton Hershey School. While Judge Snyder did borrow from the Stephen Girard Trust, much of the language in the Deed of Trust was original. This deed of trust crafted by Judge Snyder in 1909 forms the basis of the legal structure that has both protected and nurtured the Hershey Interests over the years.

In the Deed of Trust, Judge Snyder created an inter-vivos trust, which means it was created during the lifetime of the Trust's settlors, Milton and Catherine Hershey. The only asset put in the Trust at the time was 846 acres of farmland in Derry Township, including the Homestead. As many of you know, this has grown to upwards of 10,000 acres over the years. The trust document allowed for additional assets to be put in the future; more about this later. The trust was a charitable trust - the sole beneficiary being the Hershey Industrial School. Mr. and Mrs. Hershey had not retained any life estates in the trust property.

The Deed of Trust established the basic governance structure for the Trust and the School. The Deed provides for the School to be governed by a Board of Managers and for the Trustee of the Trust to be Hershey Trust Company. Hershey Trust Company is governed by its Board of Directors. The Board of Managers of the School is required to be named by the Board of Directors of Hershey Trust Company from the membership of its own board. The Board of Managers is charged with operating the School, while Hershey Trust Company as Trustee is charged with managing the investments and assets, or endowment if you will, that supports the School's operations. Every year the Trust Company pays over to the Board of Managers the funds needed to operate the School.

Other significant features of the 1909 Deed of Trust provide that the existence of the School and Trust are to be perpetual -- meaning they're going to be around for an awfully long time - and that the School must be located in Derry Township - meaning that a branch campus or second school for disadvantaged children could not be built say, in California. This is very important in that it in effect creates a finite limit on what resources the school requires. Unlike the Ford Foundation or Rockefeller Foundation who could make use of an unlimited supply of principal and income in spending on an equally unlimited number of educational and social charities anywhere in the United States, the Hershey Trust's resources are focused only on one school and that one school must always be in Derry Township. Finally, in good Pennsylvania Dutch form, the Deed of Trust provides that the principal of the Trust can never be touched to pay for the School's operation; the School's income and expenses must always be balanced.

The next date of importance is 1918. I said earlier that the Deed of Trust permitted future additions to be made to the Trust's holdings. In 1916, Mr.

Hershey's wife had died and in 1918 he made a gift of all the stock he owned in Hershey Chocolate Company to Hershey Trust Company in Trust for the School. The gift was valued then at sixty million dollars. By way of comparison, the Trust's shares in the company today are worth roughly 1.7 billion dollars at today's New York Stock Exchange price. Since Hershey Chocolate Company at that point owned all of the assets of the chocolate business and of the town, Mr. Hershey literally gave away his entire fortune with the stroke of a pen. There wasn't any complicated legal documents drafted to transfer the shares from Mr. Hershey to the Trust; all he did was sign the back of the one certificate for the shares he owned, as you can see in this slide.

Another important result of putting all of the land and all of the stock in a charitable trust was to place the assets Mr. Hershey had worked so hard to build up over the years outside the reach of any creditors. This was certainly not his motive, but when you're dealing with a risk-taking entrepreneur who had been bankrupt more than once before, insuring that it could never be lost again was an important side benefit. We'll never know, but perhaps Judge Snyder realized that one of the best ways he could serve Mr. Hershey was to protect him from himself. When Mr. Hershey speculated in the sugar market in the early '20's and the market collapsed causing significant losses, the structure created by Judge Snyder ensured that the Hershey businesses were able to be kept intact.

Moving on to 1927, this was the year that the Hershey Chocolate Company was split into two companies, one for the chocolate assets and the other for the town assets. Once again, Judge Snyder was the architect and scrivener. The chocolate assets were put into a new corporation called Hershey Chocolate Corporation and stock in the new corporation was sold to the public for the first time and its shares listed on the New York Stock Exchange. Hershey Chocolate Corporation changed its name to Hershey Foods Corporation in 1968. The town assets consisting of the hotel, golf courses, arena/stadium, public utilities, department store and other businesses were put into a new corporation called Hershey Estates, which changed its name in 1976 to HERCO Inc. Following the 1927 reorganization, the Trust controlled 77% of Hershey Chocolate Corporation and 100% of Hershey Estates.

The last major date in this chronology is 1929, a very momentous year for Hershey and the country as a whole. As many of you know, to gain the benefit from combined distribution systems, three major food companies, Hershey Chocolate, Kraft Cheese and Colgate-Palmolive agreed to group together under the umbrella of a new holding company, to be called International Quality Products Corporation. At this time other names in the food industry had joined forces and formed what were then mega-companies, including General Foods Corporation and Standard Brands. It is important to emphasize that unlike General Foods or Standard Brands, each of the three constituent companies forming International Quality Products was to maintain its own identity and management.

The date for signing the agreement was a fateful one, October 25, 1929 - Black Friday - the day that ushered in the stock market crash. With the collapse of the stock market, the agreement was called off by all parties concerned. Hershey Chocolate Corporation stock which had sold on the New York Stock Exchange at the time of issuance in 1927 for \$25 a share rose to \$120 in the

summer of 1929 and reached its peak of \$150 on October 21, 1929. However, within a week it had fallen 24 points to \$126 and within another two days fell a staggering 40 points to 86. By mid-November, 1929 it was at a sobering \$45 per share. Despite the stock market losses, it was reported there was an audible sigh of relief from many quarters in Hershey, Pennsylvania when the International Quality Products venture was called off.

There are a number of theories as to why Mr. Hershey had agreed to the International Quality Products venture. Some say he was at the threshold of old age and wanted to make provision for the future, in particular, to secure for all time the financial foundation for his School. Another theory is that it was a craftily calculated way for the Hershey Trust to end up in a controlling position of all three companies through the exercise of stock options in International Quality Products. We'll never know, but I would like to think the wily John Snyder had devised the documents so that both outcomes could have been accomplished.

The 1929 stock market crash ushered in the depression. Given Mr. Hershey's character, it's not surprising that his plans and aspirations were undaunted by difficult economic times, and the depression was an era of great building activity in Hershey. Judge Snyder continued serving Mr. Hershey faithfully in executing his plans for the town almost literally to the day of his death. Judge Snyder passed away at his home on December 20, 1934, and his passing was deeply mourned by all those whose lives he had touched over the years. The title of this tribute in the Hershey Industrial School magazine perhaps sums it up best.

I'd like to close by taking all the separate things we've talked about and putting them together in the form of a coherent and workable legal structure for the Hershey Interests. This is Judge Snyder's crowning achievement. When you put together the formation of Hershey Trust Company in 1905, with its ownership by Mr. Hershey personally; together with the Deed of Trust in 1909, in which the Trust Company became the fiduciary for the Hershey Industrial School; and together with the gift of all the stock of Hershey Chocolate Company to the Trust Company in 1918; and together with the reorganization of the chocolate and town assets in 1927, you come up with this structure as of 1927.

You'll see the Trust Company holds legal title to the stock of the Chocolate Corporation, Hershey Estates, and through Hershey Estates to Hershey Corporation, the Cuban sugar enterprises, but it does so as fiduciary for the Hershey Industrial School. It has the power to elect the directors of these companies as well as the power to appoint the Board of Managers of the Hershey Industrial School. And you can see who owned Hershey Trust Company. Thus, Mr. Hershey could control his enterprises while he lived, but only in a fiduciary capacity and all for the benefit of the Hershey Industrial School.

This structure also contemplated the basis for the perpetuation of his business and enterprises when Mr. Hershey would no longer be around. Of all the methods that Judge Snyder devised to ensure the fulfillment of Mr. Hershey's ideas and vision forever into the future, the last was the most simple and brilliant. Milton Hershey died in 1945 with relatively little in his estate.

Here is his Will. Paragraph 2 bequeaths his residuary estate in trust for the benefit of the Derry Township School District to relieve the local tax burden. The key piece to the puzzle is paragraph 1 which bequeaths his controlling shares in Hershey Trust Company to the Hershey Trust Company itself for the benefit of the Hershey Industrial School under the 1909 Deed of Trust. As you can see from looking at the top and bottom of this 1945 chart, the Hershey Trust Company therefore is legally owned by itself, but always in trust for Milton Hershey School. By this simple method, Judge Snyder ensured that Mr. Hershey's businesses and philanthropic legacies could be perpetuated for their mutual benefit and for all time.

Here's the picture of the Hershey Interests today. The only change in this legal structure from 1945 occurred in 1984 when Hershey Foods was effectively recapitalized with two classes of common stock, the new one with ten votes per share and which is for all practical purposes owned only by the Hershey Trust. Prior to the recapitalization, the Trust's percentage of the vote was down to 50.1%; following it, the Trust's vote was increased to 77%. I have to say when we began work on the recapitalization in 1982, we quickly realized that we couldn't improve on Judge Snyder's legal architecture, so we just focused on trying to do one thing - extending it into the future as far as we could. I like to think Judge Snyder would very much approve of what we did and how we did it.

To sum it up, John E. Snyder was much more than just Mr. Hershey's lawyer. He was an architect and a builder, no less than the other men you've heard about the last several weeks - William Murrie, Percy Staples, Paul Witmer, Samuel Hinkle. The essence of Judge Snyder's genius was that he recognized the central idea of Mr. Hershey's vision - that there were separate and distinct institutions that made up the paradigm of "Hershey" and that each had its particular role to play - one to make chocolate, one to manage the local community assets, one to educate orphan children, and one to manage investments. And then as the great architect he was, Judge Snyder tied these institutions together for their mutual benefit and for a common shared purpose. This common purpose is to make people's lives better - through education, through employment, through cultural activities and social opportunities, and most importantly, through service to others, or simply service above self.

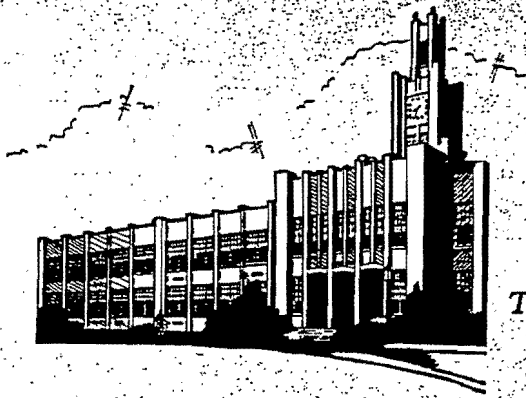
In conclusion I'd like to return to the point I started from and recast Ben Franklin's quote: behold John Snyder - a lawyer, an honest man.

Thank you.

"OUR HERSHEY HERITAGE"

DECEMBER 14, 1992

"OUR HERSHEY HERITAGE"



*Peter G. Gurt
Training and Development Manager
Milton Hershey School*

Peter G. Gurt
Training and Development Manager

MILTON HERSHEY SCHOOL
Comments for Rotary Club
Monday, December 14

Good afternoon. I want to thank Mr. Rawley for affording me the opportunity to spend time with you this afternoon to share my thoughts and feelings about what Milton Hershey School means to me.

As you know, a current student was supposed to speak today, but unfortunately has taken ill. Jack Storm said the only reason they asked me to speak was that I am probably the only alumnus left on campus who can remember that far back to their days as a student.

It was twenty years ago this past September that I was enrolled in Milton Hershey School as a kindergarten student. That day I will remember vividly for the rest of my life. I will never forget the feeling I had as I watched my Mom drive away without me in the car. As I look back over thirteen incredible years, to say that Milton Hershey School has enriched my life would be an understatement.

When people ask me to describe what Milton Hershey School is all about, I usually respond with one word; opportunity! It's about helping kids who for any one of a number of reasons are in disadvantaged situations, and providing them the opportunity for a better chance at this game of life. It's about guiding young people through the extremely difficult journey from childhood to adulthood. As I mention to the students all the time, Milton Hershey School is not a handout--but a hand-up; it's not a charity but an opportunity.

3

Milton Hershey School means many things to many people, but for just a few minutes, I would like to share with you what it has meant to my family and me.

The story goes back to October of 1969. There was a family by the name of Gurt who lived very happily in the Philadelphia area. There was a Father named

Ray, a Mother named Gert, and eight wonderful young children from the ages of 13 to 2. Then one very sad day in October, God chose to take the Father away from the family due to a very untimely death. It was not until 1972 that Gert, my Mom, was able to figure out what God had planned for the Gurt family. A friend of the family asked my Mom if she had ever heard of that School in Hershey who helps children who are financially needy and receiving less than adequate care from one or both parents. To make a long story short, my brothers Ray, Bob, and I were accepted into Milton Hershey School in September of 1972. Ray was thirteen, Bob was eight, and I was five.

The first several years were very difficult on us, especially my oldest brother Ray who seemed to have the most difficulty adjusting to the School. We were extremely hard on my Mom, begging her to take us out of the School every chance we could. We used to tell her that she must not love us to be able to do this, and she always responded by saying, No! it is **because** I love you that I am able to do this. She always used to say that someday we would realize that Milton Hershey School is the best thing that ever could have happened to us. It took a while, but we figured out the tremendous possibilities we all had by being students at Milton Hershey School. Fortunately, my Mom did not listen to us when we asked her to take us out of the School.

As I've grown up, I can realize how difficult it must have been for my Mom. Of course, she would have liked to have us at home with her and my five sisters, but how does a single mother adequately support eight children? She says she made the decision on blind faith and just prayed every day that everything would work out for the best. I can stand here today and tell you without reservation, that things have in fact worked out for the best. To this day, she says that she really can't take credit for the way we all turned out, and sometimes I guess I can't blame her! My Mom and I give credit to Milton Hershey School, and the many people associated with the School who have dedicated their lives to help children in need.

I have many positive memories as I look back over my 13 years as a student. One of which was in 1976 when I was in fifth grade. The School made the decision to enroll female students. It was then that I kissed a girl for the first time. Who knows when that would have been if it had stayed an all boys School.

In 1977, I was selected to be the student in the Hershey bar commercial for Hershey Foods. The tune was, "There's nothing like the face of a kid eating a Hershey bar!" I'm sure if I asked Hershey Foods to use my face in a commercial now, they would get a real kick out of that! Seriously though, I will be forever indebted to the School and Hershey Foods, especially Bill Dearden, for affording me that opportunity. From the royalties I received, I was able to put myself through college without adding to the financial strain of my family.

In 1982, my brother Bob graduated and although it was sad to see him go, I looked forward to not having to make his bed every morning before school.

In 1984, I was selected to represent Milton Hershey School and the Hershey Rotary Club at the Rotary Leadership Conference, where I was recognized as the Most Outstanding Conferee.

During the 1984-85 school year I was chosen to serve my classmates as their President. This was particularly a highlight for me because it was then that I got to work with and know Bill Fisher as he became President of the School.

Another memory I have is during my senior year after the Class Day ceremonies when I received some awards. I went up to my Mom and asked her if she was proud of me. She looked at me and said, "Pete, it is not what you have done that makes me so proud, it is who you are!" Milton Hershey School has made me what I am today, and will always be an integral part of my life.

In my opinion, what separates Milton Hershey School from the rest, is that our whole concept of education consists of much more than the lessons learned in a classroom. What graduates take away from the School more than anything else, are the lessons learned about life. The School is about teaching you how to get along with others. You live, work, and play together with people from all different walks of life and you learn how to respect and appreciate each other.

As students, we learned to work together to bring out the best in each of us. We encouraged each other. It was once said that, "One of the highest human duties is that of encouragement. It is easy to laugh at men's ideals, it is easy to pour cold water on their enthusiasm, it is very easy to discourage others, the world is full of discouragers. But we have a christian duty to encourage one another. Many a time a word of praise, or cheer, or friendship or encouragement has kept a man on his feet."

The employees at Milton Hershey School have a daily challenge, and that challenge is to encourage each and every student to strive for their personal best.

As the School moves toward the future and develops a model of education for our nation, we must not forget journey which brought us to where we are today. We must always keep in mind that even if we have the best educational model in place, it is love, caring, encouragement, and support that makes Milton Hershey School special.

I always use my brother Ray as an example, although I am sure there are many others in the same situation. Ray was certainly not the most well behaved child whoever graduated from the School, nor was he the best student. He ran away at least three times, and spent many hours working because he was always getting himself into trouble. But now at the age of 36, Ray has incredible character, integrity, and a commitment to putting the needs of others before his own. You can't measure these attributes with numbers and statistics, but nonetheless, I believe that

these are the characteristics which define success of a Milton Hershey School graduate, as well as success in life.

If we provide an education which does not include these critical elements, then I believe we have failed our students and our founder. You may ask, how do you teach children these lifelong values? I believe that what has made our School so successful is the fact that employees teach these values to our students simply by living them every day of their lives. One of the most powerful rewards I received from Milton Hershey School was the many positive role models who were a part of my life. They lived out the very principles which they tried to instill in all of us. People like John Hershey, Mac Aichele, Bill Fisher, Charlie Francis, Mike Weller, Jack Storm, Bryan Seese, Bill Hoover, Don Witman, Ray Miller, Bill Dearden, and the many teachers, houseparents, and others who taught us through example.

One of the most exciting days of my life was the day I received a phone call from Charlie Francis telling me that I had been selected as the candidate to fill the position of Staff Development Manager at the School. It was now my opportunity to do what I could to make a positive impact on the lives of our students. The second most excited person was my Mom. At this time I would like to share with you a letter (don't worry Mr. Weller, it is not one of Craig Mehrman's letters). This letter was written to me by my Mother when she heard I would now be part of the staff at the School.

Dear Pete,

Needless to say I am very proud of you. There is no doubt that you were hired not only based on your abilities, but because you exhibit the very qualities and characteristics which were instilled in you as a student. You will now have the awesome responsibility of lending a helping hand, just as you and your brothers were helped. As I've watched you all grow up, I can't thank Milton Hershey School enough for all that it has done for our family. When I enrolled the three of you, I expected

them to feed you, clothe you, and educate you, but as you know, you all received much more than that. You received love, support, and encouragement and for that I will be eternally grateful.

I am confident that you will serve as a positive role model for the current students, just as you had many role models who helped you become who you are. Even though it has not been an easy life for us, and I miss your Father very much, I can't help but think how wonderfully things worked out. You now have the opportunity to make a positive impact on the lives of students who are just like you were. Congratulations! Love, Mom I share this with you because I feel it captures the essence of what Milton Hershey School represents.

I would be remiss if I did not take the opportunity to thank Milton and Catherine Hershey for their generosity and vision which has touched the lives of so many. A poem entitled the Bridge Builder symbolizes what these two fine people have done for me.

An old man going a lone highway
came at evening cold and gray
to a chasm, vast and deep and wide
through which was flowing a sullen tide.
The old man crossed in the twilight dim,
the sullen tide held no fears for him,
but he turned when safe on the other side
and he built a bridge to span the tide.
"Old man," said a fellow pilgrim near,
"you're wasting your strength with building here;
your journey will end with the closing day
and you never again will pass this way.
You've crossed the chasm deep and wide
why build you a bridge in the eventide?"

The builder lifted his gray old head,
"Good friend, in the path I have come," he said,
"there followeth after me
a youth whose feet must pass this way.
This chasm which has been naught for me,
to that fair-haired youth might a pitfall be.
He too must pass in the twilight dim,
good friend, I'm building the bridge for him..."

This poem symbolizes many of the people who work at Milton Hershey School. People who have dedicated their lives building bridges for hundreds and hundreds of students. People who realize the trials that we all experienced, and who try to make the world of our students a better place by helping them cross over the chasms in their lives.

I always wished I had the opportunity to meet Mr. Hershey, but I guess in reality I did have the opportunity to meet him through each and every person who affected my life here as a student. I met him through people like Mike Weller and Jack Storm who taught me responsibility and accountability. I met Mr. Hershey through people like Audrey DeMuth who helps determine which students will benefit most from our School experience, through Bryan Seese who helps students plan their future; through John Hershey who always encouraged us to be our best, and not settle for mediocrity; through Mac Aichele who showed his support for us by being at almost every event that he could; through Charlie Francis who provided me with the opportunity to come back and serve the needs of our students. I met Mr. Hershey through people like Bill Dearden who was never too busy to talk with kids and once he met you, he would never forget your name and it felt like you were lifelong friends, as he always demonstrated sincerity, and a genuine interest in our lives. I met Mr. Hershey through people like Bill Fisher who was a master at building self esteem in students. He believed it was his job to make every student at the School to feel special, and he helped us all realize our self-worth. I'll never forget the time

I lost my Friday night town privilege for getting into some trouble. As I gazed out the window, I saw Mr. Fisher riding his bike up to the student home. He stopped in to see me and he said, "Pete, I just wanted to let you know that we all make mistakes and sometimes use poor judgement, but that doesn't make us bad people. We just need to learn and grow from those mistakes so that we don't repeat them, and we can help others learn from our mistakes." I couldn't believe that the President of the School rode his bike a couple of miles just to help me learn one of life's most valuable lessons.

You see, you can't talk about Milton Hershey School without talking about the people associated with the School. They are the School, and they are charged with the very stressful responsibility of serving needy children. I consider it an honor and a privilege to now have the opportunity to serve Milton Hershey School. My only hope is that I can live up to the standards which have been set by all those who have dedicated their lives to this great place. Sometimes, as we strive for excellence, it becomes easy to focus on all of the things which we do wrong, and that is why I am so appreciative that today, I have the opportunity to share with you what Milton Hershey School does right. I'm glad you have given me the opportunity to thank Mr. and Mrs. Hershey, and the many people associated with the most caring School of which I am aware. Without their efforts, there would be over 6,000 people in this country who would not have had the opportunity to succeed.

In conclusion, I would like to ask that all of you continue to support Milton Hershey School as you go about your work throughout this community. I believe that we all have an obligation to remember the heritage and legacy of our founder, and the best way to do that is not to lose sight of what makes Hershey, PA the sweetest place on earth.

Thank you all and have a wonderful holiday season!