

United States Steel Corporation.

71 Broadway, New York,

OFFICE OF THE CHAIRMAN

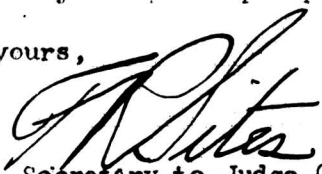
February 7, 1925.

Miss Ida W. Tarbell;
120 East 19th St.,
New York, N.Y.

My dear Miss Tarbell:

Miss Fancher thought that you would like to make use, in a book, in one of the early issues of "McClure's", of a portion of Judge Gary's interview with representatives of "Personal Efficiency" in Chicago last December. We are sending the interview herewith. Please note that it is strictly confidential as yet, but I shall write to Mr. Hermann, representing the publishers, and see if they consent to your printing a part of this interview and giving credit to them. I understand that their issue will be out in May and that "McClure's" would like to make use of this for their June number. If I am not correct, please let me know by telephone promptly.

Very truly yours,


Secretary to Judge Gary.

Enclosure.

HELPING OTHERS FIND SUCCESS --
One of the finest jobs in the world.

An interview with JUDGE ELBERT H. GARY who has helped thousands in this quest, who has attained prominence himself in law, in management, in finance and in public service, who heads the largest corporation in the world, and who has a rare understanding of men.

By Edgar Paul Hermann.

Nearly thirty years ago in the office of John Pierpont Morgan in New York City, there were assembled one day some of the financial giants of America for the purpose of hearing the report of a Chicago attorney on a proposed new steel company. The assembly included Mr. Morgan himself, H. H. Rogers, Marshall Field, and other notables, who listened to a plan that a corporation with two hundred millions of capital -- half paid in -- should be formed.

It was the proposal of Elbert H. Gary, and briefly it contemplated the merger of the Illinois Steel Company, the Minnesota Iron Company, the Minnesota Steamship Company, the Mount Pleasant Coke Company, and other industrial and transportation concerns into a mammoth corporation. Naturally it was well worked out, for Judge Gary had prepared it and it met with strong approval and support at the meeting in spite of the immensity of the program for those days.

But who could head such a giant corporation and manage it? When this question was raised Mr. Morgan said: "I have the man in mind - none other than Judge Gary himself." "But Mr. Morgan", said the Judge, "I am not a steel maker, and I have a large and lucrative law practice at home; you couldn't pay me enough to give that up."

But as usual Mr. Morgan had his way; he could pay enough, and reluctantly Mr. Gary turned his back upon the legal profession to begin one of the most remarkable careers in business organization and leadership that America has known. He became President of the new Federal Steel Company thus organized, and a few years later he and his company took the lead in the building of the largest corporation the world has known, the U.S. Steel, a merger of the Federal, the Carnegie Steel and other giant companies.

In a modest and unassuming way Judge Gary told this dramatic story of the beginnings of U.S. Steel, an epoch-making event in American industrial history, to Art Editor McVicker and to me. It was an exceedingly cold December morning of last year that he welcomed us very informally in his rooms in the Drake Hotel, Chicago, and talked freely from his experience of that eternally interesting subject, the seeking of success and the qualifications that make men win.

Judge Gary has earned the right to point the way to success for he has travelled it. He has achieved much by his own effort; he has watched the development of many outstanding men in business, in law and in public service, and he has aided many in their progress, by his counsel.

"Every man gets ahead on his own merits" said the Judge. "No one can make a success for him. If a man is earnest and ambitious, and determined to make good, he has the success seed within himself. I have watched the careers of many men, and have always seen certain fundamental qualities in those who have gone ahead."

"What are those qualities? Well, first there is a great trinity which spells success: Study, Thought, and Work.

"A really ambitious man gobbles up all knowledge in sight. He is a student of men and ideas. He uses his mind; he is industrious. It makes little difference how or where he starts if he is persistent, as well as industrious, studious and thoughtful. He must be honest -- not alone in money matters, but in his work and in all his dealings; he must be loyal; he should be healthy both physically and morally. These things are the foundations. His ambition will carry him on from this start.

"There are various roads that lead ahead. I took the law route and naturally I favor it, but that is not the only way. Law is a wonderful training for business; a lawyer gets information about very many different kinds of businesses, and many opportunities open before him. Before I entered the steel business I had been counsel

for several steel manufacturers, and so I know something about the business before I entered it."

Judge Gary went on to tell how men have reached success by various routes, such as the selling route, the accounting road, and the technical way. In citing his instances he mentioned men in many positions in his own organization, and in that connection it is noteworthy, he was continually complimenting them for their good traits. No wonder he is such a leader! He has been able to recognize the strength and character in other men, and to give to these men due credit.

The U. S. Steel Company is a tremendously big organization; it is hard for us to realize its size and its wide spread work. When Judge Gary was called upon to be its chairman, the chief executive officer, in 1901 (which place, by the way he has maintained ever since with dignity, honor and service) -- even in that early day it was a billion dollar corporation. \$1,100,000,000.00 in stock and \$304,000,000.00 in bonds was the beginning capitalization. Since that time it has added to the resources brought to it by the giant corporations which it united; it has built, purchased, and consolidated its position until today it is not only the world's greatest steel maker, but it also owns great iron and coal mines, railroad and steamship lines, cement works, coke-ovens and by-product industries. It maintains 147 huge industrial plants; it has twenty giant subsidiaries; it sells its products all over the world and pays annually to its 260,000 employees nearly half a billion dollars!

So Judge Gary went on to tell of some of the big men of this big organization, and how they won success; here are some of his examples:

"William F. Filbert, comptroller of our company, took the accounting road up. He started as a bookkeeper; he came with the Federal Steel Company and when the U. S. Steel was organized he became its comptroller at a large salary; he has had a great place and part in the success of our organization.

"President Fargus of our American Sheet and Tin Company took the selling route up; like many others who won success with our subsidiaries he made good in position after position in the important field of sales. W. P. Gleason, General Manager of our Gary Works took the technical route up; he was a chemist. In many ways if I were to learn the steel business as a young man I would prefer starting in the mills, mastering the technical end, and then go into management and other aspects of the work.

"James A. Farrell, President of the U. S. Steel, and second in authority in the parent organization was a workman in the shops. Then he got into selling and next into our export work. He became President of one of our subsidiaries, and from that position was called to his present task. A number of the presidents of our subsidiaries started as workmen in the mills, and proved that a man who is determined to get ahead will get ahead.

"I have placed study first in the success trinity, - "study, thought and work." Naturally training and education are essential to a man who wants to succeed. Every man should have at least a common school education, and more if he can get it. But self education has played an important part. Mr. Farrell had only a common school education, but he kept on studying. If a man is truly ambitious his mind will always be at work; he will always be learning; he will always be studying.

"But study alone is not enough; the ambitious man must think. If he is not succeeding he takes account of himself and by thinking tries to find out what he can do to become successful, to get ahead. He analyzes his own situation; he tries to find out what is wrong; he seeks advice, but he depends upon himself and his own thinking. He can help himself in a way that no one else can help him.

people like to help such a man; in fact one of the greatest satisfactions one can have is to help the other fellow find success, to steer him to the right road. That is the advantage of a magazine such as yours. Experience is a guide and light to men who are truly seeking the way, and if such men can take advantage of other men's experience, they are tremendously the gainers. But every man must stand on his own feet; he must fight his own battle; he must use his own initiative, his own qualities, his own work, his own ambition.

"I like the man who starts young with determination to make good, who advances step by step, and learns his work and does it well, who merits additional responsibility. We had an office boy whose salary was forty dollars a month, and who was studious and ambitious. Our controller, Mr. Filbert, found him studying and learned of his abilities and ambitions. He was promoted from position to position and made good in each; he worked hard and faithfully, until now he is assistant controller of the U.S. Steel at a salary of ten or twelve thousand dollars a year.

"There are hundreds of fine, big pay jobs today for men who have such qualities--not only with our company but with others all over the country; there never were greater opportunities for men who study, think and work than there are today. I don't care who the man is, if he will study and think, and if he is a hard worker he will progress. He must be persistent and industrious; he must have character; he must manage himself. In a way every man is like a business; there is always room for him if he 'has the goods' and if he manages himself well.

"He must make the most of his opportunities. During the war ^{in the Spring of 1918,} a number of aviators were flying over our country estate near Jericho, Long Island, when we had company for luncheon. We waved at them, and several landed and talked with us and became acquainted. After the war one of these young lieutenants came to us and said he wanted to learn the steel business, so I secured for him a place as a worker in the mills. He stayed there a year and a half, was industrious and learned the work, and I had good reports of him. ~~That was in the spring of 1918,~~ today he has a big position in the sales end of our organization."

Judge Gary watches the progress of his steel men with much interest. I know him how a big corporation like his found men for big jobs. Every day several hundred telegrams go out from New York offering opportunities to young men; the telegraph companies are authority for that. It has even been reported that a certain big corporation employed detectives, like the baseball scouts of the big leagues, to report unusually capable men. Judge Gary said he doubted that story, but that men worthy of promotion and of recognition came to attention in various ways. "Reports come up to executives from other executives under them, frequently recommending promotion for some one. Men with initiative and unusual ability are certain to be found out. Men who think, who are trained, who have exceptional abilities will be discovered, for it is as important to the company that it have efficient men as it is to the individual that he get ahead."

We have mentioned the fact that Judge Gary watches the progress of his men; the U. S. Steel is notable for the recognition it gives to its people. At the time of its organization arrangements were made whereby a profit sharing plan ^{tended to permanently retain} ~~that the of-~~ _{as a concession} officials and executives of the subsidiaries ⁱⁿ the parent company, through participation in the profits of the latter. The company has also a famous employee stock ownership plan, and in many inobtrusive ways, carefully avoiding paternalism, it aids with educational programs, housing, safety work, and many other welfare activities.

An interesting instance of its recognition of men is found in the names of its huge ore carrying boats. Those of you who have seen the company's great lake steamers may have noticed that they are named for men,--for men who helped to build U. S. Steel.

There are even cities named for its leading officials. There is Gary, Indiana; there is Morgan Park, Minnesota; there is Farrell, Pennsylvania; there is Duffington, Indiana. What greater honor could be done a man during his lifetime than to construct a great city like Gary and give it his name? Gary is a magic city, built almost overnight; twenty years ago or so it was a waste of sand dunes; today it is known the world over for its great steel mills, its churches, its schools, its co-

terprise. It was most carefully planned by skilled engineers, surmounting many difficulties, and making attractive a most barren place.

Judge Cary modestly hesitated to talk of that great city, but suggested we ask Mr. Gleason of the Cary plant about it. The name was selected by U. S. Steel officials while Mr. Cary was absent on a European trip. But he is proud of it and said so. It has 100,000 inhabitants, the finest single steel plant in the world, and other claims to distinction; he urged that we visit it again. There are splendid public buildings; the Judge presented personally the magnificent Y M C A building; and he told of fine institutional work being done by several churches there, both Catholic and Protestant. The school system of Cary cannot be passed without mention; Superintendent Wirt has developed a nationally known plan where play as well as study are recognized; where vocational as well as cultural interests are developed and stimulated; there are wonderfully well built and equipped buildings. The Cary schools insist that the boys and girls be interested as well as that the curriculum be exceedingly efficient.

We have mentioned the Cary Y M C A; the kind of a man that Judge Cary is may be seen from what he does out of business as well as in it. His philanthropies are many and notable; to mention an example or two, there is the beautiful Memorial Methodist Church, erected in honor of his father and mother, at Wheaton, Illinois, his old home; and there is the Cary Law Library which he presented to Northwestern University. Judge Cary maintains his interest in public affairs; the purpose of his journey to Chicago at the time of the interview was to spend Christmas with his daughters and also to some extent in connection with his membership in a great law enforcement committee which later conferred with President Coolidge. Judge Cary is a trustee of Northwestern University; and he is constantly being turned to where a worthy project needs prestige and sponsorship.

In the affairs of the steel industry outside his own company he has always been active and for many years has been the leading spirit. He was elected President of the American Iron and Steel Institute at the time of its organization about fifteen