

BUSINESS IMPACTS

Commission Members Share Perspectives

By **Matt Ottinger**

"I'm a dyed-in-the-wool Hoosier, and I think Indiana has so much to offer in so many areas that it will always be one of the better places to live and locate a business."

Those words from Bicentennial Commission member and business leader Jim McCormick are an apt summary of how many feel when thinking about the Hoosier state. Granted, there's a dearth of mountains and ocean access, and any attempt to plant a palm tree would be met with a rude realization each November.

But there's something here that makes it home. Not just for people, but for thousands of businesses that have seen many undulations, twists and turns in the economic and social landscape in the past two centuries.

Bulldozing toward progress

P.E. MacAllister, another Bicentennial Commission member, spent his professional life continuing the business his father founded – MacAllister Machinery in Indianapolis in 1945. The heavy equipment supplier got its start during the post-World War II boom, and MacAllister, who served overseas in the European and North African theaters, credits the practical uses of these machines during the war as a catalyst for the business.

"Nobody knew what a bulldozer was before the war," he recalls. "They knew what a Caterpillar tractor was, but the bulldozer allows you to move a lot of dirt in a hurry." He remembers how the bulldozers gave the United States a mobility advantage.

"We moved 11 times in 21 months, always pushing toward the enemy," he recounts. "We could do it because you could take a dozer and level off a field maybe 800 feet long and 40 feet wide, put interlocking strips of steel on it and you've got an airbase overnight. If you think of the hedgerows in Normandy (on June 6, 1944, also known as "D-Day"), during that invasion (they were) blocking everybody off. What took them down? Bulldozers did. It was an instrument that played a pretty important role in the war."

He also offers that the war "triggered and amplified America's creative capacity."

"We had to design airplanes that could land on boats of all things," MacAllister relays. "Guns, aircraft and engine technology got a huge boost because of the war effort and the need to refine it and make it better. In my mind, what won the war was never our strategic capacity ... but it was our enormous logistic capacity. We kept pouring it in there and were equipping the allies with aircraft and food supplies. So I think we introduced the age of technology during the war."

Car crazy

One of Indiana's most impactful moments of ingenuity occurred on July 4, 1894 when inventor Elwood Haynes test drove his "horseless carriage" on the streets of Kokomo. Cars would ultimately give Americans the freedom to move and inspire a collective wanderlust that was previously unthinkable.

"Haynes is a very interesting and important figure – a real entrepreneur with an engineering and manufacturing orientation and entrepreneurial zest," asserts James Madison, historian and Indiana University professor emeritus (see Page 46 to learn about the upcoming documentary based on Madison's book, *Hoosiers: A New History of Indiana*).

But Indiana's appreciation for the automobile was only beginning.

"Indiana had dozens of auto companies at the beginning of the 20th century," he reveals. "Many of them were led by smart, sophisticated manufacturers and business leaders who didn't come up through a university or technical program, but had the skills to manufacture cars and innovate new technologies."

Madison, also a Bicentennial Commission member, points to the Auburn Automobile Company as an example.

"In Auburn, they produced all kinds of technological innovations," he says. "The Duesenberg is a fantastic example of engineering and design; it's a beautiful car and every time I see one, I'm in awe. The beauty of that utilitarian object – just four wheels and an engine – is fantastic."

Over time, the automobile industry evolved as Japanese manufacturers began to play more of a role in Indiana's car culture. Madison credits former Gov. Robert Orr and Lt. Gov. John Mutz for attracting Subaru to Indiana in the late 1980s.

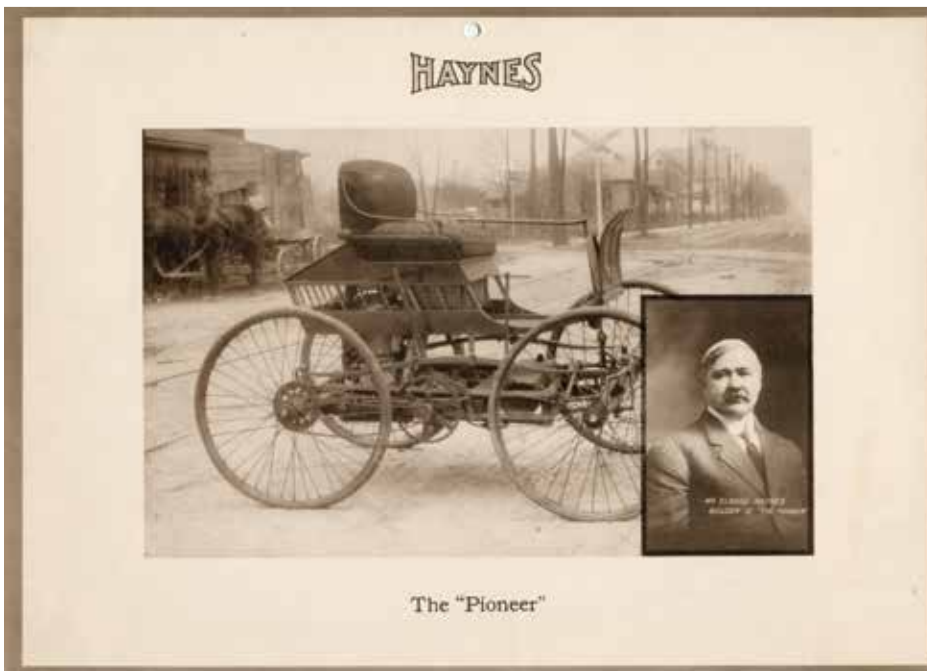


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– James Madison
Indiana historian



The Duesenberg brothers moved their race car and luxury automobile company from Iowa to Indianapolis in 1913. Its office and showroom are shown circa 1921 (*Bass Photo Co. Collection, Indiana Historical Society*). Kokomo inventor Elwood Haynes' Pioneer car first graced the streets in 1894, altering the future of travel. He eventually donated it to the Smithsonian Institution in 1910 (*Indiana Historical Society*).



“It was a major point of change in Indiana, and indicative of the kinds of changes that need to continue,” he emphasizes. “(The emergence of Japanese manufacturers) is at the heart of Indiana’s evolution over the last half century. It has to do with globalization and cultural and business attitudes that maybe didn’t change as rapidly as they ought to have. (Prior to that) the auto industry had considerable suffering and losses – not just in lost profits for particular companies, but for the state as a whole.”

A city of firsts

A proud son of Vincennes, which was

the first capital of the Indiana Territory, McCormick believes the Knox County seat has a unique perspective on the Bicentennial.

“Vincennes has so many firsts,” remarks McCormick, president of JAMAC Corp. and retired chair of McCormick, Inc. and BestWay Express, Inc. “It would take a whole page to list them all. Vincennes needs to put its best foot forward and champion those firsts (during 2016).”

For starters, the community is home to Indiana’s first college (Vincennes University). McCormick, a board member and past chairman, asserts the school is as relevant as ever in its ongoing efforts to prepare

Indiana’s workforce.

“We’ve made giant strides in technology and teaching young people how to be ready for the marketplace in the computer and robot age,” he contends. “A few years ago, that wasn’t an issue or something we talked about. I guess I’m a little biased, but I think VU stands tall in offering those opportunities.”

Vincennes boasts the state’s first bank and the Grouseland Museum in honor of Indiana’s territorial governor and future U.S. President, William Henry Harrison. It is also home to the George Rogers Clark National Historic Park – the largest national monument outside of Washington, D.C. – and the Red Skelton Museum of American Comedy.

Grim memories

A venture into Indiana’s past would not be complete without addressing one of its most unsettling enigmas – the Ku Klux Klan (KKK). Historians often discuss the Klan’s impact on government, and its disturbing presence remains on the cultural surface today. In Indianapolis, for example, participants can still learn about the heinous, murderous acts of the vile Klan leader D.C. Stephenson during the Haunted Irvington Tour each October.

Madison asserts the Klan’s story is “more complicated than most Hoosiers understand,” although it’s still used as a basis for an unfortunate stigma that can skew perceptions in the modern era.

“Usually people are wrong about what they know about the Klan, but it has cast for decades a negative gray cloud over Indiana in general and it includes business,” Madison qualifies. “You have to recruit a Harvard MBA or a skilled worker from California to come to your company, and what do (they think) they know about Indiana? It’s flat, boring and where the Klan rose. None of those things are true, but that’s the perception out there.”

Working for workers

While labor and the business community are often at odds, it’s worth noting there was a time when Terre Haute socialist Eugene Debs captured the attention of the nation, garnering votes in five presidential elections. A protester and iconoclast, Debs was “one of the great American leaders and one of the greatest Hoosiers of all time,” Madison states.

“When I say ‘great,’ I don’t necessarily mean that I or you have to agree with his analysis and his policies and proposals, but we need to think about them and treat them seriously as alternatives, whether we adopt them or not,” he explains. “Debs provides one of the best examples in Indiana of a Hoosier who rose to the highest levels outside



George Rogers Clark National Historical Park in Vincennes, Indiana’s first territorial capital, pays tribute to Clark’s harrowing winter victory over British forces at Fort Sackville in 1779.

the mainstream. We need more leaders and spokespeople who are outside the mainstream – not just repeating the common wisdom of, ‘This is how it was done when I was a kid and it will be the same way.’”

“It’s popular now to write those unions off and make negative comments about them, but before we reach that conclusion, we need to remind ourselves about what it was like before they developed power – and how they used that power for good and maybe not so good,” Madison remarks.

The most notable modern development in business and labor relations arguably occurred in 2012, when Indiana became a right-to-work state. The Indiana Chamber of Commerce led that charge in an effort to give workers more choice in whether to join and financially support labor unions. The move has been lauded by site selection and state economic development officials. Continuing the enhancement of Hoosiers’ lives will be at the forefront as Indiana shapes its future.

“Here in the 21st century, we (must consider) workers, ordinary Hoosiers, the quality of their lives in terms of benefits, health care, salaries and wages,” Madison concludes. “And we have very hard questions in front of us now that will be with us for the next 100 years in Indiana.”

RESOURCES: P.E. MacAllister, MacAllister Machinery | James Madison, Indiana University | Jim McCormick, JAMAC Corp.



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