Winston Wallin

Interview with Winston Wallin

Interviewed by Professor Clarke A. Chambers
University of Minnesota

Interviewed on October 9, 1995

Winston Wallin - WW
Clarke A. Chambers - CAC

CAC: This is Clarke Chambers. I'm interviewing this afternoon, which is Monday October 9, Winston Wallin who is a graduate of the University of Minnesota, and more recently has come back to assist in a number of special enterprises, and we'll get to them. As I suggested before we turned this machine on, a little bit of autobiography will help establish the context within which we are talking. I know that you were a graduate of the School of Business Administration after the war in 1948; so perhaps, we can start with your experience as an undergraduate student, what that led to in your life and in your career, and then we'll be off and running.

WW: I first enrolled at the University of Minnesota in, I think, 1943 after graduating from high school.

CAC: What was your high school?

WW: South High School in Minneapolis. I spent maybe six months there before I joined the navy. As many people during that time, I volunteered, I enlisted while was I still seventeen years old so that I could choose the part of the service that I would be in.

CAC: Bravo.

WW: There was nothing patriotic about it. It was simply a matter of . . .

CAC: You chose well. The navy was a good service.

WW: Yes. I chose to go into the navy air corps. I was accepted for that and then I spent six months, oddly enough, at the University of Minnesota under the B-12 program, which was the officer training program. However, I was in something called B-5. After that, I left the university and went into the navy pre-flight school and spent close to a couple of years training

to be a naval aviator. Fortunately, the war ended before I graduated; so, I never did have to land on a carrier which I wasn't looking forward to.

CAC: Quite a trick.

WW: Then, shortly after the war was over, I had the opportunity to be mustered out of the service; so, I left and came back to the University of Minnesota in the Aeronautical Engineering Program.

CAC: Ah.

WW: I pursued aeronautical engineering for close to a year, I think. Unfortunately at that time, since the war had ended, there were no jobs to be had in the aeronautical engineering field; so, people who were graduating were finding that they couldn't get any jobs. I decided to switch to Business Administration, which I did, and graduated as soon as possible. My main objective was to get out of the university and get a job.

CAC: Well, that was the motivation for most GIs.

WW: Right. I must say that my career, or my education at the university, my performance was not distinguished at all. I would say that it was marginal at best. I was mainly motivated to get a degree and with all of the people that returned to the University of Minnesota . . . where the enrollment, I think, doubled in sight of a year or two.

CAC: It was pretty crowded.

WW: I really did not achieve a very good education at the university. That's not to say that there was anything wrong with the university because they were faced with an enormous problem but I cannot recall ever having a conversation with a professor, if you can imagine.

CAC: [laughter] I could imagine that, sure.

WW: I left the university kind of with a degree and without any great education, I don't think. In those days, I didn't have any trouble getting a job. I went to work for Pillsbury.

CAC: Did you work while you were being a student?

WW: My father had a farm down at Hastings.

CAC: Ah.

WW: I spent every available hour that I had running down to Hastings to help him with that farm; so, I didn't have any employment but I certainly had my hands full with that. I went to

work for Pillsbury and also was married shortly after that; so, I was starting on a career that was going to last a long time with Pillsbury. I started in a production department but I very soon got myself transferred into the grain department. Somehow the grain markets always interested me, probably because I had a farm background. I became very involved in that; so, I spent many years in the grain business which meant buying and selling wheat, corn, soy beans, things like that, and being very involved in the flour milling business with Pillsbury. We were transferred out to Ogden, Utah, and spent eleven years in Utah.

CAC: I didn't know Pillsbury had offices that far out.

WW: Yes, yes. Pillsbury was an international company.

CAC: But Utah doesn't strike me as a great producer of basic grain.

WW: No, but Ogden, Utah, was the place where the railroads went through.

CAC: Of course.

WW: The Southern Pacific and the Union Pacific. You could come from the east and then the Union Pacific went to northern California and the Pacific Northwest and the Southern Pacific went to southern California; so, it was a place to have milling [unclear].

CAC: I see.

WW: The wheat actually came from Idaho and Montana. I was involved with that. In 1965, I came back to Minneapolis, responsible for Pillsbury's grain operations in connection with their flour mills. I eventually became president of Pillsbury, president and chief operating officer of Pillsbury, and became very involved in the restaurant business, for one, which meant Burger King, Steak and Ale, Bennigan's, restaurant chains like that. I think Pillsbury was the second largest restaurant chain operation in the world behind McDonald's. Also, I was very involved in our consumer products and international operations; so, it was really a consumer marketing company. I was not the head of the company but I was the chief operating officer of the company.

CAC: You had a continuity of career that not many young corporation folks do now, staying with one corporation.

WW: Right. I was with the company for thirty-seven years.

CAC: Wouldn't that be very unusual these days?

WW: I think it is. It certainly is not the norm.

CAC: Yes.

WW: I guess you would say it is unusual. I don't know that it is good but that's certainly the way the world is going. In 1985, I had the opportunity to go to Medtronic as the chief executive officer or the head of the company. Of course, this was a much, much smaller company and in the high-tech medical field doing things that I thought were very, very worthwhile. Even though I really didn't have a background to go into this . . .

CAC: Well, you didn't have a technical background but you had a managerial background.

WW: Managerial background. Nevertheless, the board wanted me to come and so I agreed to that. I left Pillsbury and went to Medtronic, which turned out to be the best career thing I ever did in my life. Then, I became very involved in all of the research, high-tech stuff, dealing with scientists and engineers and even though I didn't have any background, they seemed to accept me. I have the ability, I think, to ask some pretty penetrating questions, which they found difficult to answer; so, I think they became more respectful based on the difficulty of answering my questions. I have spent the next eleven years either as president, CEO [Chief Executive Officer], chairman—which I still am—at Medtronic. We have diversified the company dramatically. We have improved its product line tremendously. We are now the second most valuable company in the state of Minnesota, which most people don't know.

CAC: Would Mining be first?

WW: Minnesota Mining is first, yes. We have become a very large company but maybe more important than that, I think that we are a company that because of our research capabilities, our manufacturing capabilities, we can do things that no one else in the world can do for people; so, it gives one a feeling that you're doing something very worthwhile when you can develop all these devices that are so helpful to people.

CAC: I'm guessing that the Medtronic part of your career put you closer to the university, and the Medical School, and all the research that goes on there; although, you must have been at Pillsbury. Did Pillsbury have a . . . what kind of a relationship did they have with the university, the Business School, the Engineering, and so forth?

WW: Pillsbury has research but it is nothing in the magnitude of Medtronic. It is really kind of formulation of products; whereas, Medtronic is development of new devices. Medtronic has an interesting history. It was founded by Earl Bakken and his brother-in-law, Palmer Hermunslie. They would not have developed this company if it weren't for Dr. C. Walton Lillihei and others at the University of Minnesota. That was back in the days when the university was engaged in pioneering efforts in the area of the heart, open heart surgery. Dr. Lillihei and others were the pioneers on this. Dr. Lillihei . . . I asked him one day as to just how all of this came about and he mentioned that at that time they had some very crude electrical devices trying to keep these babies alive. The electricity was alternating electricity from the socket in the wall. When the

electricity went out, the pacemakers didn't work. They had some very disastrous results because of these power outages. One day, he ran into Earl Bakken who was repairing medical equipment at the university and elsewhere, electrocardiograms and things like that.

CAC: Ah!

WW: He asked Earl if he would go back to his shop and make a device that would pulse electricity, give electrical pulses, maybe seventy per minute or something like that. All he wanted was a box with a wire that would deliver those pulses of electricity. Earl went back to his garage and made the very crude device that would do this. He used a metronome, I know, in order to accomplish this but it wasn't that difficult for an electrician to do this. He brought it back and according to Dr. Lillihei, "We put it in a dog one day and it worked; so, we put it in a human the next day."

CAC: [laughter]

WW: That was before the FDA [Food and Drug Administration], of course.

CAC: Yes.

WW: This wasn't the start of pacemakers because pacemakers had been used in one way or another for years but this was the first externally, battery-powered pacemaker.

CAC: Then, you had to miniaturize them?

WW: Yes, and also had to implant them. From that point on, there's been an evolution. Medtronic was fortunate, through Palmer Hermunslie, to get the patents that would allow Medtronic to pursue this. Today the pacemakers are all implanted. They are just a fraction of the size of the original pacemakers and people wear them without even knowing that they have them. No doubt, a lot further advances will be made but Medtronic has become the world leader in pacemakers . . . half of world market of pacemakers.

CAC: And have diversified beyond that?

WW: And have diversified greatly into other things. In that part, I was very instrumental in accomplishing that.

CAC: There must have been other doctors at the university other than Dr. Lillehei then who became part of this coalition, this community of concerned scientists and practitioners?

WW: I suspect that probably all of the surgeons over there at the time were involved in it in one way or another. One name comes to mind . . . Dr. Sam Hunter who I think —I'm not quite sure of this—implanted the first pacemaker here . . . the implantable pacemaker.

CAC: I see.

WW: The University of Minnesota has for many years played a very important role in the affairs of Medtronic—still does. With the size of Medtronic, of course Medtronic has relationships with all kinds of academic institutions at this point. It does point out the importance of an academic research institution to commercial enterprises. It does point out that not only does Medtronic exist because of the University of Minnesota, St. Jude Medical also traces its roots to the University of Minnesota, as do many other smaller companies in this community. In fact, the entire medical alley traces its inception to the University of Minnesota. I would make the statement that if there were no University of Minnesota, there would not be any medical alley in the state of Minnesota. I think that the odds of that are almost 100 percent. Virtually, all of the medical industry, wherever you go in the country, you will always find they're are snuggled up next to an academic center.

CAC: You speak of an alley, does the alley run all the way to Rochester?

WW: It does but—I don't want to get into any argument about it—the fact of the matter is that basic research is done at the University of Minnesota, not at the Mayo Clinic. The Mayo Clinic is doing a great deal of clinical research but these companies are interested in basic research; so, it is not the Mayo Clinic near as much as it is the University of Minnesota that's [unclear] this.

CAC: That partnership really begins in a modest way in the 1950s with what comes to be Medtronic and then develops into a large number of other allied corporations?

WW: Yes. Many of the people that work for Medtronic have gone out to found their own companies. I think that the fact that Medtronic succeeded has provided a great impetus for medical alley. If Medtronic had failed, it would not be as robust as it is, I'm sure. It would still exist. One thing leads to another. You get successful companies and other people say, "Hey, that must be at a good place." They tend to do it. During my time with Medtronic, we have made a lot of acquisitions . . . maybe, twenty-five or thirty acquisitions. For every acquisition we made, we probably had looked at five or ten other ones. You can almost bet that anytime you find a company that has an interesting new product, there will be a medical doctor in there somewhere. I mean, this isn't just a bunch a business people out figuring out how to develop new products. There's always a doctor there or somebody that knows something about medicine or there is really no basis for ever doing anything. Usually, if they have an excellent idea and if they get together with the right business people, then, the enterprise will many times flourish but without those ingredients, it just doesn't happen.

CAC: Can you say a bit more how that really comes to be a functioning partnership? Is there an initiative from one side or another? How is this informal partnership really developed with different departments in the Medical School, for example, here?

WW: The university has a lot of projects that they work on with the assistance of the National Institutes of Health.

CAC: Yes.

WW: I think that it has come to be realized by many of the researchers at the university that there is a reward, a possible reward, beyond what they would normally figure as being researcher, where you get the psychic rewards of accomplishment and so forth, that they can share in the financial successes of whatever they discover. As I understand it, the basic premise of the university is that if you discover things at the university, and you have them patented, and if they later go on to be commercial enterprises, either through licensing or whatever, that the rewards will go one-third to the university, one-third to the department, and one-third to the individuals who developed it; so, the university has condoned—this university and virtually all other universities—a way to make it financially attractive for the faculty of the university to engage in things like this. Unfortunately, there are pitfalls in connection with this and you can read some articles in the newspaper about this where things have presumably gone wrong. From my own observation, I think the newspapers are a little over zealous in trying to prove that something has gone wrong; whereas, in reality, this is an incentive on the part of researchers to participate in the rewards and to accomplish some things. Now, undoubtedly, you can point to situations where it has gone wrong but one of the things I feel very strongly about is that, in spite of the fact that things can go wrong—people can do things wrong and end up with financial gain that they don't deserve—nevertheless, it is so important that the university must go ahead providing research to commercial enterprises. It's up to the university to get the rules right and see to it that it's policed . . . not to stop the program. This is part of the innovation that goes on in this country and we cannot lose that because there are pitfalls involved.

CAC: It's remarkable to me how relatively recent those partnerships are, not only at this university but elsewhere. It's not until, oh my! fifteen years ago that the university makes a major commitment to patents and what we call technology transfer.

WW: Right.

CAC: And that's very recent. I mean, the potential was there for a long time.

WW: Public institutions that have members of the faculty who discover things, I believe that part of those rewards should go to the public institution. I do not think that it is wrong at all for the university to get patents, to license things, to get revenue. They are the ones that discovered it. There's a further argument from the federal government since they funded a lot of it as to what part the federal government ought to take but I guess I feel it's up to them to look out for themselves.

CAC: [laughter] Fair enough.

WW: So, I am a proponent of the university making sure that it gets its part of this.

CAC: Do you have any sense of what persons, or what groups within the university, were able to see those connections and to make them function well? As I say, it is relatively recent.

WW: There is still an argument at the university as to what the university ought to be doing. In fact, the head of one the main committees over there told me one day that he thought that the university ought to be involved in basic research funded by the National Institutes of Health and it should not be compromised by commercial concerns that simply want them to test their products for them.

CAC: I'm sure that not many surgeons or doctors wish to play just a testing of products.

WW: Well, many of them do. In Medtronic, we find that there is a long list of institutions that want to test our products but testing products isn't quite as simple as it sounds. These are clinical studies to determine the efficacy of these products. Many times it results in some very challenging judgements for very accomplished people; so, it is not that they don't have a challenge with this and it's not that they don't have an impact on how those products are developed either. Most institutions in the world—I say world because there is an international competition on this—are eager to test the latest state-of-the-art devices and, hopefully, have an impact on how those devices will be developed.

CAC: But, perhaps, not as assertive in creating the idea for a new product [unclear]?

WW: I suspect that if you're funded by the National Institutes of Health and you can be the primary investigator on a project that results in basic science discoveries of mammoth importance, that would undoubtedly come ahead of testing medical devices, or pharmaceuticals, or whatever. But you know, there are so many of those. As I see the university, if it's going to be an institution with a lot of vitality, you should have both . . . you should haven't one or the other. In fact, you get paid for testing these things; so, why wouldn't you do it?

CAC: In the case of the pacemaker in its original form, it was Lillehei and others who had the idea that this kind of instrument is what they needed?

WW: Right.

CAC: Then, they could have a partnership out. I'm just wondering whether those partnerships start from scratch in each case with different specialties, different subspecialties in the Health Sciences . . . how these contacts are made. Who reaches out to whom? I'm really looking for an informal network, and how it gets started, and how it works.

WW: I think that generally speaking the companies probably contact the university, although, not totally.

CAC: They have to be sophisticated enough to know whom to touch?

WW: They need to have some idea as to what kind of research is going on at the university. They have to somehow get introduced to the main players but those things aren't that difficult if people are really interested. They can find that out pretty easily. Then, it's a matter of contacting them and seeing what can be worked out that is of interest to both institutions. I believe that we shouldn't look at our public institutions as places that only work on basic things . . .

CAC: I understand.

WW: . . . that have nothing to do with the commercialization of it. I believe there are an awful lot of ideas in the commercial arena as well as the academic arena. I think that if you don't have some contact between the commercial and the academic, you're going to miss a lot.

CAC: How much of the research and development capital then comes from the private sector into the university?

WW: Well, at the University of Minnesota—I can't quote you the exact numbers—a high percentage comes from the National Institutes of Health.

CAC: Yes. This would be the first source.

WW: The commercial is a minor part but a growing part and probably will grow as a percentage of the total as more and more companies spend more and more funds to develop products. But the companies, like for example, Medtronic . . . we have a research budget today that is $230 million, much larger than the University of Minnesota . . .

CAC: Yes.

WW: . . . none of it in basic research. I mean, the basic research is the provenance of the university.

CAC: Okay.

WW: Medtronic is not going to engage in basic research. It has a long time frame. It has questionable payout and what you discover is probably available to everyone; so, it isn't proprietary necessarily. There is not the incentive for the commercial companies to do that. We are in product development and we aren't kidding anybody, that's what we are. But we rely on the basic research that is done by the academic health centers.

CAC: But then, these people doing basic research also have an interest in the applied, the clinical side of it?

WW: Certainly, they can extend theirs to help the companies develop the products. Yes, they have a great deal to contribute there and that is where the interface occurs, that is where the opportunities occur to really combine your knowledge to do something, and that is where the troubles occur as well from a financial standpoint.

CAC: I understand. Being an historian, I'm really interested in the logic of this partnership and why it took so long to come into existence. Do you have any sense of that in the Minnesota story, why the university would become hospitable to these initiatives, and the private sector be able to find its way to use the basic research in appropriate ways? Why does that come so late?

WW: I don't know. I think that one of the things that has held it up is kind of a suspicion about the propriety of academics being involved with commercial people, that somehow there's something wrong with it. I can understand how things can go wrong. I can understand how people in academia could take the secrets of the university and give it to the private sector for a reward; whereas, it is really the property of the university. I can understand these things. I can understand what goes wrong but . . .

CAC: You know, we did with taconite . . . the university had no income from that at all to speak of.

WW: . . . I do not accept the proposition that people in academia should operate divorced from the real world of commerce. I think it's a matter for us to figure out how to make the proper arrangement because I think that can be the most productive arrangement that can be had. As a person in the private sector, I full well realize that there are people in the private sector that will do whatever they can to get something for nothing and improperly do it and I'm not going to defend that. I think that there have to be safeguards set up so those things don't happen.

CAC: I'm wondering, at the moment, the degree to which David Lilly, who was out of the private sector, and then became dean of our school, and then vice-president for Finance, his varied experience accelerated this process? Did you ever work with Mr. Lilly?

WW: I know David Lilly, yes. He was a trustee at Carleton and I knew him a little bit when he was dean of the Business School at the university.

CAC: Did he play a major or some role in the process that you're talking about now?

WW: Well, he wasn't involved, for most of his time at the university at least, in the medical side of things.

CAC: No, no, that's true but he was . . .

WW: But he was eventually the vice-president of the university . . .

CAC: For Finance.

WW: Yes. How much of a role he played there, I just plain don't know.

CAC: Okay.

WW: He is a delightful person. I always enjoy talking with him.

CAC: It was in the early 1980s that he chaired a committee on technology transfer, which was addressing not only the Health Sciences but all of the other segments of the university that had that possible potential for outreach.

WW: I must say that what David Lilly . . . He left the university under rather peculiar circumstances involving some fund, reserve fund that they had. I must say that with my experience in running large organizations, anyone who doesn't have a reserve fund ought to have his head examined. The idea was completely understandable and logical; and so, I thought he got a very bad rap.

CAC: The legislature, many of them there in any case, saw this as a chance to subtract from their annual appropriation what was ever in the reserve fund . . .

WW: Yes.

CAC: . . . which would suggest a rather low level of sophistication and understanding of what you're talking about now.

WW: I think that's right. I think that he was on the right track with that.

CAC: It was your work with Medtronic that led you to a larger concern with the Health Sciences at the University of Minnesota and you were selected, or volunteered, or whatever to raise money for the cancer research facilities?

WW: Yes.

CAC: That was a major, major drive?

WW: Right. One day, President [Nils] Hasselmo and Jim Spicola, who was at that time the president of Cargill, came to my office and I thought they were coming to ask for a donation to the university for something or other but what was worse is they wanted my time to lead this drive for the Cancer Center. [laughter] That was something that I was hesitant to take on because of my extreme time commitment with Medtronic but Jim Spicola said that we would have kind of a partnership in trying to raise this money and that he would be very helpful as president of the Minnesota Medical Foundation, what he was at the time . . .

CAC: I see. That was his . . .

WW: . . . or he was about to become that, I think. I finally agreed to do it. Within two weeks of my agreeing Jim Spicola called, and said that he had pancreatic cancer, and that he was going to have that treated, and I think within a year and one-half he died. It was kind of ironic that a person that was going to spend all this time raising money for cancer was himself a victim of one of the most difficult cancers to treat, as I understand it.

CAC: And it goes very fast.

WW: It went very fast. He did his best for awhile to try to help on it but eventually he succumbed to the disease. I think we spent about four years raising this $30 million. Some of it came very easily. For example, we got some large gifts that came in $3, $4, $5 million gifts so that we got up to $10 million pretty fast. Then, it seemed to go to $20 million with reasonable speed but when it reached that point I didn't have any hopes that we would ever make $30 million. But one thing led to another and we got some help from some of the corporations in the city and some unusual donors that came along.

CAC: Well, you were very well networked in this community, I would guess.

WW: As far as the business community is concerned, I think I have the ability to talk to anyone I want to; so, that was helpful in getting some money from them. It was even helpful in going back to them and saying, "What do you mean giving us this amount of money? We want three times that amount," and they would listen because I happened to know something about how this happens. We have a sizable foundation at Medtronic and I know how these things work. Sometimes a little righteous indignation doesn't hurt. [laughter] But you need to believe in the cause.

CAC: This was done separately from the Minnesota Foundation?

WW: Yes.

CAC: They were engaged then in the Minnesota Campaign to raise $350 million.

WW: Well, I believe that was probably over by the time we got to this.

CAC: But they must have soaked up an awful lot of capital?

WW: I'm sure they did. This Cancer Center drive was part of the Minnesota Medical Foundation but distinct from it. It wasn't put out [unclear].

CAC: Did the university provide staff, backup?

WW: Yes. Yes.

CAC: So that all the detailed work . . . ?

WW: The university provided staff, yes, for this. I was the general chair and we had a steering committee of people in the community. We had periodic meetings, rather frequently, to try to determine where we might solicit these funds. We had the usual thing about, you know, you take this group, and use this, and here's the case statement, and here's all the stuff. When you get right down to it, it's a lot of work.

CAC: A lot of lunches, a lot of telephone calls, I'm sure.

WW: Yes, that's right and a lot of concern about being able to make it.

CAC: Of course.

WW: Most of the things that I've been involved with, it isn't clear at all where this money is going to come from. Sometimes it comes from entirely sources that are not what you would predict at all. Just as a chance happening, I ran into a father of a fellow who is an attorney, an estate attorney in Minneapolis, right in this building. He had control over where some of this money would go from estates and we got him to direct it to the Cancer Center at the university. One led to another and we ended up with, I think, $2 million; so, you never know where it's going to come from and you never know what you ought to be doing but you just keep working on it.

CAC: You've served on a lot other drives. You've been on the United Way?

WW: Yes.

CAC: And Carleton College?

WW: Yes.

CAC: There must be a kind of overlap of constituents, the corporations, and the individuals you would have to approach for this and that. One of the larger questions, as I've interviewed a variety of people . . . I will state it this way. There's great competition for the philanthropic dollar or million dollars. It could go into the arts, into culture, into music, into the museums. It can go into United Way. It can go into the university and private colleges. It's just a mystery to me—maybe that's what you're saying now—which foundations choose a certain emphasis and how that focus is created. Why would one choose the University of Minnesota over all these other possibilities, many of which are perhaps more fun, and carry greater social status? I'm told to be on the Board of the Minnesota Orchestra, for example, is a pretty high reward. How does that happen? Is that too ambiguous a question? It's a lot of questions.

WW: No, all of the organizations, including corporate foundations and not for profit foundations, all face the questions of where they're going to give their money. I would say 100 percent of them have guidelines and they have argued out where they ought to spend their money. There's usually some thread of logic that runs through it, like an obvious thing for Medtronic, since most of our devices are implanted in older people, is to have something to do with the elderly. Almost any organization has something that they would see fit to support; so, they all end up with their guidelines and for the most part, they tend to stick with their guidelines. They don't always stick with them. If you can find organizations where the guidelines fit what you want to do, then you have a better opportunity to have a favorable response to your request; so, it's a matter of sifting that out. I wouldn't say that the personal connections don't have something to do with it. At least it gets you the ability to get them to at least look at what you're proposing. I haven't found that personal connections are going to assure anything. If it doesn't meet the guidelines or if it's entirely out, it isn't going to fly. It's a whole process of just approaching all kinds of avenues and you run into a lot of blind alleys but I think most of the organizations feel that they exist for some purpose, and it's up to them to identify what the purpose is, and try to support that area that they are interested in, not everything. No one can support everything.

CAC: Insofar as we're all interested our health, I should think the Health Sciences would be a natural for many of the groups that you're talking about.

WW: Yes, and I think the University of Minnesota. It's importance to the state is recognized by an awful lot of people. One of the things you do run into though—you run into in spades—is the question, Well, I thought the taxpayers supported the University of Minnesota . . . why do you need to be going around trying to get private donations? I can understand why a Carleton College would ask me but why would the University of Minnesota, when you've got all this state support, ask for it? Then you try to explain that the state support amounts to 26 percent of the revenue . . .

CAC: And that's sliding down. It used to be higher than that.

WW: Right and heading downward, yes. Then people say, "Oh, I didn't realize that. You mean they have to raise money from other sources?" "Well, yes, it doesn't all come from the state by any means." More and more of it is coming from philanthropic organizations. I think that the public institutions are more and more going to be relying upon private donations and probably people will get to know that more and more that they do need it. I think there's getting to be more and more of a partnership, like when you look at the Business School of the university where the new building here is $20 million private, $25 million state . . . a total of $45 million. I see where the Science Museum in St. Paul—I probably have the wrong numbers—it's around $40 million private and around $30 million state; so, there is a partnership going on here. I guess the state is saying, "If you can raise this money from the private sector, we'll basically match it. If it's worthwhile to them, then we'll match it. If you can't get any money from them, don't ask us for it because it must not be worthwhile."

CAC: It's not until the late 1960s, early 1970s, that the university had a foundation to play that general role for the whole university community.

WW: Yes.

CAC: There's an Alumni Association before then but the 1970s were relatively limited in raising money from the community generally.

[End of Tape 1, Side 1]

[Tape 1, Side 2]

CAC: President Hasselmo had asked you to assist in the Cancer Research Center drive and you picked that up; so, you were a known quantity and quality to him when the Health Sciences—I won't say fell into—certainly faced a deeper crisis than they had for many, many years, and he turned to you, and he came to you once again?

WW: That's correct. Do you want me to tell you how it happened?

CAC: Yes.

WW: [sigh] It would have been April 1993 that he contacted me about the dilemma at the Medical School at the university. I believe that the cancer drive had gone over the top by that time. I'm not quite certain but I think it had. I was kind of surprised after meeting with him as to what he wanted me to do. Of course, he knew that I was retired from Medtronic, retired as the CEO in 1991; although, I was still chairman of the board. I'm not an employee. I'm chairman of the board—I still am. Someone had probably told him that I didn't have the responsibilities of being a CEO anymore; and so, he wanted me to come to the university and he wanted me to be the senior vice-president for Health Sciences, a paid employee of the university, and he wanted me to spend two or three years trying to turn around the Medical School and so forth. Then, by that time, we would hire someone to run it. That, I must say—while I understood the reason for it—didn't appeal to me to do that at my stage in life . . . the fact that I had never been in academia and really didn't want to spend that much time doing that. I recall shortly after that I went to Japan and I thought, well, by the time I get back, he will have forgotten about it.

CAC: [laughter] Unlikely.

WW: [laughter] He was very, very persistent about it and, of course, he had a Dr. Anderson, vice-president of the Academic Health Center, who had resigned. The dean of the Medical School was also under pressure to resign. Nils and I had two or three meetings about it. I finally told him that I did not want to become a paid employee of the university, that if I

came there in any type of position, it would have to be as an unpaid adviser to him; and also, I didn't intend to spend two or three years there because I didn't agree with the basic premise that you couldn't hire someone even though the situation . . .

CAC: Even though it was a troubled . . .

WW: Right. And that if I came there, my objective would be to try to stabilize it, to try to get the strategy straight but also to hire someone permanently to run it, and that I thought I could get it all done within a year. So, on that basis, I came to the university as an unpaid person with those objectives, to get that accomplished.

CAC: The problems that presented were not only the difficulties particularly in the Surgery Department and Neurology and that we know about but also really systemic problems in the delivery of Health Sciences as they relate to the education of doctors, right?

WW: Well, yes, a whole array of problems over there.

CAC: Could you specify which problems? As you had to address them, did you have to set a priority? I know they are clumped together but you could you speak about the range of these problems?

WW: Maybe it's a little too simplified but you can probably group them in internal problems versus external problems. The internal problems had to do with the way the place was run and the fact that there is something like eighteen or twenty departments with separate department heads all with their own agenda . . .

CAC: And their own budgets?

WW: . . . all with their own budgets, all with their own compensation, sort of running as individual departments in what could only succeed as an integrated function, how to pull that all together and make it function so that it would not only be a good educational institution, a good research institution but would also provide the patient care that is necessary to support those . . .

CAC: The relationship to the hospital which is also part of the capital.

WW: Right . . . a whole array of internal problems, not the least of which was the relationship of the Health Sciences to the Central Administration of the university and the Board of Regents and whether or not there was any plan as to what that institution really wanted to become . . . so, many internal problems, some of them manifested and coming out of the university as doctors being overpaid, people doing things wrong, including Dr. [John] Najarian and including other people, a general perception that it just plain isn't going right, and also declining numbers of patients in the hospital.

But then the external problems with the dramatically changing health care system, something that is not the fault of the university of Minnesota. It affects all of the academic health centers in the United States. It's a problem that as of today still remains unsolved. As far as I can see, this public academic health center is funded mainly by five different sources. One is the National Institutes of Health that finances most of the research. Another is Medicare that provides a substantial amount of the funds for education at the university. Another is tuition that is a relatively small part. Another is state of Minnesota support which is a fair sized portion but not as large as people think. The last one is the profits from patient care that had been generated over the years, much of which went into funding research and education at the university as compared to going into the doctors' pockets. So, those are the five things that have basically funded this academic health center over here. At no fault of the university, the Medicare part is going away because of the federal Congress deciding that they don't want to do that. They want to cut down the funding of Medicare.

CAC: Right.

WW: The funding of the National Institutes of Health, a $10 billion agency, is in question. I haven't heard what is liable to happen to that but I suspect that that budget is going to be examined rather closely.

CAC: That's been sliding and drifting downward.

WW: In real terms, it hasn't been growing.

CAC: Yes.

WW: Tuition may be able to raise it somewhat but that isn't a large item. State support is a question. One of the big items, profits from patient care has basically gone away and the managed care has taken care of that and it's gone.

CAC: The university Health Sciences are not part of a health maintenance organization [HMO]?

WW: They are not part of one the networks and, in my opinion, should not be part of one of the networks.

CAC: Are they elsewhere attached to universities? Do universities have HMOs?

WW: They are going every which way to try to solve this problem.

CAC: [unclear] systemic problem and nationwide?

WW: It's a national problem. It has to do with the viability of medical innovation in this country. It has to do with the quality of our health care in the country. This is an industry

which, as of this moment, has no provision for its research and development and no provision for its education—for the funding of those things—unlike most industries that do. For example, I being from Medtronic . . . do we have the R & D [Research and Development] funding for medical devices figured out for the industry? You're damned well we do. We do it ourselves. But in the case of health care, I don't know who would pick up the ball and say, "We're going to do it." This is a matter of a federal priority with the National Institutes of Health. Those things have not been figured out. They're going to have to be figured out and if they are not figured out, we are simply going to slide back in the medical technology and then Europeans and whoever will start taking over; so, this is a bigger issue than simply an academic health center. The university is thrust into that and as I see it, probably the most difficult problem for Dr. Brody and the University of Minnesota is to figure out how to fit into the new health care system and how to get the funding to do whatever the university should do. Obviously, the university needs to change dramatically in what it does. The numbers and the types of health care professionals that the university chooses to educate is going to change dramatically. Unfortunately, no one knows exactly how it is going to change but we are going to have probably less specialists, probably more primary care physicians. We're going to have more physician assistants. We're going to have more nurse practitioners. We're going to have all kinds of changes that are going to have to go on and the university should be at the forefront of change. The university should be leading the change not be brought kicking and screaming to the party. It is very difficult to tell how this is all going to shake out.

CAC: Without a health maintenance organization of some sort which can channel patients into clinical practice and into hospitalization, how on earth can that be done?

WW: How can the university?

CAC: Yes.

WW: The university can make its decisions on who it's going to educate, how many, and what types of people they're going to educate. The university can try to get all of the federal grants that it can get for basic research. It can also do what it hasn't done in the past; and that is, it can have a much more friendly relationship with the commercial world to try to do private research. I suspect that it can expand that considerably. I also feel that the patient care at the university exists primarily to support the research and the education. Now, you will get people that will argue this point as to whether or not that is it but I would suspect that if the university were not engaged in any research and if the university didn't educate any students, the university wouldn't have a hospital to take care of patients; so, I think that the reason that that hospital is there is to assist in the support of research and education, mainly clinical research to support the basic research, and in training residents and students in mainly the high-tech parts of the business that's done at the university. Without that hospital, you wouldn't have hardly any doctors on that campus. You wouldn't have any residents on the campus. You would have a bunch of students in classrooms that are scheduled out to other hospitals where they, frankly, don't want them because they are students. They are not productive. You would end up with a second-rate

Medical School. I believe that you have to have a focal point for the physicians and the researchers to get together. If you don't have that, I don't think we're going to have a first-rate Medical School.

CAC: So, then the problem is how to generate that patient flow into the clinics and into the hospital?

WW: Right. Now, we are just in the process of starting kind of a campaign that is going to say, if effect, that the university has difficulties because of two things. One is the institution hasn't been run that well—I'm talking about the Health Sciences—and secondly, it is caught in the managed care revolution of which Minneapolis/St. Paul is the most . . .

CAC: Yes, so again, it's the internal and the external?

WW: Right. If we want to let our Medical School go out of existence because we can't figure out how to fit it into the managed care system, then, that's a decision that this state will have to make and it's a decision that the state ought to be aware of . . . the consequences of this. If you let it go out, one is you don't have any local place to educate your kids if they want to go into this. Secondly, you're going to give up all of those federal funds that come into research. Third, you will give up treating patients from Minnesota or elsewhere that have unusual illnesses that can only be treated at the university. Fourth, you will give up the economic impetus that the university provides for the commercial sector—à lá Medtronic—in this state. Now, do you want to give that up? My analysis of it is, we'd be a bunch of damned fools to give it up. As a matter of fact, some of the people in other states are looking at this as an opportunity to build their own medical enterprises. For example, the dean of the medical school at Emory University—I listened to him one day—said, "We're getting the business community together in Atlanta to develop this medical technology corridor in and around Atlanta." I thought to myself, oh, you want what we have but we don't know we have it. That probably, to me more than anything, says, we need to spend some time making sure that we retain what we have here, not to say that it shouldn't change to keep up with what is needed.

CAC: I understand.

WW: We need to do that; so, I have been a proponent for the last year, I guess, of saying, the university probably cannot join the private sector. There are too many difficulties in goals. The university is research and education. The big hospital chains are patient care. They have a little research and a little education and the university has a little patient care. Basically, they have different objectives and some of those are public objectives, some of them are commercial objectives . . . try to put them together . . . good luck! I have been saying for a number of months, "Go ahead and try to do it. When you fail, we'll get to the real world, which is a state model. It's a public resource model. That's the one that we ought to have for the university."

CAC: I see. Does this model exist elsewhere? Is it in practice?

WW: No, I don't think it does but many people are doing a lot of different things. Some of them are selling out to the private sector, if you can imagine.

CAC: Oh, I can imagine.

WW: How private companies are going to decide to support research and education . . . tell me again about that. I believe that even if other people have done various things, that that isn't the way to do it. I think what we ought to do is get the best possible education and research here, that we should keep the patient care at the University Hospital, which is one of the best hospitals in the state from a facility standpoint, and that the funding that is necessary to keep mainly the education going here should be provided by the health care sector, namely, the providers of the state who are not doing their own research. They are relying upon an institution like this to do it. Their industry cannot exist without it; therefore, they ought to pay for it.

CAC: So, how do you generate the money in that sector?

WW: You either pass a law requiring or you get voluntary cooperation from them to do it. I think that it's very possible to get voluntary cooperation from them to accept some kind of a tax.

CAC: And also a flow of patients?

WW: The difficulty occurs, Does money equal patients?

CAC: Yes.

WW: We figured out a long time ago a way to do that. You could have a voucher system where, for example, Allina [Health System] had to buy vouchers redeemable only at the University of Minnesota.

CAC: I see.

WW: They could send the patient, and their doctor if they want to, over to the university and the University Hospital does, with or without the doctor, what is needed and it doesn't cost them anything but they had to pay for the voucher in the first place. They could sell the vouchers to other institutions if they want to but since they've got to pay for them, you know that they're going to end up using the university. So, say to them, "You need to buy $50 million worth of vouchers a year" . . . the industry. It isn't going to cost you all of that because you don't have to do it then, the university will do it; so, it isn't going to cost you the whole $50 million. Maybe, it costs you half of it or something like that. That does deliver patients to the University of Minnesota. Now, I'm not saying that that's the only way to do it but there is one way to do it at least. If anyone says, "You can't do it," my response is, "Oh, yes you can. Now, here's a way to do it."

CAC: This is, presumably, what Dr. Brody is facing in its external relations?

WW: That's right. He has not, I think, gotten to the point of publicly embracing the voucher system nor have I suggested that he ought to. I'm just saying, "Just remember there is a way to do it if it gets to that." Now, maybe there are some other ways to do it. They're also investigating the possibility of the state legislature passing a law that will make the university part of every health system by law; so that anyone . . .

CAC: Anyone would have access by referral?

WW: . . . who is networked must include the University of Minnesota. Now, that doesn't guarantee the patients will come here to the university. Another thing is to require that the university be available to all state employees, about which there is some question whether that's going to be or not.

CAC: That's a large number . . .

WW: There's a number of ways to do this.

CAC: . . . and centralized in the metropolitan area?

WW: I guess, fundamentally, I believe that the university should not join any specific private system because then it becomes a competitor of everyone else. It becomes part of the private sector really and I do not see the university being able to fulfill its role of research and education, which are its main things, in that kind of an environment. I think that it isn't that big a deal for the state to perpetuate this institution, that all the other schemes that people say . . . well, close down the hospital and send the patients out to us. We'll teach them what they need to know. Oh yes? You will? How are you going to do this? I just think you'll end up with a second-rate institution.

CAC: Have there been any politicians, statesmen, governors, that these things have been brought to?

WW: Well, I can say that the conversations that we've had with the governor . . . the governor seems to be inclined to be very supportive of the University Health Center; so, I think that the governor is getting ready to support the university in maintaining that Medical School. The legislators haven't really taken a position on it nor have they been asked to. We did contact the legislature a year and one half ago and talked to a lot of them about it. The real question was, Would you like to write special legislation for the university or would you like us to try to fit into the health care system. Well, they all said, "Why don't you try to fit in?" I would say to all of them, "We'll try but if we can't do it, we'll be back." So, we're back. When you get all through with it, I believe that this matter of public academic health centers . . . with the federal tending to back out of things, this is getting to be more of the state's [unclear]. The states are

going to be competitive with each other. If you want to be one of them, you'd better get your act together in your state because if you lose yours, you won't have any of the research anymore, your kids will have to go someplace else and get educated and you won't have the pull for your industries. I believe that the state of Minnesota, the people, ought to come to the conclusion that this in one of the very most important things in this state, far more important than any of these professional sports teams . . .

CAC: [gasp]

WW: . . . and that we ought to understand it. We ought to have a public debate about it. Then, I think we will decide to support it and I think that it can happen. I believe that we can maintain this as a public enterprise, not private.

CAC: I understand. What kind of opposition would there be to the notion that the facilities of the clinics and the hospital would be available to all managed care programs? I see it as a patient, as a lay person. You join one group and you're excluded from a whole range of possibilities.

WW: We'd be open to all of them.

CAC: That's why I say, What resistance would there be to that? It seems to me that . . .

WW: The only resistance that I know of is that anytime you talk about taxing the providers to support patient care at the university, they don't like that. If you're supporting research and education, it's fine but they have not come to agreement with themselves that patient care at the university is necessary to support research and education at the university; therefore, they ought to support patient care. Now, it can be figured out that their money actually goes to research or education. The fact of the matter is they're all tied together; it's really hard to honestly separate them. People say, "We need patients. We don't need money." I have kind of half way facetiously, but only half way, said, "Give me the money and I'll get you the patients." [laughter] Given enough money, you can figure out ways to get patients in there.

CAC: With cut backs in Medicaid likely, and in Medicare as well, then that reduces the income from patient care from that source?

WW: Yes, but given enough money, you can cut your prices to the point where people will naturally go there. I think that those things can all be worked out but I believe that the major issues are whether or not this state wants an institution like that and appreciates the importance of it and, then, whether or not we can do the things that will financially support it to make it viable.

CAC: Well, you look at Minnesota westward and it's a long way before there's another possibility of a medical school that can play those combined functions . . . the Dakotas, Montana. You're out a long ways.

WW: Going west, the first good medical school you hit, I would say, is the University of Utah.

CAC: Yes, and that's along way.

WW: Then, you jump to the coast.

CAC: Sure. Let me turn briefly again to the internal side and begin my question with a kind of observation that I've heard from many, many persons, not alone in the Health Sciences but throughout the whole university, that we have been for decades, for aeons, a feudal structure in which the province, the department, plays an extravagant role in defining who's going to do the work, what kind of work it's going to be, the access to research, all of those . . . whether it's history or philosophy or microbiology or what have you. When I interviewed some folks in the Health Sciences last year, they said, "The departments here are what count. It's not the Medical School. It's not the dean. It's the department," and then there are many departments but they're all relatively autonomous. You were suggesting that it was that autonomy in the departments that was a source of some of the problems of internal administration and management, right?

WW: Yes.

CAC: How then does one address that, which runs against a tradition and a history of longstanding, university-wide?

WW: I'm not against very capable departments. In fact, I think that great capability in all of these departments, a recognized excellence in whatever department it is, is essential to the health of the entire Medical School but I do think that when you start treating patients, you need to have some kind of an integrated system there, that you need to have some concern about the patients feeling about how they are treated there, whether or not they have a well running system. Like some of the departments over there don't even have the same hours; so, if you go to refer a patient from one department to another, you've got to deal with different rules. When you check out, you get a whole different bunch of different bills and so forth.

CAC: Oh! just terrible.

WW: There needs to be an integrated system and you need to try to please the people that are being treated at the university. Beyond that in the academic side, it's my understanding that a lot of the importance of medicine and a lot of things that are happening are interdisciplinary. You don't just have the surgery department that just runs with the surgery department. They may be dealing with all kinds of other departments on the treatment of any patient, or in the research, or whatever.

CAC: Well, most directly with Anesthesiology. You can't do surgery without that.

WW: Yes. So, there's really the thought that maybe the university shouldn't even be organized by departments, that they ought to be organized by programs, whether it's a cancer program, or genetics, or whatever it is. So, I believe that these departments, in addition to being excellent in their own disciplines, need to realize that they are part of a total health care team.

CAC: How, systemically, do you pull that off? How do you reorganize so that the programs . . .

WW: This is Dr. Brody's . . .

CAC: That's his charge?

WW: . . . responsibility right now, and something that he is dealing with, and something that he does not have agreement on. My feeling is that if you just say to yourself, "The way to run this thing is to let every department do whatever they please and they all think they're excellent," it will add up to the demise of the institution because they are not dealing with the interdisciplinary things. They are not dealing with the patients' issues that they need to. There is a much better way to do it than that! They can still have their pride in what they know and their contribution but this idea of just having separate departments and even having separate finances . . . I don't agree with that either. There's a lot of people in private corporations that are very, very motivated. Do they all have their separate department? Does Medtronic run with a marketing department, or a manufacturing area, that's autonomous? We absolutely do not. If you want to do that, go somewhere else. That's doesn't mean that those people don't have their expertise and they generally share in the rewards, the financial rewards at least, through some kind of salary or whatever. I don't see why universities are any different. I don't see why doctors can't do that as well. I understand their need for autonomy in a lot of their research and so forth and that's fine. We try to give autonomy to our researchers, too. We recognize that some of the most important discoveries are made by things that haven't been, aren't even programs. You just say to yourself, "We recognize that." We try to give people some free time to do whatever they want to do. The same thing can apply to the university. I find, as a business person who has been responsible for a very large complicated research organization but a commercial organization, the way the university is organized to be bizarre and something that to me ought to be able to be changed without tremendous difficulty because the way they do it now doesn't make sense.

CAC: I guess I would agree with the first premise but find difficulty with the second.

WW: Okay, fine.

CAC: I'm far from an expert on the history of the Medical School; although, I've done some background reading. I've done enough to realize that Dean [Robert] Howard, in the 1960s,

proposed a reorganization with a strengthening of the college, and interdisciplinary programs, and a control of the budget at the college level rather than the Medical School level, rather than at the departmental level. This strategy, this initiative, was turned back by one president after another. I'm told by many people, "The department chairs were too powerful. They didn't want that done to them." That's why I'm skeptical of the second part of that.

WW: You know, you may be right but I would add, times have changed; it's a different ball game today.

CAC: Yes, you bet.

WW: When I've gone up to address the clinical chiefs and listen to them . . . I've read in the newspaper how these are the powerful heads of these fiefdoms . . . they didn't look like that to me.

CAC: [laughter]

WW: They looked to me like people who were kind of running scared, and people who knew that the world was changing, and they didn't know how to respond.

CAC: They weren't scared in 1970?

WW: That's right but they are today.

CAC: Yes.

WW: Things change and I think that it is possible to change things today; whereas, it probably wasn't possible back then when Dean Howard was trying to do that. It's going to have to change.

CAC: I would say also that I find on both sides of Washington Avenue—that's the metaphor that's used both by the medical folks and the rest of the university—that Washington Avenue is not a stream; it is a major Grand Canyon between all of the Health Sciences, which are south of Washington [Avenue], south of the slot, and the rest of the university which is north. That complicates, as I perceive it as an historian, the difficulty of achieving these administrative, managerial reorganizations . . . that Central Administration has not played a major part.

WW: It is but it doesn't have to be.

CAC: Okay.

WW: What you say is absolutely true but different people in there who look at things in a different way and, hopefully, Dr. Brody is one of them . . .

CAC: Hopefully, President Hasselmo is another.

WW: Right . . . and the regents as well.

CAC: Ah.

WW: This doesn't make any sense for the state of Minnesota. As a person outside the university who sees that, I don't think it's funny and I don't think it's necessary. I think it is just something that ought to be changed and changed very soon. I had dinner with the chair of the regents, Regent [Thomas R.] Reagan a few weeks ago and he said—we were talking about this—"I'm going to convene a session of the Board of Regents over in the Academic Health Center." I said, "More power to you." He said, "I'm going to make a statement that this is part of the university," and it is. I believe that if a few people that say, "Look, enough of this stuff. This is part of the university. This is the entry that we have in education and research on behalf of the people of the state of Minnesota." They don't give a damn about Washington Avenue.

CAC: You bet.

WW: What they want is a good institution. I think some of us from the outside who get involved in it don't have a lot of patience for that sort of stuff, for the infighting in the university. We want a good university.

CAC: A lot of us on the inside don't either.

WW: Yes. I think it's going to change.

CAC: It will take regential understanding and action?

WW: Right, and it's going to take a lot of . . .

CAC: Will you continue to confer with the regents?

WW: Well, to the extent that I have opportunity to do so. I have no official position with the university whatever.

CAC: I understand that, which really puts you in a stronger position?

WW: In some respects, yes. I have the same story for anyone I talk to. I tell everybody exactly what I think, whether they like it or not.

CAC: Bravo!

WW: I just feel that it's important to the state. I feel badly about what has happened to our university. Now, not all parts of the university are in difficulty but enough of them have been so that the man on the street, when you mention the University of Minnesota, he says, "Ahhh. There's trouble over there."

CAC: You bet there is.

WW: When you walk in the state of Michigan and you mention the university at Ann Arbor, people say, "Oh! isn't that wonderful?" Now, how did this all happen? How come they're so wonderful? I've been over there. We had a son that went there. He rejected the university because of it and went to Michigan. He says, "God! people just think it's wonderful at the University of Michigan." Why do we have this dilemma? I'm tired of it. I just think that it's time it changes.

CAC: Not only in the Health Sciences but more generally?

WW: Yes, except that more generally, I don't have a lot of knowledge.

CAC: I understand that.

WW: I'm not making a lot of statements about that. I think I know something about the Health Sciences but I don't know much about the rest of it.

CAC: Interviewing people from all around every college—not every department . . . that would be too much—some of the, I won't say grievances, discontents and sense of dismay is widely spread within the university as well as outside. When I talk to persons on the outside . . . I interviewed D. J. Leary the other day who knows both sides really—I don't always agree with him but he's pretty savvy—and he reports the same thing . . . twenty years there is a decline in the public perception of the university at large and certainly the Health Sciences.

WW: That's right.

CAC: These things have to be overcome.

WW: One thing that we maybe skipped over there was the time that I spent at the university, the year I spent there trying to get things stabilized, trying to get the strategy set, and trying to get the basic people hired, the organization in place, and so forth. We made a major change in the organization while I was there. Some of the things that I recall there is that, first of all, I had, early on, set up a transition task force that ended up having twenty people on it. At most meetings we'd have thirteen, fourteen people, which included just about every part of the Health Sciences and the Central Administration.

CAC: Good!

WW: [Ettore] Infante was on it and so was [Robert O.] Erickson. We had the doctors represented and the administrators of the financial side. They were all represented there and we were talking about how to organize the place, and what are the goals, and what should the strategy be. I was very favorably impressed with the people that were involved with that, which are the main people that I got acquainted with at the Health Sciences. They came off to me as every bit as capable as the people in the private sector that I'm used to working with and very frustrated, very angry about the perception of the university, and very interested in getting some changes made; so, the discussions were mainly on, What do we want to do and how are we going to do it? So, it was very positive things. We ended up with a lot of decisions that got implemented in a very short period of time. One of the reasons that they got implemented is I had the luxury, coming from the outside, of not having to get embroiled in the bureaucracy. I should tell you a story [unclear] office in Morrill Hall and I walked in there one morning. This woman, who turned out to be a very capable woman . . . her name was Patrician Mullen . . .

CAC: Oh, yes. Oh, I know Pat Mullen very well.

WW: EEOC [Equal Employment Opportunity Commission]?

CAC: Oh, yes, you bet.

WW: I didn't know who she was. She followed me in the office and she said, "Mr. Wallin, I've seen your organization that you've laid out for the Academic Health Center," which included a provost. I said, "Oh, fine." She said, "I just wanted to tell you, it won't work."

CAC: [laughter]

WW: I said, "Well, do you mind telling me why it won't work?" She said, "The faculty will never buy it."

CAC: The faculty of the Medical School?

WW: She just said, "The faculty." I wasn't too sure what she was talking about but she said, "The faculty won't buy it." I said, "Well, can I ask you a question?" She said, "What's that?" I said, "Suppose the regents approve it, then what? Do you still think it won't work?" She said, "It doesn't make any difference. If the faculty doesn't buy it, it won't work." I started to laugh and I said, "You know, you may be right." [laughter]

CAC: Yes.

WW: "But that's not going to stop me from doing it and we'll see what happens." I thought it was interesting, her view . . . if the faculty doesn't sign off on it . . .

CAC: She's a pretty savvy person.

WW: The funny part of it was that on all the deals of the regents, they are supposed to . . . their procedure is they look at something one time but they will never act on it. They want to wait for the next one.

CAC: Sure, that's okay.

WW: So, we presented the whole organization and everything and what we wanted to do, and somebody moved approval. I thought, what's this all about? Well, fine, if they want to approve it. Fine. They approved it.

CAC: [laughter]

WW: They were not waiting. They were so anxious to get something done that they didn't want to wait a month; so, they approved it. I had felt that based on the people that I met—obviously I met a lot of other people on the task force—I was impressed with the capabilities, the talent, the motivation of people in the Health Sciences.

CAC: And the commitment?

WW: It kind of made me feel that what they're really asking for is some leadership here, somebody to stand up and say, "This is what we're going to do and let's do it!"

CAC: What you said earlier may be true that they're up against it now. They have to do something. The traditional sources of opposition [unclear] . . .

WW: Yes, right, I think so.

CAC: . . . and be overcome.

WW: I think its time has come to get something done. That, of course, gets into Dr. Brody and what he is going to do. He's trying to get his stuff together. We're going to talk about that when he arrives here in about fifteen minutes.

CAC: I'll clear out. He can come in. You can turn to the present from the past. [laughter]

WW: I must tell you that I am for, get the story straight and start selling it hard.

CAC: Good!

WW: Let's lock into the position and do it and not wait around for anything else to happen because . . .

[End of Tape 1, Side 2]

[End of the Interview]

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