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Robert Glazer: Welcome to Elevate, a podcast about achievement, personal growth, and pushing limits in leadership and life. I'm Robert Glazer, and I chat with world class performers who have committed to elevating their own life, pushing the limits of their capacity, and helping others to do that same.

Welcome to the Elevate Podcast. Our quote for today is from Bill Gates and it is "Effective philanthropy requires a lot of time and creativity, the same kind of focus and skills that building a business requires." Our guest today, Bill Cummings, has been a brilliant leader in both business and philanthropy. He's a decorated entrepreneur and has led the Cummings Foundation since 1986, which is recognized as one of the most generous philanthropic organizations in America today. He's the author of the new book *Starting Small and Making it Big*, of which 100% of the proceeds from that book have been donated to charity. Bill, welcome. It's great to have you on the Elevate Podcast today.

Bill Cummings: Thank you, Bob. It's a pleasure to be here with you and I appreciate that nice introduction.

Robert Glazer: Absolutely. So Bill, your book goes into detail about your upbringing. You were born during the Great Depression and describe frugality as a family passion. How did that influence you both personally and your professional development?

Bill Cummings: I think that my background formed in the Depression has been a factor in my entire career right from the start, and it was always a question of watching where the money went, just not buying anything without making a value decision first, "Is it worth it?" And I'll still do that. It's part of my makeup now.

Robert Glazer: And so have you ever raised money in your business endeavors? Or was that having to work from the money you had was sort of a forced discipline?

Bill Cummings: Well, we have never had to go to do anything, and borrowing, other than to get mortgages from local bank when early on in my career we'd go to local savings banks really. The results were always good, and we never had to get into a situation where we had venture partners or anything of that nature. That made a huge difference because I never had to do a lot of begging, and bowing, and scraping. It was just a question of go build the buildings, and throw them up, and lease them, and provide good service. And as we got into more and more commercial real estate, and without ever planning it, that's where my career went.

Robert Glazer: How did you get started?

Bill Cummings: First of all, how did I get started? Out of college probably, let's start there. Graduated from Tufts in 1958, and went to work for a company called Vick Chemical Company in Greensboro, North Carolina. Vick Chemical made Vicks VapoRub. Everybody knows Vicks VapoRub still I think, but it's nothing like it used to be as a major worldwide product, but it's still around. I had a great training program with Vicks. I highly valued it. I went and I stayed with them for two and a half years, then I decided it was time to get a little different experience.

I joined Gorton's of Gloucester, that's the seafood people up in Gloucester, Massachusetts, and sold frozen fish products for the next two and a half years. That was my corporate America experience, if you will. It served me extremely well. I had an opportunity, at some point, when I was disappointed with one particular situation at Gorton's, and decided it was time for me to start out on my own.

I had an opportunity to buy a small food products company. Bought that company in Medford, Massachusetts. Had a marvelous time, and I made fruit punch. That's a pretty good product, huh? Fruit punch. Concentrated fruit punch. It was an Old Medford brand. And at one time, Old Medford was the same company that made Old Medford Rum. So we [inaudible 00:04:30] down in Fulton Street in Medford, Massachusetts. I did pretty well down there and bought the company for \$4000, and had been in business, at that point, for 80 years, brought it up to sales of better than a million, and sold it for a million.

That was at a time when a million dollars was worth probably three times as much as it is today, but that gave me money to build a building on the property where we had the fruit punch plant. I leased it out and decided that was a good business to be in. Bought the land next door, put one building up on that, then put another building up on next door land, and then built another building between the first two, and had a real business at that point. That was the start for me.

Robert Glazer: And so from there on in, your focus was on real estate?

Bill Cummings: Once I sold Old Medford Foods, which was the name of that company, but again, it was just fruit punch and other flavors of fruit drinks. Once I got out of that, it was just commercial real estate from that point on.

Robert Glazer: Now, I'm curious, you talked about that first job, and I know that you've praised sort of their management, and leadership, and training. In what ways do you think business school are not preparing students to lead companies, and how could they improve in that area?

Bill Cummings: I've had quite a bit of experience very recently in talking to lots and lots of college students, including quite a number of business schools. As recently as last week, I spoke at Oxford University and had a marvelous visit there. But what

I'm seeing with the students that I meet is that so many of them are just really into electronics, and they're looking at new software that they can create, and new applications, and new apps for this or that or something else, and there's a huge payoff when they connect with those things. And I think there's not a whole lot of attention anymore to building just a old-fashion type business. Build something or make something and sell it at a profit, and contribute to society that way. They're losing sight of that completely today.

Robert Glazer: Well, even someone who wants to focus on a technology, or an app, or something like that, they still ... unless they're going to get some funding and sell it in five minutes, which I think the one or two that do that probably distort the percentage of success that that is for most people. But they need to build a company around that, and a company creates ... A product is a product, but a company creates successive products.

Bill Cummings: Exactly, yes. Yes, indeed.

Robert Glazer: We're not seeing a lot of people looking to build an enduring business and maybe that's just because ... and actually ... well, part question, part statement. I think again that is because they see the few winners, which is like someone making the NBA. I'm not sure they see all the people who thought they were going to make the NBA and then aren't really happy where they ended up.

Bill Cummings: Absolutely. That's an excellent comparison there. It's fantasy world versus real world sometimes. And so often, the people are, by the time they build the business, before they finish building it, they're thinking what their exit strategy is, and where do they go from there. And I've just never ever thought about going into a business that way myself. Strictly old-fashioned from my perspective anyway. Totally out of date.

Robert Glazer: Well, but when you bought those businesses, you had sold them, right? So it was improving and sell. So was the plan always to sell it? Or were you just responding to market conditions.

Bill Cummings: The latter. Going into the first business, thinking I might make a career there with Vicks. I went into Gorton's the same, thinking the same thing, notwithstanding that I had always wanted to be an entrepreneur.

One of the things that I tell in the book is the first time I ever heard the word "entrepreneur". And I kind of just where and when it was. It was back in my freshman year at Tufts in French class, and the teacher taught us the word, and we talked about French words and use in the U.S. She told us about entrepreneur and I was very pleased. It sort of was the answer. I could do what I wanted to do and there'd be a word for it. So that was when I learned entrepreneur. It was not a word you ever heard on the street at that time.

Robert Glazer: Yeah. And a lot of the venture-backed and I think if you look at the success of M&A, there's a lot of win/lose today in business. It sounds like your career has really been a win/win. You've built up a business that's employed a lot of people, been a great place to work. You've created a lot of personal wealth. And now, you're actually able to focus on the Cummings Foundation and giving back. So you were really able to accomplish all those goals simultaneously. Was that part of the plan? Or sort of which was the chicken, and which was the egg?

Bill Cummings: I have to tell you, Bob, there wasn't any plan ever. For instance, I've never done a business plan. I've never written ... Even in school, I never had to prepare a business plan for anything. It was always just started a dozen businesses of various types along the way, but it was never went into it with the idea of "This is how we're going to go." We just took what came along and optimized it really.

Robert Glazer: So what are your guiding principles though? You must have had some things that you were trying to get to, or what you wanted to do, or not want to do. What is the consistent thing across everything you have done?

Bill Cummings: The most consistent thing is to always try to do the right thing, and that might be pretty difficult to figure out sometimes, but that's been so important. Anyone who graduated from business school would absolutely know that you should never personally guarantee a debt. Everything should be done without personal guarantees, but I did everything with personal guarantee. We had mortgaged loans, but I was personally responsible if they weren't paid off. We've probably got 110 or 15 buildings, major properties today. There are no mortgages on any of them. But when there were, it had my personal signature on it, along with any corporate signature that might have been involved. So I just was never afraid of that. It's always been the way that we've worked. We try very hard to work with subcontractors who do the most of our building construction.

I have never been to court with anybody about a bad debt. You hear so much in the national discourse today that you're supposed to take advantage of anybody, anytime that you have the opportunity. And I've just haven't wanted to go that way. Makes me sick sometimes. I hear the national politicians talking about that type of thing. But we've done it a different way and it's always worked.

Robert Glazer: Well, I know also when you first met your wife, Joyce, you had a pretty frank conversation with her about work/life balance and your career goals. Why was that so important for you to do early in your relationship?

Bill Cummings: Well, again, in terms of being honest with her going in. And I would tell anybody that if one wants to be in business and own the business and operate it, the only way it should happen would be if they're really going to enjoy it and want to put in a whole lot of extra effort, more than anybody else would expect of an employee. And if someone does that, they can probably be very successful if they're smart as well. But to go in and have a business, and be the last one in

and be the first one to leave at the end of the day doesn't work, or say, "Well, I've got this to do, or that to do, or something else," and it has nothing to do with the business. I think it's important and it's vital to have a balance in work/family relationships.

But Joyce knew ahead of time going in that business would be important, and it wouldn't be a 40 hour week. And we would work things through, and we did, and she's been great for 50, almost 53 years. And now we do spend some time together. She's active in the foundation, and we've got a team of people who run the business, and I don't have much to do with that at all anymore. That's kind of a different place to be in life, but it beats a lot of alternatives, doesn't it?

Robert Glazer: It does. And I think it's not, probably not, something that people are up front of about setting expectations in all aspects of their life. You've talk a few time about developing leaders in your businesses. I know you were quick to identify Jamie McCann as your successor at Cummings Properties. How did he set himself apart? And how did you groom him for that role?

Bill Cummings: Jamie, and it's McKeown.

Robert Glazer: McKeown. Okay.

Bill Cummings: Jamie McKeown was a local guy, very sincere, very smart. He was a product of the Woburn Boys Club at that time. I had been a director at the club ever since I started business in Woburn, probably more than 50 years ago. I met him at the club. He was a Boy of the Year there, and was a leader there.

And he had his first job with us, and he was somebody that I could learn from right from the start, some of the things, his character issues that I would take guidance from certainly. And we had a nice relationship and that just ... it just grew over a period of 17 years altogether. Got better and better, and then suddenly it wasn't anymore. But I was very concerned about succession planning and that was where something was going along beautifully and then suddenly it wasn't anymore, but those things happen don't they?

Robert Glazer: Yeah, and so when Jamie, he passed away in 1996, which is what you were alluding to. So what was the plan from there? Did you have to step back in, or did you have another group of leaders behind him ready to step up?

Bill Cummings: No, that was a time when I was still very active in the business. I became active as chairman and we, he and I, had already identified his successor, who was Dennis Clarke, who didn't at that point know it himself but that was his future job. And he's not a local guy, and eventually Dennis moved into that position and became president of the company, and we've been able to recover nicely, but those things take a huge toll. And even today though, we recently ...

Dennis moved out of that position and moved up to chairman of the company, and that really gave me a lot more freedom to be active in the foundation. I never wanted to sell the business or anything, but we created the foundation. And, as I say, when Dennis took over as chairman of the company and gave up the presidency, he took my job as chairman and Eric Anderson succeeded me. I know you know Eric, and he succeeded Dennis and is now president of the company for the last year and half I guess. And life goes on, doesn't it?

Robert Glazer: Yeah, there's a quote, I'm probably going to butcher this, but I heard once someone said, I think "success without successors is not success." And it sounds like that's something you've really focused on is not making yourself the centerpoint of your work in these organizations.

Bill Cummings: That's a very fair observation, Bob. I hadn't heard that quote before, but I like it. It's certainly something that is vitally important in any organization once it begins to get substance and people. You owe it to the employees of the company. It's vitally important to protect them, and that doesn't happen if a business has to be ... somebody, an owner moves out, or dies, or happens to an owner maybe, and they immediately have to sell the business. That disrupts, needlessly disrupts, a lot of lives.

Robert Glazer: Yeah, and you can feel free to attribute that quote to me. Misattribute it, you know? That's how ...

Bill Cummings: Okay.

Robert Glazer: Say, "I heard Bob say it." I once saw a speaker who said that the ... and there's probably some truth to every joke. He said the first time he says a quote, he attributes it to someone. The second time, there's no attribution. The third time, it's his. I always thought that was funny.

Talk a little more about the book and the Cummings Foundation. I would love if you could just share the scope and the mission of the Cummings Foundation. In this is where you're spending most of your time. And both kind of what you've been able to achieve, and what you're hoping to achieve over the next few decades.

Bill Cummings: Bob, we work in the foundation with primarily local organizations, and my goal from the start was to give back in the communities where we derived our funds and our wealth. We've been able to do that in substantial ways. So the Cummings Foundation has got couple of billion dollars in its accounts, but more than half of it's real estate. The rest are former earnings. And it is supporting probably 1,000 organizations in eastern Massachusetts already with 1,000 organizations that have received grants of a \$1,000 ... I'm sorry. \$100,000 or more each.

And it's something that will gradually expand probably to include a wider geographic area, but at this point it's all eastern Massachusetts, except that we also just opened a new university in Rwanda. So that's a big jump. Do you know Paul Farmer?

Robert Glazer: Yes.

Bill Cummings: Of Partners in Health?

Robert Glazer: Yeah.

Bill Cummings: Dr. Paul Farmer?

Robert Glazer: I've heard the name, but I don't know him directly.

Bill Cummings: Okay. Well, he's done a magnificent job of providing health care in remote areas of the world. He grew up in the south. His family lived in a school bus for quite a few years. He got himself enrolled at Duke and did well there, and went from there to Harvard Medical School. But along the way, while he was at Harvard Medical School, he started building a hospital in Haiti as a student. He made a lot of trips down on weekends. Each time he'd bring more medications with him for his clinic and his hospital. The firm that he founded, Partners in Health, today has got close to 2,000 employees anyway, working in 11, 12 countries around the world.

But we came to know Dr. Farmer fairly well, their office is in Boston by the way, and wanted to support his work and that included a new medical school near Kigali, Rwanda. So that becomes our first real involvement outside the local area, and the foundation has been involved in that right from the start. It was delightful to see it, the formal campus opening take place this year already. So that's our one big digression from the local area.

Locally, we work with I'd say hundred of primarily small organizations. We try hard not to give funding to anyone that's got more money than we do to start with. There's a tremendous number of really good organizations in Boston, you know, the Mass General types, and the Harvard University, or Museum of Fine Arts, or a whole lot of organizations in town that do marvelous work. But we're looking to try to be helpful with the smaller ones that none of us have ever heard of before.

Robert Glazer: That's great. You talked about billions within the foundation. I assume that that means you have committed to give away most of your wealth through the foundation.

Bill Cummings: Yeah, very much so. I know you have read the book and you're aware we joined an organization called the Giving Pledge that was formed by Bill, Melinda Gates

and by Warren Buffett. And the members of that organization have all committed to give away at least half of their wealth.

We've already given our children all they're going to have, and they've actually given some of it back to the foundation in substantial amounts. But everything we have at this point, we don't.

Robert Glazer: Yeah. Can you talk about your children and sort of how you made gratitude and generosity part of your family values?

Bill Cummings: I don't know exactly how we did it, but we've been delighted with the results from what they've shown us though certainly. And it's been a part of my wife's growing-up years, and it's part of mine. Joyce came from a higher economic bracket certainly than my family was, but not rich by any means. And we learned what philanthropy was all about though from a very young age in both cases.

Robert Glazer: And I'm curious ... I always like to end with this question. What's a personal or professional mistake that you made that you learned the most from?

Bill Cummings: Probably the biggest mistake I ever made was letting us completely develop a building. The building is called TradeCenter 128, which is on 128 here in Woburn, i-95. And the building had actually started construction. I looked at it and said, "Why do we possibly need all these parking spaces? There's more than we could possibly ever need here." And we didn't them for code compliance, so I said, "Let's just take off the top floor. Don't build the top floor of that garage." So the six-story building was going to have a six-story garage, but I made it a five-story garage, and that was one story too few. We had to build another little garage beside it to take up the slack.

So that was a hasty decision. I won't say you should never make hasty decisions, but it's a good idea to talk about them more than I sometimes do with your colleges. You give other people a chance to tell you when you're doing something stupid. I didn't do it that time. That was my biggest one.

Robert Glazer: Well, you talk about doing the right thing, but how do you know ... and if you're not big on planning, how do you know what is right and what is wrong?

Bill Cummings: There's a whole lot of intuition involved, that's for sure.

Robert Glazer: All right, we'll leave it at that. Well, Bill, thank you for joining us today and sharing your story. Your experience teaches us so much about what it takes to be a successful entrepreneur, but more importantly how you can pay that success forward and share it with the world.

Bill Cummings: Okay, well, thank you very much. I've enjoyed the conversation and it's a pleasure to have gotten to know you a little bit.

Robert Glazer:

Great. Well, to our listeners, thanks for tuning in to the Elevate Podcast. We'll include links to Bill's foundation as well as his book, *Starting Small and Making it Big*, which all the proceeds are donated to charity; on his episode page on our site, robertglazer.com. And if you enjoyed today's episode, I'd really appreciate if you could head over to Apple Podcasts and leave a review. You can learn how to do that by following the link right on the podcast page. And until next time, keep elevating.