



## Duane McDougall Oral History Interview, July 15, 2015

### Title

“Memories of Willamette Industries and the Decline of Big Timber in Oregon”

### Date

July 15, 2015

### Location

McDougall residence, Lake Oswego, Oregon.

### Summary

In the interview, McDougall describes his upbringing in Tigard, Oregon, his decision to attend OSU, his academic experience as a college student, and his social life as well. Of particular note is a story that McDougall tells of traveling to Switzerland while an undergraduate, crossing the Atlantic in pursuit of the woman who would eventually become his wife.

McDougall next discusses his early career years at the Arthur Andersen accounting firm as well as his entrée into Willamette Industries. In tracing his advance up the ranks at Willamette, McDougall reflects on the growth of the company that occurred at the same time that the forest products industry in Oregon began to enter a significant decline. McDougall also speaks of Willamette's connections with OSU's College of Forestry and his own philosophy of management, before sharing his memories of the hostile takeover bid that was launched by Weyerhaeuser in the early 2000s and ultimately led to the dissolution of Willamette Industries in 2002.

From there, McDougall charts his later work as an executive at Boise Cascade, as well as his involvement with several other corporate boards. He likewise notes his civic engagement and philanthropic outreach to a number of non-profit organizations including the Oregon Symphony and the Oregon Community Foundation. He then details his associations with OSU as a supporter and contributor to university advancement. In this, he touches upon his work with the OSU Foundation, the College of Business, and OSU Athletics, as well as his family's endowment of a scholarship fund that supports OSU students hailing from the Tigard area.

The interview concludes with a discussion of McDougall's family and advice that he would share to students of today.

### Interviewee

Duane McDougall

### Interviewer

Mike Dicianna

### Website

<http://scarc.library.oregonstate.edu/oh150/mcdougall/>

## Transcript

**Mike Dicianna:** OK. The OSU Sesquicentennial Oral History Project has the honor of capturing the story of Duane C. McDougall, class of 1974, Business. We are at the McDougall home in Lake Oswego here in Oregon. My name is Mike Dicianna, oral historian for the OSU Special Collections and Archive Research Center. Duane, we really thank you for your willingness to participate and help OSU celebrate its 150th anniversary.

So we always like to start with a brief biographical sketch for our Beavers; items like when were you born and family life and that type of thing.

**Duane McDougall:** Well I'm a native Oregonian. Grew up in Tigard, Oregon, lived there till I went off to Oregon State and spent a lot of time delivering newspapers, picking strawberries, caddying, working as a box boy and flipping burgers. So pretty much worked from the time I was ten years old.

**MD:** Wow. Now what did your parents do? Did you have siblings?

**DM:** Well yeah. My mom and dad were hard workers, they had a luncheon and diner in downtown Portland, or not downtown but on Grand and Hawthorne in Portland and across from kind of the industrial area. And so had a breakfast/lunch trade. And restaurants are a lot of hard work. Takes a lot of time. And my brother, who's three years younger, lives here in town and, I think, when we were twelve and ten years old we would get on a bus, take a bus downtown, take a transfer on Rose City Transit, and go across the bridge and go to the restaurant and wait until they get done working and then go home. So you wouldn't let your kids do that now a days.

**MD:** One thing I just love to ask. Every generation has a significant memory that sticks with them, whether it be Pearl Harbor, or the younger kids the Challenger disaster. Do you remember when J.F.K. was assassinated? Does that stick in your mind?

**DM:** Yes absolutely. I was in fifth grade in Mr. Harper's class. And they wheeled the T.V. in to show what was going on and I remember everybody just sitting there mesmerized and people crying and everything. And the other event I remember, really significant, was when Neil Armstrong landed on the moon. And I think it was '69. And I was working at Jerods [?] grocery store as a box boy. And, again, found a T.V. to watch it and it was pretty memorable.

**MD:** Oh wow. Because, I mean, there are certain memories, it's a psychological thing that sticks in people's memories. Now tell us about high school. I understand you were involved with sports, any significant recollections?

**DM:** Oh, well, went to Tigard; good school, good teachers. And I was involved in basketball and golf. Just, you know, probably thought I was better than I was; mediocre to be quite honest. But so did that. Played athletics year round basically.

**MD:** So did you have goals of going to college? Or was that a foregone conclusion that you continue?

**DM:** I'm not sure I really had a goal to go to college. Nobody in my family had been to college, so I was the first one. And my parents always said, "you need to go to college, you're smart." And I had good grades in high school without trying too hard. I kind of skated by the minimum I could get by. So you know, I'll be honest, I didn't give it a lot of serious thought until, I think maybe, May or June the year I graduated from high school. And so a friend of mine, we roomed together down at Oregon State for the first two years, and we both put in our applications together and went down there.

**MD:** And did you look at other schools?

**DM:** No, no. Not at all. Well, I should say, I thought about Harvard, but that didn't work.

[0:04:47]

**MD:** Yeah, that was a pipe dream. [laughs] So let's move into your time at Oregon State University. You were a member of the class '74, so you entered in '71.

**DM:** '70. And technically, I'm not class of '74 because I graduated in August. But I didn't want to associated with the class of '75. [laughs]

**MD:** So what were your initial impressions of being a college student? What did you feel about being on campus?

**DM:** Well, I'd basically never been out of Tigard, Oregon other than driving down to the beach with my parents and one road trip to North Dakota in the back of a small Mustang. So it was a totally totally new experience. I have to say I was probably a little bit overwhelmed, and also you have all this freedom for the first time and I maybe had too much fun the first quarter. That was my worst grades I got. The only C I got was my first quarter in Music Appreciation. That's why I'm not in music. [laughs] But, you know, Oregon State was a beautiful campus, great place to be, had the values that I had. It was a very comfortable place but it was very new for me to be on something that scale.

**MD:** Now did you start as a business major? Business and Technology at the time?

**DM:** Yeah I did. I started as a business major. Actually I started in accounting right out of the blocks because I took a book keeping class in high school my senior year, and I thought "well this is easy and I'm pretty good at it, so this could be another easy path." And I liked it. It just felt comfortable for me and so I started in business and majored in accounting from right out the shoot.

**MD:** So what were your living arrangements while you were at college?

**DM:** First two years I was in dorms - Wilson and, I think, Hawley. I can't remember which one down at the other end. And then the next two years living in apartments. One apartment over by Fred Meyer and the other a house right on fraternity row. So we were right in the middle of all the fraternities and sororities. But I was never in a frat house.

**MD:** So you never pledged?

**DM:** No, no. I was never asked either! [laughs]

**MD:** If they knew now! So one of the things I always like to touch on is, the early 1970s were still a real turbulent time in the United States - Vietnam protests and the counterculture. Do you have memories of what it was like on campus? Were you involved?

**DM:** You know I wasn't really involved and Oregon State was, on a relative scale to other universities, my impression was it was much lower key and not as turbulent at Oregon State. But that may be more of a reflection of kind of my walking around as a total nerd in the county. But the one thing I do remember obviously was my class was the last year to get a student deferment. And my draft number was twenty-eight.

**MD:** Wow.

**DM:** So if I didn't - and I have tremendous admiration for everybody that serves the military and everything they do for us - but I knew that if I got drafted, I knew where I was going and I didn't like the odds of that. So, motivation to stay in school and get good grades.

**MD:** So another thing I remember during the '73-'74 era: the gas crisis. Lines at all the gas stations. Did you have a car? Were you involved with all of that?

**DM:** Well a little bit, I mean I had a car. But, you know, I didn't drive it around much in Corvallis, just to get back and forth from Tigard to go chase a girlfriend up here. So yeah, I remember sitting in long lines for twenty-five cents a gallon.

**MD:** Yeah. Yeah me too. So now I understand that you actually dropped out of school your senior year to pursue one of your dreams in Switzerland. I love the story - could you share it?

[0:09:50]

**DM:** Well, Barbara may not - she's heard it so many times...anyway. Barbara and I had been going together for a couple years and actually had been engaged and mutually postponed the wedding because we thought we were too young. And

so I was starting my senior year and she decided - she'd gone to Oregon State for the first couple of years. And she was going to go to do an international exchange program through Oregon State. But actually it got closed out so she went over to Switzerland to be an *au pair*.

And so I go off to Oregon State my senior year and I'm kind of a love sick puppy, I'm a wreck. And one of my professors, who probably was my best professor at Oregon State, Charles Neyhart, who was an accounting professor. And Chuck and I would occasionally go out and have a beer together - I was twenty-one by then...well, maybe I was - and I said to him, "man I'm a mess. I'm not interested in school and I'm missing this girl and what do I do?" And he says, "you know, you can always finish college but you've only got one chance at the gal." So I dropped out of college. Again, I had never been out of Tigard and Corvallis basically. Dropped out of college, my parents are going crazy. I had an internship with Arthur Andersen and I called up the partners and said, "I'm going to be gone for three months. Is there anything you want me to read before I come back?" And he's going "ah blah blah blah blah."

So I get on an airplane and go to Zurich, Switzerland. And the family she was working for was supposed to meet me and nobody showed up and, I'll skip that part of the story. But the next morning, I end up sleeping overnight at the train station, get on a train, go down to the southern part of Switzerland up in the Swiss Alps. It's a day like today's out - sort of blue sky. Beautiful day. Julie Andrews is singing "The hills are alive" in the background, Heidi is running around. And I'm walking up the mountain, Barbara's walking down the mountain and about thirty feet away I went, "hmm, something's not right with this picture." And I'm expecting a big hug and leap in my arms and she goes, "Duane, how nice to see you."

So thirty minutes later I'm dumped like a hot rock. Now she was good, she found a house for me to stay with a missionary family and four girls under the age of seven. And we ate mutton stew every day; I still hate mutton. And so I lived in Switzerland for two and a half months. And she did too. But we didn't see too much of each other. It was a little tense.

So we come home and she goes off to Stanford to continue her education. I do my internship and then come back to Oregon State and I have to take twenty-one hours spring term and summer term in order to get graduated. And I head off to work for Arthur Andersen. And in October, Barbara calls me up and says, "you want to come down to the Stanford-Oregon State football game?" And I'm going, "hmmm, so I can get kicked in the gut again?" But my best friend at the time said, "you know, you invested four years of your life with this girl, what's one more weekend?" Go down, have a great time at a restaurant overlooking Half Moon Bay, the waves are crashing, Beatles songs are playing, and I ask her to marry me again. And she says, "why did you have to ruin a perfectly good weekend?" And a couple weeks later I called her up and said, "you know, I've got to get on with my life, are you going to marry me or aren't you?" And she said, "well...OK." And we got married five weeks later. And we've been married for forty- almost forty-one years.

**MD:** Well, this is something we love to have in our collection; this type of Beaver lore. So, how do you really sum up your years at your alma mater? A proud Beaver, we know.

**DM:** Yeah. Well obviously but, you know, I'll be real honest, in some ways I'm a destination guy instead of a journey guy. And I came from a very humble background. I had to work to pay for - I paid for my own tuition and drove truck during the summer time to earn enough money. So I kind of looked at it - and this may not be what you want to hear for the record - but I looked at it as a way to get to where I wanted to go. And - great foundation. Couldn't be a better foundation; the Business school, the Accounting department, the professors I had. But I wanted to get out and get a job and be able to start making some money. And so, I mean, I enjoyed my time thoroughly and had a lot of good friends. But not like some of the stories you hear about life-long associations and all that. And so really I didn't have a lot to do with Oregon State for probably about twenty years, twenty-five years. Other than, you know, go to football games and basketball games occasionally. And then I got back involved in about '98, '97 and been heavily involved ever since.

[0:15:54]

**MD:** So during your time, did you go to a lot of sporting events while you were in college?

**DM:** I went to, you know, the basketball and football games. And I had a dream of making the golf team that quickly proved to be a pipe dream.

**MD:** Well, we've interviewed Doug Oxsen-

**DM:** Oh yeah! Doug was a good friend in college.

**MD:** And he tells a story of that game against UCLA, where we won, and he had to guard Bill Walton. Was that when you were gone? Or did you see that game?

**DM:** That may have been after I was gone. Yeah.

**MD:** Yeah, because apparently it brought down the house.

**DM:** But yeah, Doug was a friend down there.

**MD:** Yeah, he was a big star during that time. So you ended up getting your degree by mail, basically.

**DM:** Basically yeah.

**MD:** And so you didn't walk.

**DM:** I didn't walk; I was in August and the walk was in June.

**MD:** So your official class was the class of '74. Well let's move on to some of your early career days. I assume that you had to go through and sit for the accounting boards. How was that?

**DM:** Yep, got out of school and went to work at Arthur Andersen. I had interned there and then they offered me a job. And took the CPA exam and passed that. And so got that out of the way, right away.

**MD:** Now when you were working there for Arthur Andersen, was that in Portland?

**DM:** Yeah, it was in Portland. And primarily worked on - my big client was Georgia Pacific at the time. So...

**MD:** Which kind of gave you an in to the timber industry?

**DM:** Yeah, so worked there about six years and made manager, and then a friend of mine at GP said, "hey, Willamette Industries is looking for an assistant controller - do you want to talk to them?" And I said "sure, why not" because I knew I didn't want to be a partner in a public accounting firm, long term. So I interviewed with Willamette, Bill Modell [?], who's an Oregon State grad, he's the CFO. And met with him on the Wednesday before Thanksgiving and they offered me a job on Monday. And I went to work.

**MD:** And the rest is history. So at the same time you're beginning a family? Where did you settle?

**DM:** Yeah, we didn't start the family right away. So we got married in '74, when I switched to Willamette. That's not right - I didn't switch to Willamette until '79. So I was just starting at Arthur Andersen, we got married and, we waited five years before we started a family. And Barbara worked in a computer technology company and was a programmer.

**MD:** Oh, so is that what her education was?

**DM:** Yeah, but she's a math major and then, just to get out of school, she finished with General Studies. And ended up finishing at Portland State.

**MD:** Oh, ok. So let's talk a little bit about the business environment during the 1980s. Changing technologies, corporate strategies we see so much about. And also with you being involved with the timber industry, we're beginning the whole problems with environmentalism and money and the spotted owl.

[0:20:00]

**DM:** It was a very contentious time and I kind of liken it to the way it is today in Congress with the Republicans and Democrats: hard lines on both sides, not much compromise. And that's where the timber industry and the environmental community was. And in that type a deal, nobody's right. And there's a lot of finger pointing that could go both ways. And

you know I, being from the timber background, we didn't do ourselves any favors, I think, by not trying to find a path where you can be productive together. So it's not until the last ten years or so that I think there's really been a lot of good progress, with that regard. At least people are trying to work together. But it definitely definitely changed the industry. You know, frankly it was the beginning of the demise of the wood products industry in this state.

**MD:** Yeah. And you were involved with the financial end so you saw really the dollars and cents of where it was going.

**DM:** Yeah, you know, the funny thing, being in a cyclical industry, when the supply of timber gets cut off, mills start closing. And if you had a supply of timber, which Willamette had two million acres of its own, you could keep producing the product and the law of supply and demand - less supply, prices go up. So there were some very very profitable years in there. There's also some very tough years - '81-'82 when the whole economy took a dip. But yeah, it was feast or famine.

**MD:** Well you did hold a number of positions within the financial end of Willamette Industries, basically throughout the '80s and '90s. Give a brief overview of your rise in the company.

**DM:** Well I started off as assistant controller. Three years later, maybe, I was made controller of the wood products operations. And then, I think in '86, was made chief accounting officer and vice president and did that for a number of years, and was likely going to be promoted to CFO when they asked me if I would consider trying to run something. And in a company like Willamette, which is pretty conservative, wood products, they didn't often let the bean counters touch the controls. [laughs]

But I had spent a lot of time out in the mills, visiting our plants, and I felt if I was going to provide them the information they needed, I needed to be out there to understand what was going on. And so I, consequently, spent a lot of time in our plants and, as a result, I got asked if I would run the wood products operations in Oregon, in the west. And then a year later, all the wood products operations across the United States and Europe. That's one of the things I got to do is I bought a plant in Ireland and two plants in France which were Willamette's first international ventures. So my criteria was Ireland has great golf and the Bordeaux region has great wine. [laughs]

**MD:** So that's where you want to buy the plant!

**DM:** So we're perfect! And so, yeah, executive VP for a year and then the CEO, who was in a way my mentor, went to Weyerhaeuser and they then promoted me to CEO about six months later.

**MD:** And that was in 1998. And so basically you served as CEO from '98-

**DM:** 'till the demise.

**MD:** 'till the demise of Willamette Industries. So also you continued your education. Now you went to the Darden Management Program from University of Virginia, in '94, and also Stanford, they have a financial management program. Tell us about these programs.

**DM:** Oh, you know, just opportunities to continue to grow. And I strongly believe in continual learning and if you get an opportunity to take advantage of those types things you'd be crazy not to. And both were really good programs. One was strictly financial and the Darden School was more the big picture, running a business type of thing, which they sent me to thinking about a few years down the road. So yeah, they were both good, except Charlottesville, Virginia is very hot.

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**MD:** Yeah, anything on the other side of the Rocky Mountains, us Oregonians can't handle that. So yeah you kind of led the company and kind of rode this roller coaster of the timber industry. Looking at it from the top down, do you have any overall thoughts on the '80s and '90s, and timber in Oregon and the northwest?

**DM:** Yeah, I have to say I'm a little saddened to see what has taken place because I think we have very healthy forests. Lots of trees. The industry has been heavily regulated since 1970 when the Oregon Forest Practices Act went into place. And I think the timber in the state has been managed extremely well. Had been managed extremely well. And when the federal timber lands basically shut down - the harvest dropped ninety percent in the space of like four years - and state

lands are highly restricted, less timber is available. And as a result, you've seen so many sawmills and plywood plants and various other wood products operations shut down. Which has really, I think, devastated rural Oregon much more than the metropolitan areas.

And, you know, it's kind of a shame to see great living wage - you know, obviously I have strong feelings about this. It's hard to see great living wage jobs that provide good income to families just disappear. And so you see a lot of these rural communities that are really struggling to try and figure out where they're going to go. Young people leave town and go to metropolitan areas because there's no jobs. You know, I understand it, but it's kind of hard to see that kind of change. Willamette had sawmills in Sweet Home and Lebanon and Dallas and six or seven on the West Coast. Basically all gone now, though we didn't shut them down, Weyerhaeuser did. We won't get into that.

**MD:** Yeah, we don't want to get into that. So when you were involved on a high level with Willamette Industries did you have any contact with OSU's School of Forestry?

**DM:** Yeah, you may want to edit this out, but once I became CEO, suddenly I came back up on the radar screen. And that's when I started, that's when I got involved with the Board of Trustees. Well, actually, we did create a Willamette Industries scholarship fund in the School of Forestry. But I was probably more heavily involved - I'm still involved a little bit with the School of Forestry, but mostly with the School of Business. So yeah, Willamette spent a lot of money with Oregon State researching various projects and things like that.

**MD:** Yeah, there are tree farms and things like that that work with Oregon State.

**DM:** Right, heavily.

**MD:** So while you were president or CEO, you saw a huge amount of growth. There's like 107 plants, 24 states and, I love this, France and Mexico - where's timber in Mexico?

**DM:** There was no timber, that was a paper operation. We had six corrugated box plants throughout Mexico. Willamette had transformed itself from just being kind of a northwest and a Louisiana company to an international company. And we were the fastest growing in the industry and we were the most profitable in this industry.

**MD:** And that made you a target.

**DM:** And that made us a target.

**MD:** So before we get into that, I'm really interested in, when I talk with people that have been at this level of management, do you have philosophies of management that have really helped you achieve where you're at today?

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**DM:** Two things that I always try to do is surround myself with good people. And I don't mean just smart people. I mean people with good character, they're trustworthy. And we never batted one hundred percent, but we had a lot of those type of people. Kind of down to earth, solid citizens; not a lot of high flyers, but salt of the earth type of people. And the other thing was, let them do their job. Empower them. The worst thing in the world is to say, "I'm from corporate and I'm here to help you." That doesn't work so well. [laughs] And so consequently we were very decentralized, very small headquarters staff, that basically stayed out of the way of the operations. Each GM was kind of the CEO of his own plant, and consequently there's a tremendous pride of ownership, tremendous amount of responsibility and, if you let people do their job, ninety-five percent of the time they are going to do it and they're going to do a good job.

And I learned that from Bill Swindells, who was the founder of the company. And you weren't having to manage everything; you had to go talk to Wall Street but... Those two things really were important. And then the third thing was continually trying to find ways to grow new opportunities, because I always felt like an organization that was not growing was at best stagnating and otherwise dying. And people get more energized and charged up when there's things going on and new challenges and new opportunities, and it gets people fired up. So Willamette grew an awful lot from the time I started there in '79; I think we were about just barely over a billion in revenue and maybe sixty plants. And twenty years later, we're four and a half billion in revenue and a hundred and seven facilities.

**MD:** A lot them down through the South, right?

**DM:** Yeah, three areas of concentration: in the Northwest, Oregon. Louisiana. And then the Carolinas. And the Carolinas we bought from Boise Cascade back in the late '80s.

**MD:** Now again going along this whole idea of the new government regulations and things happening during your time, at your level in the company, did you spend any time in front of Congress and things like that? Dealing with the politics of the industry?

**DM:** I would say Willamette was a very nonpolitical company, maybe to our detriment frankly. In retrospect I wish we had been more involved. And we did through our trade associations and stuff like that, but on a direct one-to-one level, not a lot. Which I think in retrospect, if there's something I could change, I think we'd be more connected. Not that we were really going to change anything, but just to be more connected and have another voice heard.

**MD:** Well let's talk about the elephant in the room, Weyerhaeuser. [laughs] Now I've read that this whole hostile takeover dates back almost to the point where you became CEO. Is there a story with this whole thing?

**DM:** Oh yeah. I actually teach three classes – well, I speak to three MBA classes a year on hostile takeovers.

**MD:** You were in the middle of it.

**DM:** One of the few experts in the field. [laughs] But, yeah, the ex-CEO went up to Weyerhaeuser, and throughout the company I think there was a sense of betrayal, because we were very competitive with one another. And about six months later, he approached Bill Swindells and I about getting together. And it wasn't a very productive conversation, it was actually...ended kind of ugly. I won't go into the details. And then about a year and a half later - you know, I was a brand new CEO, and I hadn't had a lot of time to get prepped for it, so I was trying to figure out what the hell I was supposed to do.

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And after about a year and a half we had a plan, back on Wall Street, talking about how we were going to be more aggressive in making acquisitions and trying to grow the company. And a week after we made that announcement, that's when Weyerhaeuser came after us and it was a hostile the whole way. We mounted up the second longest offense in corporate history; eighteen months. It was very, you know that saying, "what doesn't kill you makes you stronger?" There was a couple times there I thought I was going to die. [laughs] But it was a very difficult period because it was beyond - and you're always trying to do the right thing for the shareholders - but I also thought I had a big responsibility to the communities our people worked in, to our employees, our customers, our suppliers.

And, you know, the interesting thing is, usually during those types of situations it doesn't last very long; a couple months, two or three months. Somebody raises their offer and your customers start getting antsy and your employees start getting picked off by headhunters and stuff like that. And that didn't happen to us. I mean, our employees stayed incredibly loyal, our customers didn't want to see us disappear, and actually they increased their amount of business with us. And so that helped us be able to fend off and say we can do better on our own than being part of Weyerhaeuser.

It went on for a while and then they were able to get three board members on our board, by a vote of 50.1 to 49.9. And if I'd been willing to lie to a shareholder, I may have been able to change that. But I'd probably still be in jail. [laughs] So it just progressed and finally they raised their offer to a level where one of our major shareholders said, "I need to do it." And so then it became a 60/40 split and then, you know, you just try and negotiate the best deal you can. But it was very emotional because there was a lot of personalities, people knew each other, and with our ex-CEO being their CEO. So it was more than just a straight business deal. It was a tough period.

**MD:** And this all ended in 2002.

**DM:** I turned fifty, I got fired and-

**MD:** Yeah, you're cut loose in space and-



**DM:** Actually I kind of quit. I was asked to lead the transition which, I said, "So you mean you want me to fire my friends?" I said, "I don't think I'm interested in that."

**MD:** And that's when you moved to Boise Cascade?

**DM:** Well actually it was a couple years later. Boise Cascade got bought by a private equity firm, Madison Dearborn, and they had asked me to help them a little bit on evaluating Boise. And then they put me on the board - actually they asked me to be CEO and I said no. You know, emotionally I really couldn't do it because my heart was still at Willamette and, you can tell, it still is.

But I did go on the board and, after a few years, we needed to make a change at the top and so I went back to being a CEO. I said I'd do it for six months but I did it for nine months and promoted a guy from within and then I served as chairman until just this last February. When we promoted - the CEO retired, new CEO, and I said to the old CEO, "you should be chairman, and I'll just be on the board now." So I'm still on the board of Boise Cascade. Great company; actually very similar to Willamette in terms of ethics and type of people and culture. It was a good fit for me.

**MD:** Now where is their headquarters?

**DM:** Boise.

**MD:** That's what I thought. And that was within my time in the industry also. So I find also that you served on a large number of corporate boards: West Coast Bancorp, Cascade Corporation, Greenbrier, who make train cars.

**DM:** Right, lots of them.

**MD:** Yeah, lots of them. So this providing your leadership expertise in the corporate community seems to be one of your strengths.

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**DM:** Well it's been fun. Like I said, I did not want to – when I was interim CEO of Boise and then asked, led some organizations as an interim type deal, but I'm on the board of Boise Standard Insurance and Greenbrier now. And I enjoy it, just from the standpoint of I can add some value because I kind of know how the game works. You can be skeptical; a positive skeptic when appropriate. And at the same time I'm learning; I'm still getting to learn about the different industries outside of forest products, which has been really a lot of fun.

**MD:** Yeah, because you spent a career with Willamette Industries...

**DM:** So now I know all about making rail cars and selling disability insurance. [laughs]

**MD:** One of the things I've been extremely impressed and enjoyed researching is you're an active philanthropist, donating time, funds, expertise to various charities – I've got a list a mile long, CASA is one that comes to mind and also things like the Portland Art Museum, PSU, as well as Marylhurst as well as Oregon State.

**DM:** Oregon Symphony, Oregon Community Foundation.

**MD:** Lots of arts.

**DM:** Well yeah, I'm not ... well, actually I was interim president for the symphony. The permanent guy left and since I wasn't working and I was on the board, "Oh yeah, you can do it." So the first time I met with the orchestra I said, "you know guys, I've got bad news for you. I got one C in college, it was in Music Appreciation. You're in trouble." [laughs] So yeah, anyway, I have been involved in a lot of things over the years and I just feel it's important. I've been very blessed, been very fortunate, and the opportunity to give something back. And also, you know, like I said, continual learning. You learn about different things and how the community works and stuff like that. And I won't say it's an obligation, it's kind of fun to do, as a change of pace if nothing else. And you learn about a different aspect of your community than what you normally deal with.

**MD:** So yeah, a lot of these are Portland based.

**DM:** But like the Oregon Community Foundation which has been a lot of fun. A big organization that helps communities throughout the state, gives away eighty million dollars a year. And again, an opportunity to be involved in the entire state versus just the metropolitan area.

**MD:** Well, one of the main focuses that we really need to look at is you giving back to your alma mater, Oregon State. And so we need to talk about the OSU Foundation and your involvement. You've served on the Foundation, officially, from '98 to 2010, and then also you're chair of the Board of Governors in 2002-2003. And you were also recognized with the Foundation's highest honor, being a lifetime trustee in 2014. What got you – who nabbed you for the board?

**DM:** Back in '98 - you know, once you get your name in the newspapers as CEO you suddenly pop up on radar screens. [laughs] But, you know, being honest, I can't remember who asked me to come on the board. But I thoroughly enjoyed it and it got me really reconnected with Oregon State and I found out that I really missed it. And it was a great great organization. Paul Risser was the president at that time. And, you know, I guess the thing that I'm probably proudest about, during that ten, twelve years, was I was one of the members of the search committee that brought in Ed Ray and Mike Goodwin. So I feel like I did two really good things, because the leadership at Oregon State is outstanding on multiple levels, but those are both two key individuals that I'm very proud to know.

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**MD:** I would say I'd be proud to bring Ed Ray in too; he's been one of our top presidents, I think.

**DM:** Well really changed the university, the face of the school, totally.

**MD:** Oh, so much. And that actually brings us to the OSU Foundation capital campaign, just recently concluded, they went after a goal of six-fifty and came in with 1.14 billion dollars for the institution that's doing so much. Now, how were you involved with that?

**DM:** Well, I was on the campaign steering committee with eight or nine other people, really great group of folks. And not only the committee members but the professional development side and entire universe, I mean everybody got behind it and, you know, to be honest it was a great untapped resource. Because until Mike came in and Ed came in, it was kind of a little bit of a good old boys club. And they really got it focused. And there was a tremendous base out there of Oregon State graduates who really hadn't been touched at all, and it was a great opportunity for people to reconnect, to get people back on campus, get them seeing what Oregon State does.

And it resonated, it resonated with the community. And it really turned out remarkable, I mean we started at six-fifty and then I think UO had a campaign going on at same time and they'd raised there's to eight-fifty-five and I said, "well, I think we have to go five million higher than Oregon as a goal." So we raised it to eight-fifty or something like that and then we raised it to a billion and hit 1.15 or almost 1.2, I think.

**MD:** Yeah, it kind of took on a life of its own.

**DM:** Yeah, it's changed the face of the campus when you think of the new facilities, the new professorships, endowed positions, scholarships - huge change there.

**MD:** And you were part of that huge celebration.

**DM:** Yep, lot of fun. That was a fun weekend.

**MD:** So the institution, your alma mater, has recognized your contribution in some substantial ways over the past few years. I mean, we have a long list: you were a member of the Dean's Circle of Excellence of the College of Business from about 2013 to now. You're an alumni fellow, and that's part of the Foundation. A member of the College of Business Hall of Fame from 2006, and also you received the E.B. Lemon Distinguished Alumni Award in 2012. Can you give us a sense of your feelings about all this recognition from your alma mater?

**DM:** Well, I mean, you're honored and humbled. Those aren't types of things you seek out, they just kind of happen if you mind your business, I guess, and care about something. And I care about Oregon State, it has been an important part of my life, the foundation for future opportunities. And so it's been very nice to get that type of recognition, but I'm not a big recognition guy, under the radar is ok too sometimes. So anyway, yeah, I'm very honored and humbled.

**MD:** So in 2006, you and Barbara started a scholarship fund at OSU, and it provides tuition and fees for high school students with financial need from high schools here in Tigard and Tualatin - you're giving back to your home community.

**DM:** Well, we both grew up in Tigard and I came from a situation, academically I was fine but financially I had to work. And back then, in the olden days, you could earn enough money to basically pay for school and room and board. Well that's impossible now, I mean the cost has just gone out of sight and the job type of opportunities don't pay that kind of money.

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So we felt we had an opportunity to try and help our local community, help students who are at Oregon State. And so we have a full ride scholarship, at least one a year. So there's always at least four people receiving a full ride scholarship and, you know, we usually meet with the students once a year. And it is really rewarding, not that you're looking for "atta boys" and pat on the backs, all that type of stuff. But it means something to be able to change somebody's life and give them an opportunity that maybe they wouldn't have had, or maybe they would have, but still not come out of school with a pile of debt and all those types of stuff. And you meet these - and we have no part of the selection process involved, it's totally done by the university - it's just a real heartwarming feeling. And I really enjoy giving money to scholarships and things like that, probably more than facilities.

**MD:** Now, these are all School of Business or are they...?

**DM:** No, no, no - whatever. Yeah, whatever. I think one was in math and all over the board.

**MD:** So yeah, you are a supporter of the college in so many ways. The University Venture Development Fund, very interesting, fill us in a little bit on that.

**DM:** Oh, I've been supporting that for quite a few years and I can never understand why more people don't do it because, you know, being a financial guy, it's a great deal! It's both a tax credit, a tax deduction. And it basically doesn't cost you very much to give money back to the university, and it goes in a great area - venture capital-type, start-up businesses, and help nurture student's ideas and grad student's ideas into developing into businesses. And so it's been a great program and we've enjoyed doing that.

**MD:** So then you get to see the fruits of this.

**DM:** Yeah and, I mean, businesses start up and sometimes Oregon State has some participation in it.

**MD:** So your involvement with the College of Business has been ongoing, including Austin Hall. Now apparently your name is on a wall somewhere there? I've taken a walk over there and seen it on a room.

**DM:** On the second floor, yeah.

**MD:** Yeah because we interviewed Ken Austin.

**DM:** Great guy.

**MD:** And that facility is just so incredible.

**DM:** Oh it is. When you compare it to Bexell Hall.

**MD:** Well, Bexell Hall was built in the '30s.

**DM:** It's brought us into the twenty-first century from being in the nineteenth century basically, and I'd go in Bexell and I could find my initials carved in desks still, so that's not good. But it's a beautiful facility and you've got to give - a lot of people contributed money to help get it done, but a lot of credit goes to Ilene Kleinsorge, the dean of the School of Business, who really made it happen.

**MD:** Yeah. And she's just now retiring.

**DM:** Just retired, yeah.

**MD:** And she's another person we've interviewed and captured her story. So do you have a philosophy - I'm trying to get all of your philosophies for future people - about giving back to an alma mater, not just OSU, giving back to where you get your education?

**DM:** Well, first of all, I've just always felt like, give something in return and give other people, kids or whoever, opportunities that I was fortunate to get. I think I had one scholarship for three hundred dollars, but it made a difference. And I'm very proud of the institution, it's a great school. It's a school for all of the state of Oregon, land grant college. It touches every person in the state of Oregon one way or another, whether they know it or not. I've been blessed, we've been fortunate in our lives, so an opportunity to share some of that.

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**MD:** I noticed that you're also helping athletics - do you have a certain sport that you're...

**DM:** Actually helping the golf team too.

**MD:** You and Bud Ossey.

**DM:** Yeah, Bud's a great guy. Yeah we're helping, we're one of the co-captains of - I guess that's what it's called - for the Valley Football Center and the remodeling of that. And that's important - you've got to keep growing and keep current and, over the years, we've done a great job of upgrading facilities but so is everybody else. And to be competitive, you've got to do it.

**MD:** Yeah, well we don't want to have one of those velvet-lined, Phil Knight facilities like the Ducks have.

**DM:** Actually, I don't want to have one like that. Yeah, you know, I'll be honest, I enjoy the academic side more, but we have season football tickets on the fifty yard line and we're going to the Michigan game, so we're on board.

**MD:** Well, we always like to capture the entire story of our alumni and Beavers, and none of them are complete without learning about your family, because we've got years of kids and grandkids and things like that, so how about the family? We've heard the story of Barbara.

**DM:** Yeah, and we've been married forty years plus now, and she's the love of my life. And we have three wonderful kids, two girls and a boy. The oldest works for Nike, she's in global strategy. The middle one is a pharmacist at Salmon Creek hospital. And the youngest graduated from Oregon State, and he's a CPA and works for Erickson Air Crane in financial reporting. So they've all done very well; I'm very proud of them.

And we have the two girls, each have two of our grandkids; we have three boys and a girl. Three years old to two months old and they bring great joy to my life and a big smile, except I don't want to change poopy diapers. I try to pass on that.  
[laughs]

**MD:** But now, of the three we only have one Beaver?

**DM:** Right, the oldest went to Harvard and the middle one went to Pomona, and David went to Pepperdine for a couple years and then transferred to Oregon State, which was a really great move. It was a good move.

**MD:** So one of the things we always love to do is give our Beavers a chance to impart some of their wisdom, which you've done throughout this interview, which has been wonderful. But any final nuggets that you could think of for the benefit of the Beaver Nation that are watching this?

**DM:** I'm not sure I have a lot of wisdom. Just, I think, you know, treat people fairly, associate with good people, work hard, and things tend to take care of themselves if you take care of the basics, I guess, so to speak. And, it's funny, I look back and I don't know how I got here but somehow I got there. The key, I think, it's good to be smart and have the college education and whatever, but you've also got to be able to deal with people and understand where they're coming from and treat people how you would like to be treated. So, I'll leave it at that.

**MD:** Well on behalf of the Sesquicentennial Oral History Project, Duane, we have enjoyed every minute of this. And we thank you for your contribution to the one-hundred and fiftieth anniversary of Oregon State University, your alma mater.

**DM:** Go Beavs!

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