

WAL-MART



Don't discount Walton's

Story by KAREN WORLEY Photo by ROB HILL

Listen to recipients of Sam M. Walton Scholarships, and you might hear a bit of "Mr. Sam" himself.

"I have found myself becoming more of a people person," says Stacy Abercrombie of her three years of retailing experience. The business and public administration major chalks it up to dealing with the customer. "A salesperson must always remember to understand the customers' needs in order to help them better."

Even when he was young, sophomore Jason Flaspohler wanted to be an advertising executive. "I would take charge of projects such as our neighborhood lemonade stands. During high school, I ran my own mowing business, taking care of quite a number of lawns."

Senior John G. Ray got hooked on retail at age 11, though he didn't

realize it at the time. The Bermuda Bobcats store at his grammar school stocked supplies, books and candy. "My tasks were to sell the products, collect currency and keep weekly records of the inventory. My principal was impressed and often joked with me about being and becoming a shrewd businessman."

As a businessman, Samuel Moore Walton, AB '40, founded Wal-Mart, today a \$44 billion enterprise, on the simple philosophy that the customer is always right. He gave MU a \$3 million gift before he died April 5. To qualify for the \$5,000 scholarships, high-school seniors, transfer students and MU undergraduates must express an interest in retailing, exhibit academic achievement and show substantial financial need. To renew the scholarship for up to three years, students must have work experience in

retailing. Walton stipulated that five-sixths of the annual income from the endowment be used for the scholarships. The other sixth will be used to supplement the salary of a nationally recognized marketing educator who has interest and expertise in retailing.

The \$5,000 scholarship won't quite cover school expenses of \$8,000 next year, but to the students, it seems like a million bucks.

"Due to the transfer of my husband last year, we have been burdened with excess expenses," says Jennifer Schaefer, a senior marketing major. "This, along with our daily living expenses, makes it difficult for us to pay for school. We depend solely on my husband's income and any money that I bring in from my work-study position."




From 70 applications, nine students were chosen as the first class of Walton Scholars. All from Missouri, they are, from left: Julie Edmond, a sophomore business major of Curryville; Stacy Abercrombie, a sophomore business and public administration major of St. Louis; John G. Ray, a senior logistics/marketing major of Ferguson; Jason Flaspohler, a sophomore pre-business major from Glasgow; C. Kyle Ryan, a junior business administration major of St. Louis; Jennifer Schaefer, a senior marketing major of Columbia; Rachel Palmer, a senior marketing major of Lexington; and Jennifer Lynch, a junior finance major of St. Louis. Not pictured is Sheila Voss, a senior business administration major of Linn.

Legacy

Notes Jennifer Lynch, a junior finance major: "My mother is my sole financial supporter. Next year she is furthering her education by going back to school full time to receive her PhD. By receiving this scholarship, I will be able to continue my college education."

Business and Public Administration Dean Bruce Walker, in a meeting with Walton in late August 1991, said the entrepreneur hoped to entice more well-qualified young men and women to enter the field of retailing through the scholarship program. Walton told former Chancellor Haskell Monroe that he'd like to help people who could later work in his company.

But if they work for Wal-Mart's competitors, so be it, Walker reports. "His response was that 'competition makes us sharper.'" 



Walton's senior portrait from the 1940 *Savitar*.

The world's best retailer

Sam Walton, a man of few words, seldom granted interviews. He recorded important thoughts on a yellow legal pad. Humble and private, Walton toiled around his hometown of Bentonville, Ark., in a beat-up red pickup. He loved bird dogs. With wife Helen he shared a modest, but modern home. Their 49-year union produced four children: Alice, Rob, Jim and John.

Walton's basic business philosophy was to involve employees — "associates" he called them. To 1984 MU graduates, he said, "If you employ people, make partners of them, communicate with them, let them know day after day that they're important.

"A partnership with your employees is the simplest, most direct route to success, in my opinion. And it will keep this country great. It will keep our free enterprise, capitalistic system working and alive. They are going to take care of your customers and your business, whatever it might be. It's a simple formula, but it works so well."

The value of Wal-Mart's stock illustrates just how well Walton's philosophy works. An investment of 100 shares at \$16.50 a share in 1970, the first year common stock was offered to the public, is worth \$2,662,400 today.

A timeline of Walton's major accomplishments

- 1934 Youngest Eagle Scout in the state of Missouri at age 15.
- 1936 Graduates from Hickman High School in Columbia having played quarterback on Kewpies football team and point guard on basketball squad.
Begins earning his way through MU with paper route delivering *Columbia Missourians* and waiting tables in exchange for meals at Beta Theta Pi.
- 1939 As Beta rush chairman, Walton sends committed rushees to other houses to convince uncommitted men to go Beta. The late Lloyd E. Jones Jr., AB '42, described his pledge experience this way: "So there I was rushing a man for Beta in the middle of a Phi Gam rush party."
Elected president of senior class, Burrall Bible Society and OEBH. Member of unscored on, unbeaten and untied Beta intramural football team.
- 1940 Receives AB degree with a major in economics from MU.
- 1945 Opens his first Ben Franklin store in Newport, Ark.
- 1962 Opens first Wal-Mart in Rogers, Ark. Finds company on basic concept, Rule 1: customer is always right and Rule 2: if for some reason the customer has erred, refer back to rule No. 1, according to longtime friend, Dr. Hugh Stephenson, AB '43, BS Med '43, professor of surgery at MU.
- 1976 Receives MU Alumni Association Faculty-Alumni Award.
- 1984 Challenges Wal-Mart associates to achieve a record 8 percent pre-tax profit with promise he'd "do a hula on Wall Street." He dances in a grass skirt.
Receives honorary MU doctor of laws degree.
- 1985 Notes MU research by Dr. Kitty Dickerson, chairwoman of textile and apparel management, on consumer preferences for domestic apparel before launching Wal-Mart's Buy American program. Walton supports the department's advisory board from 1983 to 1991.
- 1986 Contributes with brother Bud \$150,000 toward \$1.2 million Columbia chamber and visitors center named after his father, Thomas G. Walton, at 300 S. Providence Road.
- 1988 Top donor, contributing \$20,000 to \$800,000 Beta Theta Pi Annex construction at 1307 Wilson Ave.
- 1992 March 17 President Bush presents Walton the Presidential Medal of Freedom, the highest civilian honor.
Wal-Mart ranks No. 10 on the Forbes 500 with sales of \$44 billion.
April 5 Walton dies of hairy cell leukemia and multiple myeloma at the University of Arkansas Medical Sciences Hospital. He was 74.
April 7 Memorial Service, Wal-Mart Headquarters in Bentonville, Ark., population 11,257. In a service designed by Walton, invited guests participate in the Wal-Mart cheer: "Give me a W, Give me an A, Give me an L, Give me a squiggly (as in squiggle your fanny for the hyphen)," former Chancellor Haskell Monroe reports.

Sam Walton was an American original who embodied the entrepreneurial spirit and epitomized the American dream."
— George Bush