

(00:00:00)

Scarpino: So we should be on testing, testing.

Mutz: Yes, this is John Mutz; we are trying out the fancy recording device.

Scarpino: And it's working very well.

Mutz: Okay.

Scarpino: So, I thank you very much for sitting with this second interview, and if my memory serves, today is April 14th and we are sitting in the lovely conference room in the Law School. Last time when we talked, we talked for about an hour and we kind of did an overview of the early part of your career and we ended up at the point where I wanted to ask you some of the standard questions that we provided you ahead of time and then what I like to do is go on, talk a little about your work career and politics in Indianapolis and then come back at the end of this interview to some of those standard questions and so, the common questions; the ones we had at the beginning, the first one that I would like to ask you is, what do you read?

Mutz: Well, right now all, believe it or not, I'm reading my daughter's second book, actually third book. She is a professor of the University of Pennsylvania, she holds the Samuel Arsht Chair in the Edinburgh School of Communication there and most recent book from Cambridge University press is called, *Hearing the Other Side* and it is a piece of work based on the research that she has done, that deals with a group of commonly held ideas about how a democracy functions best, and it flies in the face of common wisdom about this. And so, I'm sure it will cause a stir. Her first book was called *Impersonal Influence* and this is a take off on Lazarsfeld's book that was written some 50-60 years ago, called *Personal Influence*, I don't know if you are familiar with that or not, but if you are, it's the classic in the communication theory area. And of course what she is doing in that book -- in her new book there is saying that, Lazarsfeld was our guy, how do we pronounce his name, may have been correct when he did his research but it's not correct today. It is the fact that modern media and the impact of that

media has in fact greatly influenced how people -- attitudes change about political matters and personal matters. So, obviously being a proud father, its fun to read her work and to see her excel in what she does and so that's what I am reading and writing at this particular minute. What's funny about this is that, her first chapter and last chapter are relatively easy to read, the ones with all the research data in it are a little slow going and so I have had, I have had to spend some time reading and thinking and re-reading and so forth. Now, the other answer to your question about what do I read...

Scarpino: . . . I want to ask you a question for the records of, your daughter's last name is?

Mutz: Mutz, Diana Mutz, yeah that's right, she kept her name even though she is married, yeah. Her husband is a professor at the University of Pennsylvania too, in mathematics, so yeah. At any rate, the other things that I read, I mix fiction for fun, I call it beach reading, a kind of book you can read in an afternoon at the beach, so obviously I require a lot of that stuff, I also try to read those things that are directly related to the kind of process or task I m involved in. For example during the time when I became an officer of a Fortune 500 company, I read a lot of the management books and this is everything from Tom Peters' to 'Leadership' I Warren Bennis, to Collins' books on *Good to Great*, *Built To Last*, all those things, I find good reflections if you are trying to manage an organization. The other things that I have read recently are some of the biographies of leaders like Washington, Adams and so forth; I find those to be great fun and helpful as I think about my own life.

Scarpino: Do those kinds of biographies help you in your various positions of leadership?

Mutz: I think so.

Scarpino: In what ways?

Mutz: Well, I think its interesting you take a look at Washington for example, although this is been said a lot by different people, but Washington I think could have been king of the United States.

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He was in such a, dominant kind of leadership role, after the war, and participated in the adoption of the constitution and so forth, and yet he opted not to do that. Now, that's not to say that Washington didn't have ambition and drive he did, but it does say that he saw a place for him to step back. And I guess that's the lesson, it seems to me, is knowing when to step back or I say step back sometimes that means retire, sometimes it means say no to an opportunity that's presented to you, I guess that's one of the, I guess an important lesson from the...

Scarpino: . . . Are there times in your career when you didn't want to step back?

Mutz: Well, not always, I guess, I'm like a lot of people, everybody knows at the back of their mind, that there is a time when you should step back. But I think the classic situation; actually what I call an involuntary retirement from politics, meaning I lost the election in 1988. And yes my feeling about that is that, a lot of my colleagues in public life haven't known when to step back, good example would be Larry Borst. Larry Borst is probably one of the most committed and effective public servants I know. He did not deserve to lose a primary election to a much younger opponent with little or no experience. He could have retired on top as we say, and I think that was a shame. We have some other men and women in public life who don't always seem to know when its time to quit. The corporate world has changed that a little bit, in that the tension to create earnings in the for profit sector, has made it easier I think for people to step back, step back while you are ahead, you know take the accolades and move on. Public life though is an infectious kind of thing and I think it's much harder for people to do that there.

Scarpino: What do you think makes a career in public life or politics infectious?

Mutz: Well, it's a combination of adulation, in some cases self imposed importance, the public acclaim -- I mean its one of those kinds of situations that lots of people are attracted to you because they think you bear the

mantle of power and that's my phone, sorry. Can we stop this just a second I'll get that turned off. I didn't realize that was on.

[Brief pause]

Mutz: All right, okay.

Scarpino: Do you think that, that sort of infectious enthusiasm for public life sometimes has potential to cloud the judgment of a leader?

Mutz: Absolutely.

Scarpino: In what ways?

Mutz: Well, the -- separating your own personal drive and ambition from the calling good or I'd probably want to describe the ideal in the situation, is hard to do sometimes. For example, doing what seems to be popular rather than what seems to be right is easier and I think that the judgment is clouded by the fact that, you know like being criticized, that also incidentally applies to the for-profit sector to some extent in the sense that most people in leadership positions will tell you, I want the truth, I want to know how you really feel about this, I want to know what is really going on, don't tell me just the good news, tell me all the news, kind of thing.

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And yet, some place in the crawl down there, is this business, you know I'd just as soon, kind of move along on the upper run of this set of circumstances. And I guess my view is that, yes, your personal emotions and feelings about yourself, can clog your judgment. Now, one of the real tricks it seems to me, in keeping your feet on the ground is, making sure that the shadow side and your personality, occasionally becomes clear to you. In the reading that I do, one of the things is that I do read a lot of this Carl Jung and of course Carl Jung was a psychologist who actually followed the work of Freud on the unconscious et cetera. But his contributions to the shadow into the collective unconscious, I think are pretty significant.

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And of course what Jung says is, the way one becomes whole, one becomes real and authentic, is for the unconscious to be made conscious. And of course he suggest you do that, by a variety things, including dream analysis and meditation on the variety of other things, which I won't get into right now. But the point I am getting at is, to have a shadow side is not evil, but to never know what's in your shadow is a real problem, it seems to me. And that I think is what we're dealing within the circumstances here. Being able to step back periodically and allow that shadow to be observed, I think is very important for people in a leadership spot, because what he does, it kind of tells you what's really the truth is here. Is this -- am I being driven by my own ambition or are there other factors involved here? And I think those -- its an important way to look at it.

Scarpino: Is that something that reading Jung inspired you to do or encouraged you to do?

Mutz: Yes, yes it did and now I have to point out to you, my wife is a psychologist and I probably never would have read more than a superficial amount of Jung, if she had not been taking courses at Christian Theological Seminary, here in Indianapolis. And so, I became fascinated by Jung's work. He is harder to read than my daughter, I might say. He is really tough reading.

Scarpino: I understand.

Mutz: Yeah. I would say, however that the book that I find most important is *Memories, Dreams and Reflections*. And that's probably the best overall, look at Young's contribution and I guess yes, for that in any question, my reading of Young has caused me to take that second look we've been talking about here.

Scarpino: Do you think that a leader should read?

Mutz: Should read? Well, I don't know how you can avoid, but reading at, I think you mean in addition to the -- that kind of stuff that goes through...

Scarpino: Is you have to read that stuff.

Mutz: They have to read, yes oh yeah. I really do because, where is the balance, in your judgment come from? I

mean, it has to come from some voice and I think it comes from your inner self, you are unconscious as well, and may be from your religious background. Well, I think reading is one of the ways that we balance.

Scarpino: Do you ever read about other readers?

Mutz: Oh yeah, I tried to and I have spent quite a bit of time, I mentioned the Warren Bennis work. I find his particular research, which is really much like what you're doing here, interviews, intensive interviews in his case, several weeks with these people, trying to find out what were the common characteristics of leadership. And those are not only inspiring but they are instructive as well.

Scarpino: What have you learned about the common characteristics of leadership by reading Bennis?

(00:14:44)

Mutz: Okay, well I'll give you four or five things. First of all, leaders are agenda setters and by that I mean, they are able to crystallize the few things that are to be accomplished. And to keep that agenda up in front of the people, they're attempting to lead, so that's the first one.

The second one is that, leaders are extremely good communicators. Some communicate in a verbal way, others do it in writing ways, but I think they communicate on different levels. It's not just the rational level; it's also on the emotional and subconscious level and I can think of all kinds of examples of that. I mentioned in the first interview, the idea of the parking place, going in the face of the authoritarian kind of management style. And that's a kind of communication, I am talking about, but there's some other things that would be similar to that. So that's the second one, is the ability to communicate.

The third one is, they know how to build trust with the people they work with. And I guess the thing that's interesting to me on that was, when I was Lieutenant Governor, I had a fellow who was working with me, who everybody said, well he is a Democrat, why do you have him on your staff? And he happened to be one of

the brightest people I've ever worked with; his name is Brian Bosworth. And Brain was my devil's advocate, and in every meeting he was present on all the policy work and so forth. And he didn't say something every meeting, but nearly every meeting and he was there to question the validity of what we were doing and he was secure enough in his position with me, that because he disagree with me, didn't mean I am going to fire him, that was not that kind of arrangement at all. And building that kind of security with the people you work with, is the trust building thing I am talking about.

The fourth thing we mentioned earlier but that's modeling behavior. And Bennis has some great examples of that in his book, basketball coaches and symphony conductors and so forth. And then the one I would add to that, I think I may have mentioned earlier and that's candor, disarming people with candor and I've just been amazed at the affect that has on people. What you're basically are saying to them, but they kind of underneath suspect anyway and you say it directly to them, and I think its important, because its authentic, I mean its really, really you. So, I mean from Bennis, those were the five or six things I've learned.

Scarpino: The first point you mentioned was agenda setters. You mean as a quality of leadership -- is the ability to do that as a leader, have any relationship that kind of support staff and people who bring around you, is that a mark of leadership to be able to identify and gather together team?

Mutz: Oh, well of course it is. Collins' in his book makes a big point of the right people in the right place first, then the ideas, then the products. Then he says, the people are more important than any of the ideas or any of the concepts, and I think he is absolutely right about that. One of the problems is that most leaders end up in a position where they are stuck with people who are already there. And the question is what you do about that? You clean house, you tempt to work with them, and so forth. But I guess the short answer to your question is that, assembling a team is very important, and I guess my goal has always been get a team that includes people that are brighter than I am, if I can find them. And I am not trying to be hard to deal with on that statement. The Brain Bosworth is a good



example. My connection with Bob Orr, when he was Governor of Indiana and I was Lieutenant Governor, I don't think there has ever been anywhere a governor and lieutenant governor who had a better relationship than Bob and I did. And I think the sign of Bob's leadership question was, he never felt threatened by me. And I was an ambitious driving young man, during that time and he saw that as an asset for him.

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Mutz: And that takes a very big person to do that. And it seems to me that that particular -- that's an example of somebody saying I want to -- that's people around me, I can find. People that challenge me, people that feel comfortable in disagreeing.

Scarpino: Another of the one of our general questions: who do you think are important leaders? Who inspires you? We might start with those who are living and those who are not just a little break up.

Mutz: Yeah! Well, its very clear for me that, I've mentioned Washington. I know its easy for people though, to use Washington. But, and having read some of the recent biographies, which take you away from the classic, couldn't tell a lie, cherry tree kind of image to a real human being. He has to be an inspired person, because of his ability first of all as I said, to step back and say, no. Lincoln, I think has to be on my list. I believe in today's world were Abraham Lincoln in politics -- he probably would have been ridiculed because he was mentally ill. And I don't mean that in a derogatory way at all. He was depressed a good part of his life and he'd lose in the election, he would go out in the woods for a month and not come back. Now, what would we say today, about a politician who did that? And so I think, Lincoln's writing and his ability to persevere under very difficult circumstances, you have to admire his work. Others that I have the experienced in a direct phase is, Keith Bulen is got to be an example. He was a guy who could take a bunch of people in an ordinary set of circumstances and build enthusiasm in their hearts and souls, he really could. And I have to think that one of the things as leaders that we have to do, is to nurture, not just the intellect of the people we work with, but the emotions of those



people as well. And Keith could do that as well as anybody I have ever seen.

Dick Lugar has been an example for me, although I worked awfully closely with him for a long period of time. He is an individual who has exhibited the kind -- I think I have mentioned this earlier too. He doesn't really enjoy, most aspects of the typical political life, and he is a policy wonk, and of course I have kind of am too. And as a result, I have a lot of empathy, with where he comes from in that situation. I remember one time, I was raising money when I was running for Lieutenant Governor and was very hard to raise money for the second thing on the ballot, and I said, one time Dick was helping me at a fundraiser and I said, 'Well, what do I do?' You know he said, 'You just keep' -- I've to ask and he said, 'It is no fun, I don't like doing it' et cetera, et cetera and it was kind of a confession from him. So, I have those were some examples, there are other people who have exhibited leadership characteristics in my life too. And some of these border on mentors and so I know you want to talk about mentors later maybe, so we can talk about that.

Scarpino: Why don't you just go over that right now? I mean if you got that thought then I'll pick up on it later on.

Mutz: Okay, well I'd start in the mentor list, obviously I had mentioned my father earlier, and he is one of those, but the first one I want to mention is a man named Wayne Paulsen. P-A-U-L-S-E-N. Wayne Paulsen was the father of possibly my closest friend, best man in my wedding. When I came back from Northwestern University went to work for Alcoa in Pittsburgh for a couple of years then came back to Indianapolis. It was Wayne Paulsen that I went to work for. And he had started a business called 'Circle Leasing Corporation.' Circle Leasing Corporation was a financial services business, we leased personal property and Wayne Paulsen was a self educated, non-college educated, banker and investment banker from Fort Wayne.

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Mutz: And I learned so much from him, about the realities of business, about the negotiation of a business deal, about honesty in business and about forgiveness. I never will forget the time of that, a man came into the

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office to see Wayne and he was a person who had defaulted on a loan, some years ago. And he was back into talk to Wayne about a new business venture. Well, generally speaking that's not a person to you would say yes to again, but Wayne did say yes. We financed some equipment for this small business, he was getting started and one thing led to another, that business today is an outstandingly success business here in Indianapolis. That man is long since deceased, but his son now runs the business and it's a great success story. And I've always remembered that series of events, because I thought to myself, why would Wayne waste his time talking to this guy? I mean that, all of the stuff you'd look on your credit history, you would say, this is a bad deal. But, he saw something in this man's -- the character there.

Scarpino: Because it turned out well, I am going to ask you the name of business.

Mutz: Okay! I am going to have to think about a minute here. They make plastic pots and located out in the Castleton area. Could I come back to you?

Scarpino: Sure, you can.

Mutz: I'll have to get it for you, yeah. Like I just drove by the plant, couple of days ago. Yeah by the way this guy also paid back every dime that he have ever owed -- owed to Wayne and those people. Other mentors besides Wayne Paulsen, I suppose, I came across a fraternity brother at North Western University, Bill Caruso, C-A-R-U-S-O, was the name. He was the President of the House, when I was Beta at the Northwestern and he is one of these unusual people at a young age, who seem to have a degree of maturity that you don't see often in that situation. And what I learned from him was self-assurance. I was always, able to exhibit like he did, but he kind of always seemed to have it together, I don't know how else to say that. And he spent some time with me talking about personal things, that's an example; I think of a mentor along the way, in the political process obviously, Bob Orr fits in this category, to some extent. Those are some examples.

Scarpino: I am going to ask you a detailed question and then a bigger question and then we will sort of move on chronologically. You mentioned that you read some of the recent biographies of George Washington, in fifty years they won't be recent, so could you give us the titles of what you read or something.

Mutz: Oh! I can't get it to you verbatim here. I've got to land at home there.

Scarpino: Okay. All right, yeah.

Mutz: What is Washington's -- something or rather, I can't remember exactly?

Scarpino: I may follow up with all of them.

Mutz: Yeah, okay.

Scarpino: The second thing that occurred to me is, as you talk generally about leadership and the qualities of leadership and excellence in leadership and all that stuff is, it occurred to me that see you first ran for political office in 1964 and the last time that you ran was 1988, and I was in high school in 1964, however I was observing the world around me and it seems to me that one of the big things, it's changed, in the career of a politician is, the relationship with the media. And I am wondering if the changes in the media, and media coverage, and media technology have any influence on leadership and what it takes to be successful leader?

Mutz: Well, I think it does and has. I don't think the attitude of the media has changed so much, as has the emotional impact of the media on people, who watch it. Now, let me tell you what I mean by that, when the major media that records what you're doing and saying is print media that's still a step removed from the human being.

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Now, when it's television, you have an up close in your face, kind of relationship with the person. I can't tell you, how many times I have had people come up to me and say, I know you, this is even today this happens,

occasionally. And they say, you've been in my living room this woman said. I have never been in her living room but my image on television has been in her living room. Well, that is a much different sort of a relationship than you get, from the old print media kind of thing. This came home to me really, pretty dramatically, when I was down at the New Harmony in Indiana -- at New Harmony they have a program down there for writers who write screen plays, television shows is called the New Harmony Project and I was invited to sit on the last weekend of run-throughs and so forth. But what all things they do is; they show you on a big screen a televised version of the players actually the acting -- the dramatic piece. And then of course you can see it really in front of you on the stage. Well, the impact of seeing it on that big screen is just unbelievably different. It has emotion, it has fire, it has all that kind of thing to it. So I think that's one of the big differences between the impact of media. Now, what does that mean? Well, it means again and Abraham Lincoln would have, I think had a very tough time in that sort of circumstances. By all accounts, he was not a very handsome man and not exactly the world's most dramatic speaker although the words he spoke have turned out to be some of the great pieces of writing that we've come across. So, I'm not sure how he would have projected, in today's world? Now, you can argue that this is a lack of substance, I don't know that how I feel about that, that the pollsters that I've worked with. I've worked with a number of them; tell me that if you give the public long enough, they finally see through you. They finally find the real, the real you. And if that's true, then this new media world we're living in, does solve a purpose, that I don't know, I can't answer that.

Scarpino:

I'm going to switch from the standard questions and we'll have follow ups back you through chronological sequence, we'll wait for a few minutes and I'm going to take you back to -- you've graduated from Northwestern and then right after college in, 1958 to 1960, you worked with Public Relations for the Aluminum Company of America in Pittsburgh. According to the information I found, you were a Director of Public Relations for residential building products. Why this company in Pittsburgh?

Mutz: Well, when I graduated from Northwestern in 1950, I had a Masters Degree and job were hard to find, there were not a lot of, readily available jobs, even for college graduates with Masters Degree. And so, I interviewed as many places like I could. One place I interviewed was in the Inland Container Company here in Indianapolis. And they did offer me a job as a Management Trainee but Alcoa offered me a job where I could use the journalism training I had had and at least at that moment of time that seemed to be appropriate thing to do. I also thought it would be fun you go to another city. I was recently married. By the way on that -- the year that I went to Alcoa, my wife and I had married -- we were married on the 21st June and then we went to Europe for five weeks and everybody would say, well that's an unusual kind of honeymoon for a couple of the young kids. I wrote a series of articles for the *Indianapolis News* while I was there on the trip. Now, I've to tell you, its not easy to write at night on, your honeymoon, you know you get the typewriter out and feed out the story . . .

Scarpino: (Laughter) . . . I can I was about to say that, that it sound like an extraordinary degree of dedication but I thought maybe I shouldn't . . .

Mutz: . . . But at any rate, that was the year of the Brussels World Fair; it was a remarkable trip from our standpoint.

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Now, we were traveling on a limited budget that was the idea and so forth. And so, when we came back to United States, I didn't have a job, my wife did, she is a school teacher and she was teaching in the Indianapolis Public School System. And so, I interviewed and then we decided it will be great fun to go to another city. Break free of the constraints as we thought of them then, away in Indianapolis. So, I think that's why I went. I had a good a friend who had graduated from the middle school journalism couple of years before hand and he already worked in Alcoa and he helped get the interview for me, and so that had helped.

Scarpino: So, knowing someone, is one reason why you directed your attention there?

Mutz: Sure, right!

Scarpino: I read in the research that we pulled together on you that, while you were in Pittsburgh your served as Chairman of the Allegheny county, you were with the Republicans?

Mutz: Yes that's true.

Scarpino: What did that entail? What did you do as?

Mutz: Oh! That's a volunteered job obviously but, I was interested in politics and my interest had already come along in that respect and I've volunteered to work for the Republican Congressmen in a suburban part of the Pittsburgh area...

Scarpino: What was his name?

Mutz: Corbett, Bob Corbett; Robert Corbett. He was in Congress for a long time and we got interested in the local political scene and one of the outlets for people like my wife and I was the Young Republicans, and so we got involved in that and that's how it happened.

Scarpino: And I also like, you were a campaignist in the congressional race, was it for him?

Mutz: Not exactly campaigner, I worked on his campaigning, that's all.

Scarpino: Then in 1960 you came back in Indianapolis, you accepted a position with Perine ???spelling???...

Mutz: Perine ???spelling??? Development Corporation...

Scarpino: Director of Advertising, Public Relations, Customer Relations and Research and assistant to the President (Laughter). Why did you like to come back to Indianapolis?

Mutz: Okay well, during the year I perceived that my mother died here in Indianapolis, unexpectedly. She was 56 years old and I was back and forth a lot to be with my

dad and to deal with the circumstances, and when I was back here one time, I was having lunch and I ran into Tom Perine ???spelling???. Tom Perine ???spelling??? was in Northwestern, the same time I was there. He was a couple of years older, may be three year older, and he and a guy named Don Huber from Dayton had started a home building operation in Indianapolis. Don Huber's family already had a major home building, home operation in Dayton and those of you who'd drive through, on I-70 will see Huber Heights and that's one of the those communities in Dayton that he created. Actually his father was the major mover on that one. Well, in fact *Time Magazine* - - no I am sorry, *Business Week Magazine* even did a story about Don Huber running this business, all he was still a student at Northwestern and flying from Chicago back to Dayton and back and forth, it was kind of a dramatic story. Anyway, I went to work for them and Tom Perine ???spelling??? was the partner who was in charge of the Indianapolis operation. We built over three hundred houses a year in the Indianapolis area, in four different locations and of course I don't know anything about the hold on the business but, the things that I was asked to do, was to supervise the advertising program and lots of other things, that's what I did.

Scarpino: So, was this a company that was capitalizing on the post where were too demand for suburban housing, is that most of what their goal is, suburban housing?

Mutz: Oh yeah! It was all suburban housing, yes; I guess that's the answer.

Scarpino: Did you -- while you were working for that company, did you gain experience or contacts that influenced your later career?

Mutz: I gained experience that influenced the later career. Tom Perine ???spelling??? was probably the best promoter I have ever met. He is a man who became a millionaire, multimillionaire twice, and lost it twice and then took his own life. In today's jargon, I would suspect he was a manic-depressive, probably if he had, had the kinds of medications we have today; he might not have had some of the extremes. But Tom was extremely bright, that I say, one of the great promoters



I have ever come across and he taught me a lot about promotion...

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He was the builder of the first Playboy Club in the United States.

Scarpino: I'll ask where was it?

Mutz: It was in Florida, in Fort Lauderdale and he had gone to Hugh Hefner, you see, Perine ???spelling??? was one of those guys, I don't care who it was or how bold or how prompt he was, he would find a way to get into see him. I mean that's one of the things that I learned from Tom and he went to see, Hugh Hefner and said, look I've this idea for this Playboy Club with the bunnies and the whole bit and he said, I'd like permission to build one, and if you'd like it, you can buy it from me, etc. That's precisely what happened. He built one in Fort Lauderdale and Hefner liked it so much that you know the story -- he expanded the chain and so forth.

Scarpino: So, just I mean, I have to admit I didn't -- I wasn't prepared to talk about Playboy bunnies but, (laughter) I'll ask the obvious question, Mr. Perine ???spelling??? was the person who came up with the idea for the Playboy Club and then . . .

Mutz: . . . Yes he did . . .

Scarpino: . . . And then sold it to Hugh Hefner?

Mutz: I don't know, but the history of Hugh Hefner's life will say about that, but I can tell you Tom was the one who first said, 'Here is a business opportunity.' Tom had ambitions that you cannot fathom, and so I have to say that, yeah, I learned an enormous amount from Tom. He also was the kind of person who had difficulty having balance in his life. It was not unusual for him to call me at home at two or three in the morning and say, Hey, John I want you to do such and such and of course, after this happened, twice, my wife stopped answering the phone or hung up on him, when he did this. He would call from a night club, some place in Chicago and he'd say, here I am here at that whatever it is and The Shapery or whatever be and that's back

in the days when they'd bring a phone to your table, that was supposed to be a big deal. Well, no cell phones, and he'd call me from there and tell me where he was and so forth. Actually he was one of those bigger than life kind of people. Lot of women in his life, a number of things that we find waste and undesirable, but as I said, the greatest promoter I have come across.

Scarpino: So, you really learned about promotion.

Mutz: Yeah, I did indeed.

Scarpino: Lets see, 1962 through 1980, you served as Vice-President of Circle Leasing Corporation, Indianapolis, what kind of a business was Circle Leasing Corporation?

Mutz: Well, Circle Leasing was the business I mentioned a little earlier, where Wayne Paulsen and two other good businessmen here in Indianapolis, actually four -- I guess three other businessmen, George Stark the founder of Stark and Wetsel, ???spelling? Beeler, John Beeler, the founder of the Beeler Corporation and Ted Englehart ???spelling???, who was the Executive Vice-President of Beller Corporation and Wan Paulsen started this Equipment Leasing Company. They were later joined by Hap Henderson ???spelling???, who was a Senior Vice President at Merchants International Bank. Those five men started a Circle Leasing and what it was, was an equipment lessor, leasing was an alternative for financing equipment. It was a business-to-business kind of relationship and the company was patented after US Leasing, which was the first well-known national equipment lessor. Now, we did -- lease automobiles and things like that, that we leased construction equipment, production equipment, computers, a few airplanes that kind of stuff. And this was a business where you are essentially creating credit to the customer in the form of the lease; the collateral for the credit is the equipment that the company -- the leasing company still owned. It was a new business venture. And another one of those great opportunities to learn that I had in my lifetime, because I learned so much about financial leverage, about how you arrange financing for a business, how you present a request for financing, all those sorts of

things. If you would have thought in my business school of training, I would have learned more of that. But, developing cash flow statements, business plans, all that sort of thing. I learned to write my first business plan when I attempted to buy a section of Prime Development.

(00:45:15)

So, I've bought one piece of it, at one time that may be mentioned in there. And that was another one of those interesting stories in it, I went in the home building business at the wrong time, and we lost a lot of money. And I was fortunate enough, that I was in there at the Circle and we had a loss carry forward in the corporation that owned the home building business. And so, we were starting to do financing in the form of leasing for Burger Chef. Burger Chef was a locally owned fast food -- hamburger operation here in Indianapolis and ...

Scarpino: . . . Did the Burger Chef originate in Indianapolis?

Mutz: Yes, that's right and we were doing business with the parent company, and so one time I had said to Frank Thomas who was the President, Founder of the Company that we have been looking at this business for quite a sometime impressed by, what they were doing, but they were making more money than we were and we were taking as big a risk as they were. And I said, why don't we buy a couple of franchises from you? He said, 'Oh, you guys are finance people, you shouldn't be in the food business.' But, he finally did let me go down to Liverpool Kentucky and I ended up making an offer to an existing franchisee in Louisville who sold to us, largely because he had a divorce in his family, he was in business with his brother in law, I guess. And so, we took over that franchise and subsequently built 16 more in the Louisville area. And at one time our chain was 31 stores. But, I guess, that was just kind of a side, deal going on while we did these other things, but the experience at Circle taught me a lot about the financing of business.

Scarpino: What kinds of leadership experience of, skills do you think you brought in the position of Vice-President of

Circle Leasing? What did you bring with you, that it made you attracted to those people?

Mutz: Well, you know as I think back on it now, I am not sure I brought very much at that moment. I brought a lot of enthusiasm, a lot of drive, but I had to learn the business. I did not understand the finance business when I was first, first hired. I knew something about home building, because I have already being doing that, but I didn't have a good sense of how to do that. I learned quickly and I guess I'd have to say that, I don't think I've brought a heck of a lot to that situation other than the promotion, back around that I'd had.

Scarpino: These gentlemen knew you personally . . .

Mutz: . . . Oh, yeah. Well see -- Wayne was the father of my best friend -- Wayne Paulsen. Stan Paulsen and I grew up together, we went to Broad Ripple High School together, we went to Northwestern together, fraternity brothers in Northwestern. Yes, it would be a...

Scarpino: . . . A personal connection . . .

Mutz: . . . It was a very much of personal connection.

Scarpino: What kinds of leadership experiences, skills did you develop in that position?

Mutz: Well...

Scarpino: But did you take away; I suppose what you brought there?

Mutz: Yeah, well in terms of, yeah, I think, I got more than I gave. I think, in the big sense, the most important skill I learned was, how you finance a business, the layers of financing, the role of equity, the role of debt, the structure also as I mentioned earlier, how to get a bank loan, how to prepare a presentation to perceive financing. Those sound like elementary skills, but those are really important at least at that point in my life. The other thing I learned there was -- that I had some sales ability, because I was for a long time the company's only salesman. And so, I literally did everything, you know we sold, collected the accounts, cleaned up the office at the end of day, where it was

Stan Paulsen, his father, me and one secretary, that was the business when we first started.

(00:50:00)

Scarpino: When you went into politics, did your experience and expertise in sales and business translate into the ability to sell yourself and your ideas?

Mutz: You know, that was very hard because I found it much easier to sell an idea or a product or a service than myself. I had a lot of trouble with that. It is very easy to sing the praises of a product or a deal, but saying the same thing about yourself is not nearly as easy to do.

Scarpino: 1965 to 1980, you were Secretary Treasurer of Fast Food Management Inc, Indianapolis, where you and two other partners eventually developed the chain of fast food Burger Chef restaurants. I probably should say for the record that the first fast food restaurant I ever ate in in Eastern Connecticut was a Burger Chef in Connecticut . . .

Mutz: . . . (Laughter) Really?

Scarpino: . . . And was sure that in 50 years that will be relevant but -- and we've already talked a little about this, but I want to get it in one place. Who were your partners in this venture?

Mutz: Okay. Well, Stan Paulsen the same family, and then a fellow from Northwestern who was another paternal brother of ours named Peter DeBeer D-E-B-E-E-R. And we essentially brought Peter into the business and asked him to live in Louisville, Kentucky because that was the centre of our growth of stores and so he actually moved from Illinois to the suburban Chicago area down to Louisville, still lives there today as a matter of fact.

Scarpino: In 1965, was fast food an untried venture in the Midwest?

Mutz: No, it wasn't untried; McDonald's was the pioneer in this area, and of course there were some others that had preceded us in that situation in the hamburger area.

Scarpino: White Castle maybe?

Mutz: Well, White Castle preceded quite a bit. Steak-n-Shake also came before. So, it was not a totally untried concept, but of course what we are talking about here, White Castle didn't franchise originally; they built all their units themselves. Steak-n-Shake didn't either. Gus Belt, who started that business, built them all himself. So, the franchise way of expanding a business was the new concept too. McDonald's worked on it and so did Burger Chef. Of course there a lot of other things came along thereafter in that list.

Scarpino: What attracted you to the fast food business?

Mutz: As I said earlier, we took a look at the amount of capital it takes to get at a business; that's the thing that attracted us. This first unit that I told you I bought at Louisville, Kentucky, we bought for \$5,000 plus the inventory. Now, of course, they weren't doing so well at the time we brought it, but nevertheless, that's how we got started.

Scarpino: So you are able to buy-in at a reasonable price for the expectation that you could make it profitable.

Mutz: A very reasonable part. That's right.

Scarpino: I was trying to figure \$5,000 in 1965 -- dollars in my head and I will say for the record, I couldn't do it but . . .

Mutz: . . . Well, I can't do it either. That's right. I mean, its substantially different than it is today. That's right.

Scarpino: What kinds of experience or skills did you -- do you think you developed in that position that might have had an influence on your later career?

Mutz: Well, the hamburger business was a different kind of business because it involves the motivation of so many employers, most of whom are part time, who are not career people with you. It's a whole different kind of relationship; and I think the management of that kind of a work force is the thing that I learned there. I learned how hard it was, how difficult it was, and then

the other thing was the fact that competition moves so quickly. I mean, one year you can have a store that made substantial profits, a year and a half later, Burger King or McDonald's put a store a block away, and your volume is cut by a third. (Laughter)

Scarpino: It's a very volatile business.

Mutz: It's a very volatile business; that's right.

(00:54:55)

Scarpino: As you worked in Circle Leasing and fast food management and the other business ventures that you are involved in Indianapolis, did that experience help you develop a network that you later relied on when you went into politics or that you relied on when you went into politics? Was there a relationship thing here?

Mutz: Not the networking. No, I would not say that's the case. I mean, I certainly have kept those friends and acquaintances and so forth, but they generally were not related to the political process.

Scarpino: In 1964, you made your first attempt to run for elected office, at least that I could find where you ran unsuccessfully for State Representative, and then of course in 1967 you ran successfully for State Representative, that began a very long career in politics.

Mutz: Yeah, that would be '66 though.

Scarpino: Oh! My gosh! I am sorry.

Mutz: Yeah, because the elections are all in even number of years, yeah.

Scarpino: I did one election year and one take-office here.

Mutz: Right.

Scarpino: Why did you decide to run for office?

Mutz: Well, of course I have mentioned to you before that in a moral moment, not the last year, when I said I might



run for office. I decided to get involved beyond being the volunteer and my wife and I talked about it, we went ahead and did it. Our children were very, very tiny at that moment; it was not a good time to do that, if there ever is a good time. And I thought it was a challenge I wanted to take, you know.

Scarpino: What do you think you learnt from that experience?

Mutz: Well, of course, I mentioned to you my speech impediment, I mentioned to you the relationship of the political organization to candidates and so forth. We had a boss system at that point and one of the reasons I lost the first time I did, was that I wasn't blessed by the right boss. You know that's one of the things you learn. Having said that, I also learnt from Keith Bulen who was coming along at that same time, that the organization of the political process, at least in those days could make an enormous difference. Now, that's not true today. The rise of the electronic media, the fall of the patronage system, which we talked about earlier, the changing influence of the political process automatically changed that. Money has become more important today than it was then; it's always been important, but it wasn't anyone new that influenced that now.

Scarpino: And you obviously had to raise money for this campaign?

Mutz: Not much.

Scarpino: Not much?

Mutz: No. Didn't amount to much.

Scarpino: Who was your opponent?

Mutz: Well, you see, back in those days, State Representatives ran at large from districts with more than one seat in them. Now believe or not, the first time I ran for the legislature, Marion County had 15 State Representatives elected at large from the County. So, the only way you get elected in that situation is to be selected by the party or the organization; otherwise there is no way to move on; no way you could raise enough money as an individual candidate to be heard.

Scarpino: So, as a voter, voting in that 1964 election, I would have been presented with a ballot that had...

Mutz: . . . Sixty-four candidates on it for fifteen seats.

Scarpino: That clarifies things.

Mutz: That's right.

Scarpino: After the 1964 election, you joined the Republican Action Committee, which included Keith Bulen. What was the Republican Action Committee?

Mutz: Well, Republican Action Committee was an effort -- I think I described this earlier, in which a group of existing Republican office holders and a group of activists led by people like John Burkhart decided it was time to change the Republican Party leadership, and so we organized, elected precinct committeemen, who in turn elected a new County Chairman; the new County Chairman was Keith Bulen (ph). That was the goal of Republican Action Committee.

Scarpino: We talked a little bit about networks that existed in Indianapolis in the 60s and 70s with the recorder off as part of the pre-interview and I am going to ask you some of those questions for the record now, could you talk a little bit about Keith Bulen? Who was he, what impact did he have on your career as a politician?

(00:59:53)

Mutz: Well, Keith Bulen (ph) was an attorney by training, an Indiana University Graduate, a member of the legislature for one term in the 1960s. He served with my mother in law in the General Assembly. He turned out to be one of the most effective political leaders that has ever come out in Indiana, later to be one of Ronald Reagan's major advisors. Keith had a knack for organizing at the precinct and ward level; he also had a knack for selecting candidates. For example, he is the one who picked Lugar to run for Mayor against Alex Clark who had been mayor previously who was a seasoned and well known person in Indianapolis. Dick Lugar had been a member of the school board, and other than that, no political experience at all; matter of

fact, he had lost the election for President of the School Board, and Keith picked him to run for Mayor. And of course in an unbelievable kind of race, won the primary against Alex Clark. So, Keith had a lot of gall and a lot of organizing ability and later led the Republican Party in Indiana as the State Chairman, National Committeemen from Indiana, all that kind of stuff.

Scarpino: In additional to gall and organizing ability, what do you think made Keith Bulen an effective leader, or the most effective; I think he is a political leader in Indianapolis.

Mutz: His personality, his ability to get people excited about a cause; he understood power, how to wield power -- I tell you a few stories about Keith. One thing that I always -- I finally learned about Keith was that if he heard that something really good was going to happen for you, maybe an appointment or something of that kind, he would call you up before it was announced and say, 'John, I hear such and such is going to happen and I'm really so happy for you.' Now, he would not say to you directly, 'I made it happen,' but you would automatically assume he had something to do with it, whether he did or not. Well, you may call that a kind of a manipulation of sorts; he never lied to you, but it is the kind of thing that Keith was a master at doing. I've seen him in a State Convention in Indiana when we were -- I ran for State Treasurer in 1970 and Keith was the manager of my campaign to win the state convention against three other candidates, and he was the negotiator behind the scenes; he was one of the last of the smoke-filled room experts.

Scarpino: He was a good negotiator.

Mutz: Absolutely.

Scarpino: Would you say that the source of his success as a leader was loyalty, or that he had the ability to make people a little bit afraid of him or some combination thereof or...?

Mutz: A combination thereof, yeah, he was one of those individuals who --you wanted to work for, I mean, you felt -- well, there were some people who didn't like it; I

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was quoted in *Indianapolis Star* not too long ago, I said, 'He was not a neutral person now, you either loved him or hated him' - I happen to love him. But I guess, I'd say that you wanted to work for Keith, you wanted to reach the same kind of goal that he did, and he imbued you with the vision. There was a little bit of fear there too that he had some power you weren't sure about, 'you never knew' kind of thing.

Scarpino: Do you think that he consciously, deliberately created that situation?

Mutz: I never have known exactly; when he was ill before he died, I talked to him a little about some of those things. And he denied steadfastly that he ever meant to scare anybody.

(01:05:01)

As you know, he was the subject of an indictment at one time and so forth -- eventually cleared of wrongdoing. You always had the feeling someplace in the back, he could be pretty ruthless; you had that feeling but I never saw any evidence of it.

Scarpino: I mean what I am trying to figure out here is, I mean, you can't live in Indianapolis for as long as I happened to be a historian and I've heard multiple Keith Bulen stories but I have also had the privilege to interview him; and I am just trying to figure out, what is it that made him so successful?

Mutz: It's not easy to put your finger on all of it but as I said earlier, I think the personality, the charisma, you know.

Scarpino: You mentioned that one of his strengths was selecting and I assume, mentoring and nurturing candidates, and one of the people that he picked, was Richard Lugar. What do you suppose stood out for him about Richard Lugar because as you know that Mr. Lugar had very little political experience when he was tapped by Keith Bulen.

Mutz: Exactly. And he was not a great speaker either. Intelligence, depth -- I mean Bill Rucklesas

???spelling??? is another example of a person that Keith pulled up and said, "We'd like you to run for State Representative." And on the service (ph) that didn't like a big deal for a family like the Rucklesas ???spelling??? family, and yet Bill was eager to do it.

Scarpino: Would you say that the network that Keith Bulen created, helped to foster almost a generation of people who went on to leadership experiences and...

Mutz: . . . No question . . .

Scarpino: ...and who continued to network with each other after their careers took them outside of Indianapolis.

Mutz: Right, there is no question about it. That network exists even today although it's deteriorating, because we are all getting old at this point, but yeah, there is no question about the fact.

Scarpino: I mean, I think you got it; I mean, and I can't name everyone, but I think of yourself, Richard Lugar, Willy Markelzous ???spelling???, James Morris, there must be other people...

Mutz: That's right. Well, Ned Lamkin, he was majority leader of the house. Let's see who else I get the name at this point. Well, Keith got Ed Witken nominated and elected as governor in Indiana, and that's one of the times when I disagreed with Keith's choice. And Ed Witken is a very nice guy and a nice man, however I never found the intellectual capacity there that I wanted in a governor. In fact, I was a -- this isn't my brother's own tale and I'll tell you, I was a State Representative and I've been just in one term and Keith asked me to go talk to Ed Witken about his campaign; and I had a long list of campaign ideas and policy positions and they are ranged from year-round school to a way to balance the budget at the state level, sales tax on services, all kinds of stuff. And I got nothing out of that interview with him at all; I mean, it seems like I was talking to this wall over here. And the only thing he had an interest in was year-round school; so, that's how they got the idea; of course, it was an idea whose time had not come yet, but I mean, my point was that nine times out of ten, Keith was a very good judge or candidate.

Scarpino: I am going to talk to you, its either today or next time because State Representative and State Senator and so on, but I wanted to ask you a few more questions about the networks that existed in Indianapolis; and again, you and I talked about this in a prior interview, but I wanted to keep stuff in the record and... You mentioned that there are actually two networks, one created by Mr. Bulen and the other associated with the city committee and we have been talking about the one create -- what you called the Bulen network in the pre-interview and noted that one of its goals was to remake the Republican Party, and you mentioned that one of the things they wanted to remake was the patronage system overseen by H. Dale Brown, who was then I guess, political party boss of Indianapolis.

Mutz: That's right.

Scarpino: Could you talk a little bit about that patronage system and how it worked?

Mutz: Yeah. Well, the patronage system -- I want to correct one thing you just said; we did necessarily in the early going, want to change the patronage system; we just wanted to control it ourselves rather than the other guy control it. I want to be very candid about that. But the patronage system, as it exists in those days consisted of really two major sources of money and then other kinds of influence. First of all, a license grant system was privatized and run by usually the County Chairman in each County of the State of Indiana, and it was like a franchise in which the county Chairman actually...

**Total Duration: 70 minutes.**