

Richard D. Irwin was Missouri-born and Illinois bred. His birthplace was St. Joseph, Missouri, and his birth date was November 2, 1905. When Irwin was six years old, his father was transferred to Chicago, and it was in Chicago that Irwin grew up.

Irwin was raised in a family that emphasized service to others, and loyalty to those deserving it. Both his father and his mother exhibited and stressed these qualities. To Irwin, his father was an exemplar in these ways.

The father, William Irwin, was an outstanding chemist in the employ of the then-Swift & Co. who might have become more successful financially had he taken his scientific talents elsewhere. However, the senior Irwin expressed his loyalty to Swift by remaining on that company's staff.

Irwin's schooling was very much of the Midwest, which likely enlarged the values inculcated in him at home. He attended and graduated from Chicago's Hyde Park High School in 1922. He then went on to the University of Illinois and graduated from that school in June, 1927 with a degree in business administration.

A person, any person, is, to say the obvious, conditioned by his upbringing, his schooling, his job. The first two bear on the third. As a boy, Irwin exhibited a strong work ethic. He was not reluctant to work, and, when he worked, he accomplished the demands of the job and more.

His first job, if it can be called that, was as mascot for athletic teams of the University of Chicago. A mascot is a sign of luck for a team, but to almost any young boy, the luck is the boy's, not the team's. In those days, the Maroon teams of the University of Chicago were to be reckoned with in intercollegiate athletics. The Maroon football team especially so because of the still-to-be-remembered coach, Amos Alonzo Stagg. Young Irwin approached Coach Stagg with a trade: he, Dick, would keep an eye on the team's equipment (in today's language, provide security for) in return for free admission to University athletic contests. The coach agreed to the trade, and the boy became a junior Maroon.

In this episode, the young Irwin displayed some of the traits which would stand him in good stead later on in his business career. He spotted an opportunity: to become a mascot. He persuaded the appropriate person to consider his proposition: to watch over athletic equipment in return for free admission. He gave good value to the other side: reduce the possibility of equipment theft. All in all, for the boy and for the team, it was a fair deal. And, as an intangible bonus, the job provided Irwin with an education in working well with people older than he. Fortune does favor the brave.

In high school, he delivered milk, earned money from a vegetable garden, worked at a soda fountain, and had a paper route. During summer vacations, he worked as a manual laborer at a Swift & Co. plant. No doubt these different experiences instilled in Irwin a respect for the dignity of work – that it is the work that is dignified, not the kind of work.

After graduation from the University of Illinois, Irwin became a full-time Swift employee in a meat-grading department.

"Luck," said Branch Rickey, "is the residue of design." What Mr. Rickey meant was that luck is not pure happenstance, but rather, favors the individual who is well-prepared and who seizes the moment – takes the risk. In golf, the duffer will hack at the ball, hooking or slicing into the rough. The skillful, well-prepared golfer will place the ball on the fairway just about where he wants it to be, and get the fortuitous extra bounce.

It was during his regular golf match that Irwin heard of an opening with a publishing company. He spoke up, and got the details of the job. He applied to, and was hired by, A.W. Shaw Company. Luck? No, the Shaw Company would not have hired an ex-meat grader. The company did hire a young man with a good education desire, and energy who seized the moment.

The Shaw Company was a magazine publisher with, in addition, a list of business and economic textbooks. Irwin was assigned to Shaw's college department as a sales correspondent. For his first year or so, he covered his territory by mail, writing letters to prospective adopters – college professors – in which he would

substantiate the strengths and values of particular Shaw publications.

As part of his job, Irwin got to read the road reports of the Shaw Company's one traveling salesman. In time, and after several requests to do so, Irwin went on the road for Shaw. Arriving in Pittsburgh on his first time out, Irwin experienced a bout of loneliness and doubt which turned into a reluctance to proceed. However, he persisted, and at the University of Pittsburgh, called on a perceptive professor, George R. Esterly. Esterly took the new salesman to lunch. While this incident speaks well of the professor, it says as much of the "student."

Although Irwin drew a blank on textbook adoptions at Pittsburgh, the lift in spirits he got from Esterly's kindness encouraged him to go on to the next stop at Pennsylvania State University. On that campus, he got, not one but several adoptions of Shaw books. His spirits lifted even higher, he made the remaining calls on his itinerary, and returned to Chicago.

There he received a taste of what any new man can expect: his record of adoptions was greeted with skepticism, or, in other words, disbelief. Investigation and confirmation convinced the Shaw executives of Irwin's success. Irwin had reported accurately the adoption results, and corporate congratulations were his reward.

More rewards than that resulted from the road trip. No success is more memorable than the first big one, and the rewards are internal as well as external. That first success convinced Irwin that selling books was his forte. Success breeds success because it confirms abilities, builds confidence, makes the next and subsequent efforts challenges to be accepted. Mixed with all this was the Irwin family undertaking to be of service to others.

To his credit, Irwin pointed to the products, the Shaw textbooks, as the reason for his success, not his salesmanship. Modesty is a virtue for anyone, not less so for a salesman. But, it was Irwin, in however modest a fashion, who convinced professors (insofar as professors can be convinced) that this book, and not that one, was best suited for courses and students. Books don't talk, salesmen do. Nonetheless, throughout his career, Irwin believed books sold themselves, and that sales representatives only assisted by bringing a particular text to an adopter's attention.

For the next year or so, the Irwin career in publishing was a series of moves. In 1928, the A.W. Shaw Publishing Co. was sold to the New York house of McGraw-Hill. Irwin stayed on with the new firm, and in September 1929, Irwin and his wife moved to the headquarters city. The move practically coincided with the Black Friday stock market crash heralding the great depression.

In his new job, Irwin was expected to visit college campuses in the eastern United States, promote the adoption and sale of McGraw-Hill books, and search for manuscripts. He did well at what he was supposed to do, impressing his superiors with his promise. After several swings around his territory, he looked for another job, and lined one up as a space salesman for McGraw-Hill magazines back in Chicago. Irwin had become discouraged trying to handle a list of 2,000 books. He felt ineffectual with the size of the list which led to his discouragement.

Because a good man is hard to find, and just as hard to keep, his boss at McGraw, Martin Foss, first offered him a transfer to trade sales (sales of books through bookstores). When Irwin refused that offer, Foss then offered Irwin the job he wanted because he knew that he could do well at it: the job of selling business and economic textbooks. Irwin accepted in one breath, and with the next breath called Chicago to resign from the space-selling job he had not even begun.

Salesmen on the road have lots of time to think about what they are doing, and about what they can do. Salesmen who have to stay in bed to recover from influenza, as Irwin had to, have the time to put these thoughts into mental proposals. In an expression of loyalty to his employer coupled with ambition stemming from his work ethic, Irwin proposed to Foss a way to boost McGraw-Hill's sales volume. His proposal was to have additional staff work under Irwin's direction for the purposes of acquiring, producing, and selling McGraw-Hill business and economics textbooks. In military language, Irwin's proposal was to assemble and concentrate the forces necessary to accomplish the objective.

Foss acknowledged the merits of the proposal, but offered reasons why it was not a feasible proposition at the time. Money, of course, was getting hard to come by. Foss pointed out that, to put the scheme into operation for Irwin, he (Foss) would come under pressure to do as much for others. Foss went on to explain that he couldn't have 20 or 30 "companies" operating within McGraw-Hill.

Irwin filed the proposal with no thought of using it later. But use it he would, as will be seen shortly.

Accepting the risks and hazards of life is what each of us does daily. Seeking out a risk is not so common. Even less common is the ability to select the risks to take. Irwin was a risk-taker; he knew from that boyhood undertaking that fortune does favor the brave.

Now, Foss was a man whom Irwin respected and liked; Irwin showed this regard and affection by being forthright and candid in his dealing with his boss. Irwin picked his spots to do this, however, remaining quiet when quiet was the better part of daring. There came a time when Irwin put candor and quiet together to achieve an objective, and to jump over a hurdle.

The objective was to get McGraw-Hill to publish a manuscript on retailing. The hurdle was Foss's clear directive to Irwin not to acquire another retailing manuscript. McGraw-Hill had had a retailing publication fail in the marketplace, and Foss had no desire to ring up another failure.

In an end-run sort of play, Irwin asked the author (Bedell) to write him a letter explaining why the book should be published. "Don't leave a thing out," said Irwin. Then Irwin put the letter on Foss's desk as he was leaving a sales meeting and awaited the reaction. The reaction, for Foss was a good publication man, was favorable. "Do you think you can get him to publish with us?" Irwin replied, "I already have him signed up." The later reaction was even better; in print, the manuscript was a success. Foss showed just how good a manager he was by publicly acknowledging that his reluctance was an error, and by congratulating Irwin for forcing the issue.

There were lessons in this episode learned and retained by Irwin. He would, in his own company, admit to mistakes made, give credit to others when it was due them, encourage untried authors, and gamble on a good manuscript.

For the several years with McGraw-Hill, Irwin was on one side of publishing. In 1932, he tried the bookstore side. In the spring of that year, Irwin attended a meeting of the creditors of the Bankrupt University of Wisconsin bookstore. His conduct at the meeting – candor and forthrightness – impressed the cooperative bookstore's board of directors. The impression made was sufficient enough for the board to offer him the job of bookstore manager. Challenged by the job offer and tempted by a return to the Midwest, Irwin accepted in August 1932.

For most of his first semester as manager, matters went fairly well; under his direction, the bookstore returned a profit, small as it was. But Irwin got into a disagreement with the board over the scheduling of the bookstore's past-due debts, and asked oddly enough, that the board fire him. (Irwin didn't want to quit, because he would be breaking a contract.) The board, in an even temper, did just that. He had lasted there one semester. Perhaps the campus style of collegial decision-making was not Irwin's style; perhaps his style was the entrepreneurial style of running his own shop, free of immediate interference.

Actually, as can be seen from his mascot days to his bookstore days, Irwin's style was the entrepreneurial one in bad times as well as good times. 1933 was not the best of times with 25 percent of the national labor force unemployed. Irwin joined that number after Wisconsin. His generous parents offered free room and board to the younger Irwins. Thus, a move back to Chicago, and the beginning of a search for work.

By the end of the 1933 summer with no success in the job market, Irwin decided to put himself to the test of his own business. That business, of course, would be textbook publishing, specializing in business and economics texts. That side of publishing was the side he knew best, and was the side he stayed on. The brew of ideas that had come to him in his other jobs began to ferment again. Irwin would put his education, his work background, and his ideas to the competitive test.

He approached the business world with discretion, but not with diffidence. He sought the advice of a close and respected friend on the Northwestern University faculty, Professor Delbert Duncan. Duncan mentioned the risks of starting out in the midst of what has come to be called the Great Depression. The friend advised against the venture. Good advice, maybe, but which went unheeded. Recognizing Irwin's pertinacity, Duncan offered to help in any way he could.

He immediately set out on a trip that took him to East Lansing, Ann Arbor, Buffalo and finally Boston. There Irwin went to Harvard seeking manuscripts from a writing faculty. When his visit resulted in three manuscript commitments, Irwin had the spur he needed. He would publish textbooks.

The visit to Cambridge was the spur, but capital was the need. He didn't raise any capital, but through someone his father knew, he did get "walking-around money." The father's friend, Scranton Gillette, Jr., agreed to pay Irwin expenses plus a small salary to get the new operation, Business Publications Company, off the ground. Gillette did get an ownership interest; however, for the time being, the Gillette-Irwin agreement was verbal.

The several short years after the formal start on October 1, 1933 were short on profit and long on promise. The company had, during these years, managed to publish a couple of books and more importantly, had gotten commitments from authors whose manuscripts, when published, contributed significantly to alter success. With the opening years behind him, and with optimistic years in front of him, Irwin asked Gillette to confirm and to put in writing the earlier verbal agreement. The more formal language of the agreement would provide Gillette with a two-thirds owner's share for an investment of capital; Irwin would get one-third ownership for his management of the enterprise, and not have to put funds into the company.

The best-laid plans went awry. Gillette did not have the funds to invest, and, reluctantly, sold his interest to Irwin. Irwin now owned all of a publishing company that had no capital. Once again, the senior Irwin stepped into the breach.

Irwin had figured that what was now his company required around \$7,000 to carry it until it became, so to speak, self-supporting. The father did not step into the breach with a loan direct to the company. Instead, he loaned \$5,000 to a Harvard professor, Harry Tosdal, on condition that Tosdal invest that sum in Business Publications, which is what happened. In addition, Willard Graham put in \$2,000.

Tosdal was no stranger to Irwin or to the company. A specialist in sales management, he had been a manuscript evaluator for the company from its beginnings. No doubt, the financial arrangement was satisfactory to both Irwins and to Tosdal. Certainly, it tied Tosdal closer to the company and certainly, his investment provided breathing space. Tosdal, and an accounting professor at the University of Chicago, Willard Graham, were both doing editorial consulting for Irwin who credited both as being crucial to the company's eventual success. In his words, "Without the advice, counsel, and criticism of these two men I have grave doubts as to the success of the company."

Eventual success was very much an Irwin goal. Even occupied and preoccupied as he must have been with the day-to-day struggle to keep a new company going during a depression, his thoughts reached out to the future. In time, Irwin expected that his company would publish college-level textbooks for every type of business and economics courses. His short-run goals were, as they had to be, much more modest: to expand slowly, publishing the best manuscripts available to him.

By circumstances or design, the Irwin style of operation was a lean style. A publishing house can be fully integrated from manuscript acquisition to marketing with a well-staffed editorial department, presses, bindery, and so on. Or, excluding acquisition and marketing, it can have most of the work in between done by contractors. Irwin adopted the latter style. That way, overhead was low, and capital investment minimal. Nonetheless, the beginning-to-an-end work of publishing had to be carried out. Irwin did this by working with a group of reviewers and substantive editors of whom Tosdal and Graham were two. Copy editing was done as needed by people facile with the mechanics of writing. Printing and binding were let to commercial presses and binderies. To an extent, this method of operation had its drawbacks. With a lessened degree of control, the early Irwin books that went into second printings and second editions had to be cleared of

errors. Even so, Irwin maintained quality control over that which he could control: well-founded manuscripts, and excellent substantive editing. "Today they get too much editing," says Irwin.

To get manuscripts, Irwin used three techniques. First, he wrote to professors in business and economics telling them that he was seeking authors. Second, he traveled to, what were to him, key universities visiting with deans and faculty members, a second-stage author search. Third, he concentrated his efforts on prominent academicians known to have manuscripts in the works. When he had a manuscript in hand that met his standards of quality and potential success, he put the manuscript through the publishing process with dispatch.

Irwin believed that no textbook was every finished, as evidenced by the strong emphasis he placed on revisions throughout the company's history. He would begin thinking about the revision of a text shortly after it first appeared in print. But, he also believed a revision was only worthwhile if it incorporated a significant number of substantive changes. There was not to be change merely for the sake of change; he would not revise his line merely to incorporate cosmetic changes, or according to a strict timetable. S it worked out in practice, revisions came at three-to-five year intervals. By the 1950s, approximately one-half of a year's printing schedule was devoted to revisions of titles previously in print. The substantive revisions policy was particularly implemented for books that sold well; they sold well because they were kept current and topical.

While it is accepted as a truism that a book can't be told by its cover, this isn't (wasn't) true of the Irwin publications. A visitor to a professor's office could pick out the Irwin books very easily. Irwin books on business had blue – the same color blue – covers, and economics texts had green covers. This standard coloration made Irwin books noticeable and easily identifiable.

Irwin practiced and expected the virtue of loyalty. Loyalty to authors, loyalty to employees, loyalty to suppliers was an Irwin hallmark. In the case of suppliers, the company policy was to stay with a supplier so long as the price, the quality and the service did not put Irwin at a disadvantage. Profitable suppliers are loyal suppliers. During WWII, at a time of paper shortages, the Irwin suppliers remembered the Irwin policies, and kept the company adequately supplied.

Irwin was a hard worker, and a soft seller. He was on the road much of the time where his day did not end until some time at night. During the day, he would call on faculty, and on graduate students, for the prime purpose of acquiring manuscripts and making many friendships. At night, he would change the format from inquiry to entertainment, never losing sight of the major objective. An energetic routine, but Irwin was an energetic man. Desire and drive do underlie success.

His authors remember him well, and, from what one wrote, with affection and admiration. A Harvard author, Neil Borden, was complimentary in a letter to Irwin recalling the early days. Borden remembered Irwin as being patient, optimistic and ethically responsible in not purloining another publisher's author.

If all this endeavor paid off in manuscript acquisitions, and if – as they are – good acquisitions are the foundation of ultimate success, then 1935 has to be marked as THE year. It was then that Harold Lusk's Business Law was published and Phillip Locklin's Economics of Transportation was signed. Lusk, a young assistant professor at the University of Indiana, wrote a text for business law that was published under the Irwin imprint for the next 47 years. Locklin, by contrast, was a well-known and high regarded professor at the neighboring University of Illinois. By acquiring publication rights to the Locklin book, Irwin significantly increased his ability to get other established authors to write for him – an instance of success breeding success.

Another kind of success that Irwin had was in finding manuscript gold where other publishers had seen only pyrites. A "Money and Banking" book had been turned down elsewhere, but Irwin, heeding the advice of a reviewer on suggested changes, took it on – with changes – and made a seller out of it. A long-time leader, Neuner's Cost Accounting did well as a college text when, in response to a reviewer's criticism as to the length, the book was brought out with content trimmed to classroom size.

The company growth throughout he 1930s was modest, steady and encouraging. Personnel were added to both office and sales staff. Sales rose from \$9,350 in 1935 to \$105,000 in 1940. There was at least one

bright side to those depression times for Irwin. Major textbook publishers had held back their publishing programs which meant that hopeful authors had to look elsewhere. Irwin saw and seized the opportunity to provide those authors with an outlet for their manuscripts.

Growth in sales and staff did little to alleviate the working capital problem, a problem symptomatic of new businesses at any time. Irwin did what businessmen-owners in that situation do. He took no great amount as salary, and reinvested profits in Business Publications. As a consulting editor, Willard Graham, who was more than just a consulting editor, took the first step in relieving the working capital bind. Graham arranged for Irwin to meet with a Chicago banker. Between them, a line of credit was established along with a bond of friendship that lasted for the next 40 years.

An odd circumstance was the cause of a name change in May 1940 from Business Publications, Inc. to Richard D. Irwin, Inc. An economics author placed his manuscript with another publisher because he preferred not to have the manuscript published by a firm with "Business" in its name. Pride of authorship can go to no further extreme.

World War II both took away and added to the market for Irwin books. College-bound youth went instead into the armed forces with consequent shrinkage in the college book market. The company salvaged some of that sales loss by supplying texts to the Armed Forces Institute, an educational organization for servicemen. Quite possibly, the shift afforded wider recognition of Irwin texts than otherwise might have been the case.

The 1950s saw Richard D. Irwin, Inc. get off the ground. Sales, \$168,000 in 1945 went to \$935,000 in 1959 and to \$3,600,000 in 1960. All the numbers moved: the number of employees, the titles in publications, and shareholders' equity. Growth did effect operational changes, but did not affect fundamental strategies.

Company headquarters moved, not up but down from Chicago itself to a southern suburb of Homewood. Irwin wanted a suburban location convenient for his employees, many of whom were moving to the suburbs. The move was as convenient for Irwin, for, by no coincidence, the new headquarters site was within two miles of his home.

Irwin Inc. widened and changed its publishing outlook. In one move, with a sufficiency of titles, it was decided to group textbooks according to subject matter. Faculty could then look to Irwin, Inc. for a full line of texts within a subject matter series. And, a gap in the series list might prompt teachers to fill it with a manuscript. Each series had a part-time consulting editor whose job it was to oversee the series, and to aid in author recruitment. The idea, carried to its fullest extent, meant that some titles in a series were not as profitable as others. Irwin accepted this shortfall as a part of a publishing service to colleges and universities. A nonmonetary dividend to the company was the creation of good will.

The first subject matter series was in Accounting. In time, there were others – in Insurance, in Management, and in Quantitative Science (so called). QA is an imprecise term for arithmetic.

Irwin Inc.'s publishing continued to reflect Irwin's service-to-others trait. Among other efforts, Irwin Inc. published the Journal of the American Marketing Association. He published specialized monographs for and was the official publisher of the American Economic Association and was the official publisher for the S.S. Huebner Foundation for Insurance Education.

In 1959, an offshoot of Irwin, Inc., the Dorsey Press, was organized to publish textbooks in the social sciences. And in 1959, too, Irwin Inc. published the first in a line of handbooks for the bookstore and mail order trade. That first handbook was the "Life and Health Insurance Handbook"; it was followed by others.

With more sales came a bigger sales force, and with a bigger sales force came reorganization along regional lines. What didn't change was the Irwin Inc. policy of paying salesmen a salary rather than some combination of salary and commission. The policy was rooted in Irwin's belief that a commission shifts a salesman's efforts from the whole line to the potentially more saleable parts of the line.

From 1935 through 1960, Dick Irwin's company was privately owned by Dick and Marie Irwin. In 1960, an investment banker suggested that the two owners make a public offering of the company's stock. The

Irwin's felt no pressure to do so, but they liked the idea of getting cash for a portion of their equity. They also liked the idea of having a public market for their stock in the event they wanted to sell their equity at a later date. And they liked the idea of being able to reward key executives with a share of ownership in the company. And so it was that shares of Richard D. Irwin Inc. were offered to the public on August 30, 1961. Following the sale the Irwins still maintained control of a majority of the common stock.

Going public did not significantly alter the way Richard D. Irwin did business. To be sure, there were numerous operational changes. But the basic strategy remained the same and Dick Irwin remained actively involved in implementing that strategy. Growth continued at a rapid pace. Sales rose from \$3.7 million in 1962 to \$19.4 million while the number of titles in print rose from 278 to 683 over the same period. During those years return on stockholders equity averaged a handsome 28 percent.

In the mid 1960s Dick Irwin was approached by the Dow Jones Company with a proposal to merge the two companies. Dick concluded that the arrangement would provide a logical means of promoting the growth of his company after his retirement. In 1965 he announced an arrangement in principles that never came to fruition. But Dick delayed a final decision until he had arranged the terms so as to adequately protect the interests of all his loyal Irwin employees. In the meantime, Dow-Jones Irwin was formed to publish trade books. Then, in 1975, more than a decade after being approached by Dow Jones, Dick Irwin was able to reach mutually acceptable terms. The two firms merged, with Richard D. Irwin becoming a wholly-owned subsidiary of Dow Jones.

In announcing the merger to Irwin Inc. employees, Dick Irwin said, "Our operations will remain in Homewood with all our present management and employees and the name of Richard D. Irwin being retained. No Irwin employees will be transferred from Homewood and no Dow Jones employees will be transferred to Homewood. I also want to assure that any benefits now accrued by you will not be lost or reduced. Our publishing philosophy, policies and operations will continue as they have in the past."

In order to reinforce the theme of continuity, Dick Irwin remained a chairman of the board of the new subsidiary for two years. He then retired, leaving the task of staying competitive in the publishing business to a new generation of management.

Dick Irwin used his business to have fun and make a contribution to society. The contribution consisted of collaborating with college professors to produce high quality textbooks, books that influenced the minds of hundreds of thousands of college youth. The fun consisted of doing something that was enjoyable. To be sure, Dick Irwin worked long hours, maintained a heavy travel schedule and took risks daily. But as he put it many years later, "I never had a morning I didn't look forward to going to work." That attitude, combined with hard work and a winning business strategy made the career of Dick Irwin one to be remembered and emulated. And so it will be through the efforts of the American National Business Hall of Fame.

\*This article, by Alexander N. Davison, was first published in The Journal of Business Leadership Volume 1, Number 1, Spring 1988.

Richard Dorsey Irwin, a retired publisher, horse breeder and philanthropist, died of pneumonia Sunday at Ingalls Memorial Hospital in Harvey, Ill. He was 84 years old and lived in Flossmoor, Ill.

Mr. Irwin founded the college textbook publishing concern of Richard D. Irwin Inc. He sold the company to Dow Jones & Company Inc., in 1975, and the Times-Mirror Corporation later bought it. A horse breeder, he ran Lin-Drake Farms, in Ocala, Fla.

He was a trustee of the Richard D. Irwin Graduate School of Management at American College in Pennsylvania, the University of Illinois Foundation and the Glenwood School for Boys.

Surviving are his wife, Ellen; a daughter, Jacqueline Pipher of Kildeer, Ill.; a son, Richard Jr. of Canon City, Colo.; a stepson, Thomas Mersch of Boca Raton, Fla.; a sister, Mildred Simmons of Newport Richey, Fla., three grandchildren and one great-grandchild.

