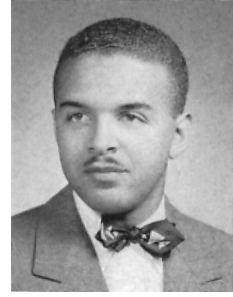


## LUTHER T. PRINCE

SB, SM 1953 (electrical engineering) MIT; president, Manpower Inc., a non-profit corporation working on economic development issues in the inner city; director of business development, Urban Ventures Leadership Foundation; previously worked in engineering research and development, and was president, Ault Inc. and Prince & Associates; president, Minneapolis Urban League; elected to Minnesota Business Hall of Fame.



Nothing at MIT prepared me or conditioned me to even think in terms of going into business, so principally I just thought of being an engineer. My goal in life was to be a good engineer. Nothing ever prepared me for going into management and thinking about business ownership. A lot of us, when we get into situations where that would be an option, don't even think about that.

Well, I shouldn't say that. I should say *I* didn't think about that. The only reason that I ended up owning a company was because I couldn't get anybody else to buy it. I knew it had to be purchased because I had a big argument with the owner. I worked for him and I wanted him out. He wanted out, but someone had to buy him out. It never occurred to him that it could be me. It never occurred to *me* that it could be me. I kept looking around trying to find somebody else—"You guys want to buy a company? I'll run it, but will you buy it?" My wife said, "Why don't you try to buy it yourself?"

So that's what happened. We bought it with borrowed money. I never would have done that. That wasn't in my strategic plan.

*So actually, you got into ownership in a very unpredictable way.*

Oh very much so, very unpredictable. There was never any thought in my mind. That was never a goal for me, to be a business owner.

*What do you think has been your most valuable asset, that allowed you to sustain yourself as a viable business person?*

Edited and excerpted from an oral history interview conducted by Clarence G. Williams with Luther T. Prince in Minneapolis, Minnesota, 18 October 1996.

That's a good question. I have the ability to persuade people to help me do things. I don't have a lot of skills, but I have a lot of knowledge and I'm able to persuade people to help me out. Let me give you an example. My company needed money; I knew we needed money, but I didn't know how much. I went to a friend who was on the Urban League board with me and just asked him a question, "Do you know where I could possibly raise some money for my company?" He said, "Let me take care of it." He called Boston—there was a venture capital company in Boston. He told them that he wanted them to invest. He was one of the principals in that company. He told me he wanted them to invest in my company.

First thing he had to do was check to see, "Well, did he really go to MIT?" So the guy got in his car and drove over to MIT and found out,



“Yes, he really did graduate.” Then he came to see me and we verbally did a business plan. He said, “Well, how much money do you think you need?” I said, “I think I need \$100,000.” He said, “Oh, you need more than that, you need at least \$250,000. I’m going to find somebody else to come in with us and get you the \$250,000.” And he did. That took about four hours.

*Did he say what he liked about what you presented to him?*

No. I think I know what it was, even though we never talked about it. I think it was the fact that I was a minority businessman and I had the qualifications, at least the technical qualifications. I didn’t have the managerial qualifications. But I was a qualified person and a minority. I think that had some appeal. It’s a nice, warm, fuzzy feeling to invest in a minority company. I think that’s what it was.

*Now, was this a minority investment company?*

No, ninety-eight percent of the employees were white.

*This was when?*

Well, actually it was in the 1960s—1968, ’69. I think Nixon was president. I remember talking about black capitalism. I think that’s right.

*I remember reading something about the fact that once you took the company, a predominantly white company, you eventually were able to recruit two key black vice presidents for your company. Is that not correct?*

Actually, I had three—an operations manager; I had Bill Ramsey, who was vice-president of research; I had a guy named Carlos Montague, who was the controller and treasurer of the company. There were no blacks there in the first place. What they now had was white employees and black managers.

*That was unheard of.*

Yes.

*Did you see any problems that arose because of that kind of a managerial setup?*

There were a few problems when I first took over. People wondered, “What’s he going to do with the company?” When they saw that everybody would be treated fairly, they all relaxed and went back to work. I don’t recall any incident or any instance that happened that related to what you’re talking about. In fact, we had a black fore-

man who really had a lot of indiscretions, but the white employees loved him. They backed him and supported him when I wanted to discipline him. “He’s the best one we got,” they said.

*That’s interesting. You mentioned the ability you had to persuade people to actually do something you wanted done. There was a point, in fact, where your company needed to really produce way beyond the productive layout that you needed and you persuaded the employees to actually put in a little bit more time.*

Actually, I didn’t. They did it with less time. The first thing I did was I fired a guy who was the wrong stuff. That made me a hero. Then I put the responsibility on them. I said, “These are our goals. If each of you can identify what part of these goals you can meet...” And they rallied behind that. The reason I say it took less time is that I told them if they met the goal by Thanksgiving, I’d give them a day off after Thanksgiving. They did it before Thanksgiving and there wasn’t overtime in the log.

That was one of my biggest thrills, to see those people change what they had been doing for months. Overnight, in one month’s time, they switched and became real champions.

*It’s interesting because these kinds of skills that I hear you talking about had to come from somewhere other than MIT.*

They did. You don’t get that at MIT.

*Do you have any sense about where your ability came from, to be able to get people to really produce the way your employees have?*

I haven’t the foggiest idea. If there’s anything I can point to, my philosophy has always been to expect the best of people, treat them fair, and—above all—be straightforward with them, don’t lie to them, don’t manipulate them. A lot of people just really respond to that. I tried to keep them informed about how things were going and their role in things. But I can’t point to anything. I had no experience at that before. I don’t know how it happened.

*Let me ask, then, because quite frequently you have to look at where a person grew up: family. Could you talk a little bit about your family, where you grew up, and some of the highlights of your early education before you decided to come to a place like MIT?*

Well, first of all, I was born in Texas in a small town called Cleburne. I went to school primarily

in Fort Worth. At that time, the schools were all segregated. This was before desegregation, so I went to an all-black school. It wasn't anything to brag about, particularly our education, but there was one thing that stands out in my mind. For some reason, they instilled in us that we were somebody and so we just automatically assumed we were going to college. It was just sort of a given. We didn't know where. In fact, I never thought about college until after I finished high school. I finished at a fairly early age. I was fifteen when I finished.

*Why so early?*

It was only eleven grades, first of all. Secondly, I started early. I was younger than the other kids. But I wasn't the only one to graduate at fifteen. There were about two or three others in my class. You weren't a real prodigy.

Anyway, at that time I was fascinated with aviation. I loved airplanes. I wanted to do something in the aviation industry. At that time, I had heard about the Tuskegee Air Force Base. I mistakenly thought that was associated with Tuskegee Institute, which it isn't.

So I decided to go to Tuskegee. You didn't have to register until you got there. There was a big, long line and everybody was waiting to register. I walked up to the front when it finally got to be my turn. She said, "What do you want to take?" I said, "Flying." She said, "Flying? We don't have any course in flying." I was stunned. Here I had come all this distance. She said, "Well, hurry up and make up your mind. See all these people behind you there?" I said, "Well, what's the closest thing you've got to flying?" She said, "Well, we've got aircraft mechanics." I said, "Okay, sign me up."

So I signed up for a course in aircraft mechanics. While I was there, I met two of my instructors who introduced me to the notion of engineering. I had never heard of an engineer; I didn't even know what they were. I said, "Well, where do you go to school to be an engineer?" They mentioned a lot of schools and then they said, "MIT is the best." So another guy and I wrote to MIT and got a catalogue. We saw the tuition and just thought, "Oh, my God." But we were hooked. So I decided to try someplace else, an engineering school.

We wrote to Ohio State University, applied there, and got accepted. There were three of us. The three of us were at Tuskegee and we wanted something better than Tuskegee offered, so the three of us ended up at Ohio State. But I still had it in the back of my mind, "Boy, wouldn't it be nice to go to MIT some day?" I stayed at Ohio State for a while. I started out in aircraft mechanics, aeronautical engineering, and in my second year I concluded that that wasn't for me. I thought as an aeronautical engineer you designed airplanes. I didn't know that you would design a wing or a tail. So I switched to electrical engineering. Then I got drafted. I stayed in the Army for twenty-eight months, and when I got out I made a beeline for MIT. I had the GI Bill.

*So money was not as much of an issue at that time.*

Well, fortunately, because of the GI Bill. Otherwise, no way could I have even thought about it. So that's the long way to tell you how I got to MIT.

*And your early impressions of MIT, you're talking about what year approximately?*

1949, either '49 or '50.

*What was it like during that period of time that you remember, in terms of highlights? If you had to talk about it and give highlights, what was it like being at MIT during that period?*

Well, it was a little bit intimidating because there were so few blacks around. The one or two blacks I met that summer were Victor Yancey and Herb Hardy.

*I interviewed Victor Ransom.*

That's not him. Victor Yancey was a year ahead of me. He graduated in '50. Anyway, when I first came up I lived in the dorms. It was uncomfortable for me because I didn't know anybody and I'm suspicious of people. I did find one guy who was a genuinely caring guy, but I found the professors, as far as I was concerned, unapproachable. They were just up on a mountaintop.

*At their mercy, right?*

Yes. The first summer was tough. I had difficulty studying, learning how to study. There wasn't anybody to help me there. So that first year, that first summer was very uncomfortable. First of all, as far as I'm concerned, the professors never did any-

thing and through the years I perceived them as still the same way. The whole place is cold.

*That's the way you have seen it, even over this period of time?*

Yes. The social life at MIT was just nonexistent, so I reached out to the community. Victor Yancey left and I used to go over to his house on Friday for franks and beans. Is there an Everett in Massachusetts?

Yes.

That's where he lived. That's where Victor lived.

It wasn't a joyous experience, let's put it that way. There were very few blacks. Even ahead in my sophomore year and junior year, there were very few blacks on campus and none in my class. We couldn't study together. When you saw each other, you were always in a hurry. There was a guy named Jim Montgomery. I don't know whether Herb Hardy finished MIT or not. He was a physics major.

*Were there any professors who stood out in your mind in any way?*

Not in any complimentary way. I had one guy who talked to the blackboard all the time. He was a math teacher, a pretty famous guy. He would come in and the first thing he would do was turn his back to the class and start writing and talking. We could have all left and he wouldn't have cared. It wouldn't have made a bit of difference. I found my thesis advisor when I was in grad school was a warm guy, but just too busy to give me much time. I didn't feel uncomfortable around him at all. He was Tom Jones.

*Oh yes, Tom Jones. He came back to be a vice president. He left and went to some other school? He headed some little school?*

*The University of South Carolina.*  
Okay, not exactly a little school.

*No. In fact, he's considered to be a mentor of Paul Gray.*  
Oh, is he? I'll be darned. Paul Gray was in electrical engineering, wasn't he?

*Yes, he was. In fact, he may have been in school about the time you were there.*

Paul claims to have seen me when he was working in the stacks in the library—"Oh yes, I remember you. I was working in the stacks."

*I told him I was going to be talking to you. In fact, I talked to him last night. He remembers you.*

*It couldn't have been too easy, particularly with virtually none of you on campus. I mean, you're talking about less than ten people, possibly.*

Yes, that's about it.

*Did they have the concept of a lot of studying in groups and all that? I'm sure that was the case then, right?*

That may be the case, but it never did affect us. Maybe the frat houses did that kind of stuff, but we were alone—by the hour, just grinding away.

*I suspect that when you think about it, it doesn't bring back the most positive memories. It sounds like there wasn't a lot of support.*

Quite frankly, I don't have any positive memories of MIT. I was glad to get the hell out of there. I turned my back on that school for like twenty-five years before I even came back for any reason. I just wanted to get away from that place.

*Didn't the Institute try to get you back after a certain point, particularly when you became noticeable out in the community?*

Well, I actually came back and served on the visiting committee of the electrical engineering department. I stayed on that committee a year or two and then I just left. I just decided, "Oh, to hell with it." That was a bunch of cold guys. That turned me off. They all knew each other. When we'd get together, they were all huddled up talking, yakking, and I was looking for a friendly face.

*And you said you didn't have to put up with that. Well, I tell you, that department is the largest department and has been for years. There's still the kind of stories you're talking about that come out of there. A young man I knew just took a certain slant to get through, but he finished Course VI. It will be good for him to hear you, you and he talking about the department. Here's a man who finished in 1991 and here you finished, when?*  
Forty years before that.

*Yes. I'm telling you, the similarities of your experiences—at least that's what I hear. That's a message, it seems to me, of some sort for the young Luthers and the young Roberts who are coming, to understand that if they're going to come there, look, if it hasn't changed in forty years, what makes you think we're going to have any change ahead, you know what I mean?*

Yes, good point.

*What we're talking about—whether you want to admit it or not, when I look at how you got there, who you are, all of you—we're talking about the best we've got. That's what we have, the best we've got. And we are still bringing the best we've got. In fact, the numbers have gone up.*

Have they?

*Yes, instead of bringing, say, five a year or three, we average on the whole now a good seventy black males and females—outstanding people. It is different from when you and Jim were in school. The country is so computerized, as you well know, that there is not a kid who could be outstanding—certainly not a black kid, no matter what part of the country he or she is from; they can be from a small town in North Carolina, about as big as this room—who will not be identified by the time he or she gets to be in the eleventh grade. We know who they are. Harvard knows who they are. So there is not even a guess any more. We send them literature by the time they get to the eleventh grade. We know about them; we're going to send them information. And we know those we don't want to send any information to. I'll be darned. Really?*

*Oh, yes. And so therefore, when we see the seventy kids who come in that door now—same door you came through—they are the best that we have produced in this country. They're the best. We still have an attrition rate, but a graduation rate now of about seventy-two percent over a five-year period.*

For blacks?

*Yes. Now, that's one of the best in the country, but still if we lose close to thirty percent most of it has nothing to do with color, because they're the best we've got. The biggest problem, I think, my personal view after twenty-four years around that place, is that they did not get an understanding of what you know now and what Robert knows now. Forty years difference, and I think we need to do something about that. That's our responsibility. We may not be able to stop them and say "Go to this place, go do that," but it is our responsibility that they find a place. And that's what I think this is all about—trying to get something we can sort of gear the knowledge to, because somebody put their time in to make you what you are. But we can identify them, that's the point, and they really are very outstanding. The numbers are increasing and we are bringing them in.*

*We still don't have very many black faculty members. We only have about fourteen. We did have in the mid-'80s about twenty-four or twenty-five. There are*

*still departments that have never had a black professor. There are still departments—even physics, where Jim works at the present time—where out of maybe a hundred and fifty faculty members, we only have one. So we still have made no headway there.*

*When you look back now on doing some things that very few of us have done in terms of business, if you had a chance to advise the young potential engineer coming to a place like an MIT—a black woman or a black man coming and you're looking down the road even beyond MIT as to where he or she could be—what advice would you give them?*

Well, I think some of the best credentials for people in business is an engineering degree or an MBA. I would encourage them to do that. And you don't have to just give up other things—you can do that in the evenings. I would strongly recommend that. As I mentioned to you, I had no thought about that. In fact, one of the problems I had when I came into business was that I had no background, no academic training. I didn't know how to read a financial statement. I didn't know what marketing was. I had none of those skills. The only thing I brought with me was the fact that I had been a supervisor at Honeywell. I had supervised some research engineers. But nothing prepared me. It was just a fluke that I got into this company in the first place.

So that would be my thought—to get a business degree, an MBA on top of your engineering degree. That's a powerful combination.

*That's very helpful. What are you doing now?*

Well, I'm retired. After I left Ault, I just went into semi-retirement. I tried that, but that didn't work at all, the semi-retirement. So then I went to work for the state as an assistant commissioner in the Department of Labor and Industry, where I got caught up in the problems of the inner city. So right now I am working on economic development in the inner city, trying to bring businesses back into distressed areas. I'm working on an incubator, a business incubator. It cost about a million bucks to get it up and running. I hope to have it operative. What it will do is help develop food entrepreneurs. It's called a kitchen incubator. That's what we call it.

I'm also working on inner city industrial park development. In fact, I was doing that last night. But that's very frustrating, dealing with citizens or residents of a neighborhood. They just

want what they want, but they don't want to pay a price. They don't want to give up anything to get it. But it's interesting. I've been doing this for two and a half years now.

I also have a non-profit company. What it is doing is trying to persuade large corporations to off-load some of their products that don't quite meet their criteria any more. For example, suppose a company says, "If we're going to keep something in production, it's got to be a fifty million dollar deal, and it's only five." So I'll say, "Why don't you give that to the non-profit and we will put together a company that will do that five million for you?" That will be a hell of a lot of business, a five million dollar business. So I'm working on it. I haven't been successful yet; I'm working on it. I'm working on it primarily with 3M, to try to get them because they've got all kinds of products. What I want is to find a product, something that doesn't measure up to their goals of the fifty million or a hundred million. It's a lousy million or five million, something like that, and get them to off-load that. That's what that organization does.

Then I'm a business development director for another organization called Urban Ventures. That's where I'm working on the incubator and also the industrial park. I don't work full-time now. I give them three days a week and take two for myself.

*Well, you certainly deserve it. It sounds like you're doing some fantastic things.*

It's interesting. One of the things that I always felt bad about, when I took over that company called Ault, was that I never was able to get significant numbers of black workers. I finally got them into top management, but I tried everything I could think of—busing and driving and loaning them money to get cars and so forth. So that's still a void in my life. I want to do that here, right in the inner city.

*Well, it's very clear. I think in the article I read about your company—you know, when you took over—was that same point that I think you made then. You said that you had not been able to get as many blacks as you had hoped to get into your company.*

It was in the suburbs.

*Yes. Does Randall Bradley know about what you're doing?*

I don't know him.

*Randall Bradley is MIT class of '74. He's an architect. He and his wife are working out of their house, doing architectural work and very much interested in doing things in the urban community. I want to make sure the two of you meet. Just the idea of what you're doing is major, but he also is interested in the urban community and is committing his time and effort in there in a different way. So I think that that would be very useful.*

Yes. About how many MIT'ers are around here, in the Minneapolis area?

*I don't know exactly, but I know we have at least fifteen to sixteen.*

Great. There's an MIT club in town. I went to a couple of meetings, but I felt I was back at MIT.

*But you know what? I'm telling you, that's the same thing that several of the guys had said to me this morning. They sense the same thing you sense. The consistency of what you feel about it is amazing. You're not alone.*

This has to do with the story of how I moved into a small company. I was working at Honeywell and doing as well as I should have been doing. I had gotten some promotions, was doing well and in an area I liked. My boss's boss came by one day and said, "Lu"—that's what they called me—"what do you want to be doing five years from now?" I said, "I'm not sure, but I'll think about it and when I see you again, I'll tell you." I promptly forgot. A couple of weeks later he came by again. "Well, what did you decide?" "Oh I'm sorry, I forgot all about that. I promise you, I will definitely have an answer for you next time."

Well, he never came back, but the seed was planted. So what I did was I started looking. The way the organization was laid out was that my boss was in an office there and I could see where his boss was and the other bosses, and then I could mentally see where the head of engineering was. I looked at all those jobs and figured how long it would take me to get through each of them. I concluded that I didn't like what I saw. So I said, "Oh, I know. Maybe I stopped too low. Maybe I should go to the vice president of engineering of the corporation." So I called him on the phone and said, "May I come and see you?" He said, "Sure." So I went up to corporate headquarters, which is about ten miles away, and I said, "What do you do here?" He took fifteen minutes and explained to me what he did, but when you boiled it down—nothing. He supervised seven

very old engineers who were in a research lab that they didn't know what to do with.

So there I was. I was crushed. This was the vice president of engineering and I didn't like that. So I said, "What am I going to do with my life? All I am is an engineer. What else is there?" So that started me thinking, what do people do besides engineering? I discovered there was another world out there. Some circumstances happened and I ended up in a small company, without planning to.

*Well, it's an excellent story. It really is worth repeating. I'm telling you, I just had a story very similar to that, where a young man got his Ph.D. from MIT, just this past summer. He is a student from Nigeria, very bright. My wife and I were his host parents while he was here. He finished his Ph.D. in Course VI. He hit the ceiling in terms of achievement. They wanted him to be a professor. He had helped to develop a motor for Ford Motor Company that would be based on electrical fusion or whatever, and Ford Motor Company wanted him to come to Detroit. He looked at the organizational chart. They were offering him a position down here, and he saw all this mess up here.*

*Then second, MIT wanted him to be a professor. When he looked at how much they were going to pay him as an assistant professor, he thought again. He had a friend he met as he was going through the graduate program and who finished before he did, and this guy is on Wall Street. He wants him to come, and within five years he'll be making over five hundred thousand dollars. He asked me what he should do. He said, "Dr. Williams, I just have to try that because that's a lot of money. Based on what they're telling me I will do in these two jobs, it doesn't make sense." I don't see that scenario any different from what you just described. I'm telling you, more and more are able to see that picture as they're getting ready to come out of school. That's the best time.*

*That's where I think you come in, the many good people out here. I think that many of them have this sense that they want to be an engineer, but then they go out and do these summer jobs and they do these internships and so forth, and when they come back, even though their minds are set that they're supposed to be engineers, they don't like it. I think we've got some very good people out there. They just need some reassurance sometimes.*