

Oral History Interview

with

STEVE PANKOW

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Pasadena, Cal.

By Michael R. Adamson

Adamson: Let's get started. Since you're in the family as Charlie's son, I'm going to go back to the beginning and talk about your grandfather's company, Sollitt, and the role it played in getting your father started.¹ First thing I want to ask you is: How and in what way your grandfather inspired Charlie to get into construction.

Pankow: I'm not sure I know exactly what inspired me—I think my father and my grandfather were very close. I know they wrote a lot of letters back and forth when my grandfather lived in South Bend and my dad lived out here. Sollitt was a joint venture on MacArthur Broadway in Oakland, which was our first project, which I believe was what my dad called a salvage project because of the bonding capacity.

So if my grandfather is like I—I didn't know him all that well, but I would say if he's like my dad, he encouraged my dad to get in the building business if that's what he was really interested in, but he wouldn't be the kind of guy that would sit there and say, "This is what you're going to do," and all that. It's how my father was with me. He

¹ Charlie Pankow's father worked for Chicago-based Ralph Sollitt & Sons Construction. Ralph Shannon Sollitt, one of the sons, established branch office in South Bend, Indiana around 1920. The branch business operation incorporated in Indiana as Sollitt Construction in April 1935. It is no longer in business. The Chicago-based company, founded in 1838, continues doing business to this day as George Sollitt Construction. George was another of the sons of Ralph Sollitt (Charles Roll, *Indiana: One Hundred and Fifty Years of American Development*, vol. 3 [Chicago, 1931]; Sollitt Construction Co. Web site, URL: <http://www.sollitt.com>).

encouraged me to do it, but he didn't dictate what line I would go into. It was an interest I had, he knew I had that interest, and so he just encouraged it, because I think he felt so highly of the construction industry. So that would be to the best of my knowledge with my grandfather. I don't ever remember asking him, "Well, did Grandpa come to you and say do this and do that?" I just know he was very supportive. I know when they opened their first office on Walnut Street down in [Altadena] from the basement, that my grandfather came out for that as a surprise. So I think he's a very proud father seeing his son do what he's doing, and I know they were very close, so I'm sure that there were probably times of counseling and all that, but I wasn't privy to it.

Adamson: The other issue that I've heard from you and others is the experience your grandfather had at Sollitt influenced your father's thinking on nepotism and the type of firm that he would have.

Pankow: I think that had a lot to do with it, to tell you the truth. I think he saw what my grandfather went through, and I think it just turned my dad the other way in thinking that wasn't the way to be, again trying to be very positive about it. But I don't know, again, the details and all that. I don't believe the Sollitt company is in business. If it is, it's not with the family. But, yeah, I just think he felt that because you bear the name doesn't mean you're the heir apparent. So I'll leave it at that.

Adamson: How old were you when this company got started in '63?

Pankow: This company?

Adamson: In '63.

Pankow: In '63, I was eleven years old. I remember very clearly, I remember the day he drove home in his 1961 Pontiac station wagon loaded with plans, barrels, and files and all that from his Kiewit days, pulling in the driveway about five o'clock in the afternoon. I'm not sure I knew what was going on at the time, but I remember it. Because I don't think my folks told us that he was going to make this move. Again, he gave Kiewit Company a leeway of six months, I think it was, give or take, and just said, "I'm going to do things on my own, so just let me know." He didn't want to leave them in the lurch. He just wanted to make sure things were buttoned up and all that. He came back from a business trip one Friday afternoon, and they just said, "Your services are no longer needed. Leave your keys, credit card on the desk." He likes to take pride he was fired, but he'd already served notice. [laughs]

Adamson: It couldn't have been too many more years before you were old enough to have an interest in the company. Did you talk to your dad about construction as a career or how the business was doing? How did that—

Pankow: I don't think I ever talked to him about his career. I think it's just a decision I made on my own. But I used to just go out with him. Kiewit's office was here on Acadia, and they always had a big yard with lots of big equipment because, like I say,

they always did roadwork and things like that. I would go out with him. He had to go down on a Saturday or a Sunday or pick something up, spend an hour or two there, he'd be working in his office, I'd go out and wander around the equipment, jump on the equipment and all that. I always enjoyed going in the office with him and play with the equipment.

But I don't know if I had a definite time when I wanted to do this. Building just always interested me. Time went on, I just figured that's what I'd like to do. So I guess it was kind of a common bond in that instance. But, no, we didn't have any formal discussion, "What are you going to do?" and all this. I mean, he was probably asking, "What would you like to do," but I can't quote what happened or if it did or what. I'm sure we talked.

Adamson: Were there people in the construction industry that you know your father either admired or who were his peers that he may have—I'm not going to say collaborated with, but talked shop with?

Pankow: Well, I know that the gentleman that he worked for, and I can't think of his name right now, it was Tom, I'll have to come back to you on that one.

Adamson: Tom Paul?

Pankow: Tom Paul. He had a very, very high regard for him, and I think he was a bit of a mentor. I believe his responsibility was he was responsible for Kiewit operations on the

whole West Coast, and then he made my dad the Building Division manager. I know he liked Tom and thought highly of Tom. I know they went to the Derby for lunch on most Saturdays that they were both in town and things like that. I know he felt very highly of Tom, and I think that help propel him.

He was very, very appreciative of the gentleman from the Federal Insurance, and I've been trying wrack my brain who he was, and as soon as I get done talking to you, I'll think of it. But that's the guy that bonded for him. I think we mentioned that earlier.

You know, this industry has got a lot of egos, and you don't hear a whole lot of these guys saying, "God, I think the world of this guy," or, "I want to be like this guy," or that. It's kind of like, "Oh, we're the best, and that's where we are." So he'd speak politely of people, but I never heard him go on and on. I mean, I know he had some close friends, like Bob McCarthy, who's an attorney, his age, and part of the Bohemian Grove, the San Francisco group that he liked. I know he thought highly of Bob, liked Bob, and things like that. But my dad wasn't the type to go on and on about people, how magnificent they were or anything like that.

Alex Kerner. That was the one gentleman I will remember that he just thought very highly of. I remember one dinner we had one night at his house in San Francisco years back, and it was just him and I talking, we had a few glasses of wine. Yeah, Alex Kerner meant a lot to my dad.

Adamson: I think we touched on this at your mom's house, but what are your memories of the early days of the company when they were—

Pankow: Well, he was gone a lot, but he was gone a lot with Kiewit, which was fine. That never bothered me. Always worked hard. I remember him dictating letters to my mother while they were sitting up in bed. I don't know if they had the TV on, probably not, but she would be taking her shorthand, taking the letters, and he would be dictating the letter. I think he was very good at that. I don't think he had any problem dictating letters. I remember that.

I remember the basement where his office was and how he set it up, and Ralph Tice, I remember, and Bob Carlson, and later on Russ Osterman. They had a pickup truck and a car and things like that. Their address was a post office box. They didn't have meetings at Altadena at the house. They always went and met with other people. But those are stories he told me.

He was always a hardworking guy, and he kind of passed on to us that he just felt work was good for you, and we all had chores and he kept us busy. So if he wasn't working in his office, and he usually wasn't doing that on Saturday and Sunday, but he did a lot of phone calls. He seemed like he was on the phone a lot in the evenings, calling people. Who he was talking to, I don't know, but I take it they were business calls. But he had a real work ethic. He believed in it. He one time told me, "Work is play." So, okay, Dad. [laughs]

Adamson: Find something you're interested in.

Pankow: Big believer in it, yes.

Adamson: I don't know if it's ironic, but a lot of the early projects were in the Bay Area, and your company was located down here. It was a while before there was the San Diego Camp Pendleton project. But it took a while to break into the L.A. market, if I put it together correctly. But once they did, then things kind of got going pretty good. But there was a while where most of the work was in the Bay Area.

Pankow: Yes.

Adamson: Did you get any sense about the L.A. market and why it was difficult up front to—

Pankow: No, I don't know why it was difficult. I know he always liked San Francisco and he liked doing business in San Francisco. I mean, he liked his business contacts in San Francisco. Anything in Los Angeles was more of a, this is where his family was and all that. He kind of separated the two. My mother was very an integral part of the early beginnings of the company, no question about it, even later on, as he entertained.

But, yes, he did a project, I think it was the Las Flores project, it was called, and of course the barracks buildings and a chapel, maybe a cafeteria or something. I don't remember exactly what it was, but his first project, I think, was Sixth and Harvard. It was an office building, and it was with the Borel Group, which was a developer out of San Mateo. And I think that's where Webcor was originally generated from, and they did those projects.

The nice part about that is my older brothers would work summers. Those projects came to fruition about the time they were old enough to go to work, so it provided summer jobs. Me and my oldest brother went to Hawaii once then his first year out, but Rick and I were able to work in the Los Angeles area. I did my first summer out of high school.

It seemed like it got fairly steady from then on. I went away to school, and I worked out in Hawaii, San Francisco. I only worked in Los Angeles once. Most of the places I worked were out of town. I didn't give it any thought. I just figured you go where the business is. That's just kind of how it is. The nice part of it was we didn't move. He set up in Altadena. We went to the same high school, all of us, grew up with a bunch of kids that we're still really good friends with. So that's interesting.

Adamson: So I take it that when he was with Kiewit he did work in the Bay Area, too? Is that how he got to know some of these contacts?

Pankow: Yeah, he did a lot of work in the Bay Area. He was up there a lot. Like I say, I think he was responsible for the West Coast. I don't know how much he did up in the Seattle area and that, but I know he was pretty busy in San Francisco, San Mateo. He made a point to go up there quite a bit, I think. You know, I'm a young kid, ten or younger, busy doing what I'm doing as a kid, running around and getting in trouble. Or trying not to get in trouble.

Adamson: I can appreciate that. A couple things to recount from the last conversation was what you or Rick said about the company's first, quote, unquote, office in San Francisco. I think Rick was talking about this where it was a rent-free flat given by somebody.

Pankow: Oh, in Crystal Towers. It was me who said that. I think it was a project my father had done for them, for the gentleman. I don't know who he was. But I think Kiewit had built it, and it was one of the projects that he—I know my dad probably negotiated it, maintained a good rapport. Anyway, when he went into business for himself, I guess the guy liked my dad enough that he said, "Look, it was a big building. I'll give you an apartment rent-free for a year." So I think it was a three-bedroom place. I never went to it, but I know where the project was. It was on Taylor Street. I think they had, what, two bedrooms with wall-to-wall desks, and a third bedroom was wall-to-wall sleeping bags. My mother would go up there about once a month and clean the place up and do what she did. Then it was shortly after that, he moved down there to [690] Beach Street. But that was their first office, yes.

Adamson: Tell me again how your father came to know Bob McCarthy.

Pankow: Now, that one I'm not sure of. I think he just hired their firm to do some legal work for them, and I couldn't tell you what it was about. And I think maybe Bob was assigned [to] it. Bob was probably a young guy at the time, may not been a partner. I don't know for sure. And they probably just hit it off and just developed a friendship

from then on. My dad was Bob's guest for twenty years at the Bohemian Grove and for the Spring Jinks, and whatever retreats they had there. He was always a guest of Bob's. Bob said, "Why don't you become a member? You've been my guest long enough." He got in, and became a member. They were just good friends. Bob's a solid guy. He passed away a few years ago. They had a lot in common, and you could see where he liked Bob.

Adamson: The other lawyer I think Dean Stephan mentioned was Bill Poindexter.

Pankow: Bill Poindexter, yes. He just passed away, in fact.

Adamson: Yes, that's what Dean [Stephan] had said.

Pankow: Bill was probably the first attorney they had, and he was down here in Los Angeles at One Wilshire Boulevard. I don't know if they're still there or not. At the time my dad used his services, he was. Yes, Bill's firm did work for the company, for my dad. Again, I don't know what length he was involved in all that. I think as time went on, as they grew, he kind of did less with Poindexter and more with Bob. It probably became more sophisticated and if he encountered problems, he probably used Bob as a general counsel, "Who do you recommend for us to defend us or to go after these people on this case?" That type of stuff.

My dad was the kind of guy that tried to avoid litigation. He really did. He really believed in that. He just didn't think anybody won in that program. That's why he was

such a big believer in arbitration, and he actually served as an arbitrator. He was part of the American Arbitration Association. He was a big believer in it, get the people to understand what our industry's about, let them make decisions, not some guys on a bench that's never thrown a hammer in his life. It's not to say anything bad about judges or anything like that, or juries, but it's just these are complicated issues, and let's get the people that understand them. So he was a big believer in arbitration.

Adamson: I was just interviewing Doug Craker last week, and he had retained some of the meeting minutes from the offsite managers' meetings from the 1970s, '75 to '79, I guess, legal costs, holding down legal costs and avoiding litigation by writing arbitration into the contracts.

Pankow: Yes, Doug would probably be familiar with that. He was with them a long time. Was he in Tennessee?

Adamson: He went to Tennessee. Now he's in Atlanta.

Pankow: Oh, he's back home?

Adamson: He's in Atlanta.

Pankow: He's where?

Adamson: I interviewed him. I went to Atlanta last week.

Pankow: Oh, he's in Georgia.

Adamson: Yes.

Pankow: Oh, okay.

Adamson: But that seemed to be a big issue in the seventies. He said in 1976, I think, was the big talk about arbitration and writing it into the contracts.

Pankow: I'm sure you're right. He was with them awhile and he'd be involved in that.

Adamson: Other people have mentioned the arbitration interests of your father. They had a whole meeting about it.

Pankow: Yes, he had a lot of interests. Trying to remember them all in an interview session is kind of tough, but, yeah, yeah, he was big on arbitration. In fact, I remember talking to him because I actually was taking a class, construction class, and I think I had to do a talk on arbitration and write a paper or give a talk. I asked him about it, I said, "Tell me more about it, Dad, what it is." He spelled out the parameters pretty well.

In fact, I remember I was giving a talk on it, and the guy that was teaching the class was a construction guy, pretty successful guy. I don't think he even understood it at the time, because it was fairly new, because he asked me, "Well, what's it all about?"

"Well, weren't you listening to what I had to say?" But once you explained it, from this classroom group, I'm speaking of, a lot of kids who were in construction and following it, "Yeah, makes a lot of sense." So as young kids, they seemed to think, that's a way of doing things.

Adamson: Many people have said how good your father was at selling work, [that] he was a good salesman. Can you elaborate a little bit on how—I guess the word now is networking, how he met owners, how he sort of kept work in the pipeline?

Pankow: Well, I know he must have started out with Kiewit, because I know when he left Kiewit, the day he left Kiewit, he told me this story. He got a call from about a half a dozen companies, maybe more, asking him to come run their companies in various parts of the country, and he had told them, "Well, I made a decision to go out on my own, and I'm going to stick by my decision." And he would laugh and kind of tell the story that, "Well, we wish you a lot of luck." He goes, "I'm going to need it. Thanks. Appreciate it." But he was pretty determined that he was going to do it, he was going to do it on his own. He was going to run his own organization.

He was very good with people. He liked people, and I think it comes naturally. He had more integrity than anybody I ever knew. He was a professional. His honesty, I mean, he didn't turn it on and off, and that's what I admire about him so much, is that

what he did in business he did in private life, too. He was a solid guy, and that probably goes back to his parents' upbringing and all that. I have a feeling his dad was a lot like that too, and his mom. So he was the kind of guy you got in the room with him, and I think he could disarm you about this fallacy of contractors being dishonest or trying to lie to you or cheat or whatever it is. I think he was a real sincere guy, and he knew his business. That's what was the best part. I mean, he was a very technical guy. It's kind of unusual for an engineering-oriented guy like him, in the sense that he would be extroverted. He had to be so knowledgeable of the technical aspects of this industry, and he was very good with it.

So I think he called on friends and introduced people and all that, but I just think he was pretty good at it. He liked to sit around a dinner table versus a conference table, so I think he was good at entertaining. He was probably very generous about it. I think one thing led to another. And I think he brought people in that were capable of doing the same thing he was in many instances, because you can't do it all yourself. As you start to grow, it just gets to be quite a market. You can't do Honolulu and San Francisco and Los Angeles and Seattle and miscellaneous projects across the country that they did, but he did develop good rapport with large companies such as Winmar, who developed all over the country. He had a great rapport with those people, and they liked him. So he was smart in the people that he did business with, because it was repeat business. It wasn't just, "Let's go get the job and see what we can do to get the best deal." He built a relationship, so that relationship multiplied and multiplied. I think that's quite a tribute to him.

But I think he enjoyed projects that could be challenging, you know. If somebody from Winmar or an unknown developer than he hadn't dealt with but he'd heard about or something like that, I mean, I think he did his homework to make sure that the people he was going to do business with were going to pay him and they weren't going to flake out on him and that kind of stuff. But I think he liked to solve problems for people. I think he really did. I think he took pride. "Well, these guys couldn't do it, but we could." And if he could do it for less and still be successful, I think he had more pride. So, yes, that was one of his strong points for sure.

Adamson: You've recounted your story about your dad's dinner and talking about working for the company. In the context of not having a closely held family company, what was your sense as time went on of what kind of company your dad was trying create and what he thought of the company lasting beyond him?

Pankow: Well, he set this company up a lot like the Kiewit Company, because that's the example he probably dealt with the most or had the most insight into. Now, as time went on, he may have adjusted it and things are different and all that now, but I think he really believed that you're going to work as hard as you're going to work. He wasn't a very demanding guy. You should invest in yourself. I just think he believed that guys should be able to get a piece of the action and take pride in the work that they do.

I think it allowed for him to bring people on board that would have a tendency to stick around. So I don't know if he was ahead of his time thinking that way or not, but I just got the impression that he felt he could recruit better people if he could give them a

piece of the action and let them know they were a part of the company. I think that's just what he believed in. I think he'd gone through his sour experience with his dad and maybe some other associations that he knew of, where keeping it in the family just doesn't necessarily always work. It doesn't mean it didn't work, but why not try this way. So I think that's what he did, and I think it helped.

But he ran things with an iron fist. There's no question about it. I mean, he was a taskmaster, nothing about it, and very controlling. He ran a tight control of his company, there's no doubt about it. I don't know if you'll hear that from the employees that were here or not, for fear of whatever. There's nothing to be feared of. But, no, he was a controlling kind of guy.

That was one of the reason why I really didn't pursue wanting to come to work here, was because he was a great father, I just didn't want him as an employer. And I love him dearly. But, you know, it's good to separate the two. Yet it allowed me to have very good conversations with him about this company, because he loved to talk about this company, and many times he'd tell me, "That's not for publication." So he told me a lot of things, surprisingly. He shared a lot with me. It's not that I was his inside vehicle for sharing things with. My dad was the kind of guy if you asked him a question, he'd generally give you an answer, and if he put a caveat on it, says, "Keep it to yourself," well, then you did that. And I thought that was a better way to go, I really did. I'm doing my thing and he's doing his thing, and I wasn't trying to fill his shoes or live up to what he was doing. It just so happens that the common denominator is we're in the same industry, we both have a love for it, and I wasn't trying to compete with him or be who he was or anything like that. I was going to do what I enjoyed doing.

So I agreed with a lot of things he did. I didn't necessarily agree with everything he did. I know there was a little bit of life besides construction. [laughs] And I still believe that. I think it's good. When I was running the company, I felt people need to get away from the office. They need to go do things with their families and their lives, all of it, because you've got to recharge your batteries, otherwise you get stagnated. And I saw that in people, so when I was in a position to manage, I encouraged it quite a bit, people if they needed time, "Do it. Take it. Do what you've got to do. Just keep us informed."

Adamson: People have talked about the reorganization, have mentioned that your father and maybe Russ [Osterman] and George [Hutton], I'm not sure of the breakdown, but they sort of left a lot of money on the table for the other employees, one, as a way to grow the company, but people have remarked that they didn't have to do that. So there was a motivation of your father to grow the company and perpetuate the company through this reorganization.

Pankow: Are you talking about going from stockholders to unit holders?

Adamson: Yes, and allowing other people to buy these units, expand the ownership of the company.

Pankow: Yes, I think he was a big believer in the fact that—well, number one, I think the company got to be very valuable as a company, as a shareholder, and it may have limited

some people being able to buy into it or something like that. I don't know the details, so I'm not the source to really talk to. But I know he wanted the company to go on and on, and he was big believer that people should be able to buy into what they're invested in themselves. So the unit program probably allowed for more people to get involved, and the younger guys, project engineers, project superintendents, to have ownership in the company.

With the shareholders, I thought there was a level you had to be at, either a level or amount of years that you had to be with the company, and generally I would say they go hand-in-hand. If you're with the company a number of years that was required to be a shareholder, you were probably at that level of management that you qualified, because this company has a lot of "A" players and they don't put up with the "C" guys too much too long. The "B" guys they'll tolerate for a while, but a lot of good "A" players. We met a fellow this afternoon, you and I, and those two guys, definitely.

So when it came to shareholders, I knew how that operated. When it came to the unit holders, I wasn't that involved in it. I don't know how it happened. I just know that when he passed on, the units that he had and what he was doing and that type of deal, I believe he was turning some of his over gradually to the younger kids—or not kids, but younger gentlemen, people. But I don't know what the structure was for units, what your level was on management and which level. I think everybody could qualify to be a unit holder, because there's a picture up at the house, I think there were like ninety-something of them, and I know there are people that have been there for years and years, secretaries, accountants, people, you know, so it wasn't just upper management. But I think it was a matter of time to qualify. I don't know if they do that now.

Adamson: I don't know the current—

Pankow: Yeah.

Adamson: The reorganization showed that your father wanted the company to outlast him.

Pankow: Oh, I think he did. I think that was the reason why he built it the way he did. I think that's why he made it an employee-held company, so that the company could go on. That was one of the conversations I had with Tom Verti, you know, "Okay, you guys take it forward and move forward. Whatever we can do to help you, we will, without being employees." And that was a comment. "Tom, it's time to move forward. I'll do anything I can, short of becoming an employee of the company, because it's an employee-held company, and just because I have the last name, doesn't make me as to be a part of it." And I was busy doing what I was doing anyway, and I was enjoying it, and I was very busy and I liked what I was doing.

But we did get involved when my father passed away, because we had to take care of his interests and all that. But the company was always a pretty liquid company, from what I could tell, from what he told me, conversations that I had, that nobody owned anything. He wasn't beholden to the insurance company or bonding company or the lending company or anything like that. I know there's some instances that he went

through where he had some loans pulled way back and he had to cover them. He never missed a day.

Adamson: Several people have mentioned this, phrased it in different ways, but essentially boiled down to: When times were the worst, the Pankow Company did its best, during recessions, not only in a relative sense, but perhaps even in absolute sense—I haven't seen the numbers yet—that they actually thrived. My question to you is to talk about your father's competitiveness in the business sense and how he met economic downturns.

Pankow: That's a good question. I don't think he ever suffered a recession or felt he suffered a recession while he was running things, while he was actively involved in the company. And I don't know what it was. I think he just went out and he was able to produce a product. I think he was always very competitive in his pricing, competitive in his ability to deliver. The big thing with my dad was get it done soon; build it faster. And he always asked the question, "Why can't we build a building faster than we did twenty years ago when we have all today's modern technology and all that?" I'd try to give an answer and it never works, and I quit giving him an answer. [laughs] But he always asked that question, "Why can't we build a building? Why does it take this long to build a building when we could have built the same size building in the same amount of time?" He didn't want to hear about all the stuff you got to go through, the bureaucracy to get a title to do this to do that. "No, no. When you break ground, why does it take to build it—why can't you do this? Why can't you do that?" I thought he

had some good points. I'm not sure I agreed with all of them. I know on-time delivery or ahead-of-schedule delivery was big on his agenda, and I think he did that quite a bit. As you talk to the guys in the company that have been here a long time, they can either confirm that or say, "Sort of. Maybe not." I think he generally was able to—he held schedule. He found that to be real important. He wasn't the kind of guy that went out and looked for change orders in the plans. I mean, he was a design/build guy, so he took the initial risk in the beginning sitting down at the table saying, "Okay, we'll build this project for you, and here's how we'll go about doing it." So he wasn't afraid to take risk, and that's pretty unusual. I mean, even today there aren't that many design/build companies out there. Even though they say they're design/build, they're not. To sit there and talk true design/build, there are very, very few people that can do it, very few. This is probably the premier company that can do it.

Adamson: I think another person had said that in down times Pankow was the company they still called, that other people would fall by the wayside, that either because of reputation or because of what you said about cost and design/build, the phone kept ringing in the downtimes.

Pankow: But those are the things my dad took pride in doing. He built a reputation with this company. This company, you know, was his pride and joy. This is his legacy, this company, and this is why he did this. This is why he valued it so much. He valued the people and the technique, what they did and their philosophy, the design/build philosophy. He was just a big believer in it, and those were the type of people he

recruited out of colleges, and that's why he got involved with Purdue, his alma mater, especially, but promoting design/build, the way it goes, and taking responsibility, accountability, it's pretty unusual, it really is, when you think about it. In today's business, we listen to it today, just in government. Nobody wants to be accountable for the problems that we have, and there's plenty to share, unfortunately, with everybody. But he was a guy that stood up and got counted, and it's a great philosophy.

Adamson: Do you sense his level of involvement—I know he never, quote, unquote, retired, but at some point he left the day-to-day operations to others. If you just take the nineties, for instance, how did he stay involved in the company, at what level? I know he had final decision-making power, but—

Pankow: Yes, I don't think he'd give that up ever. [laughs]

Adamson: But I'm just wondering at what level did he—what was his involvement?

Pankow: Well, he had good, competent people running things. He really did. I think he still does. I mean, there are still good, quality people here. I think he trusted them. I think they've proved themselves. I mean, he didn't turn it over to them overnight. They probably went through a lot. I'm sure those individuals have their own comments, and I'll leave it up to them. [laughs]

Adamson: So would he meet with them in like a board of directors day-to-day level?

Pankow: No. He talked to them on the phone quite a bit. I know in San Francisco when he had his home up there, or the Trianon, that the guys came out to the house and met with him and all that. I'm not sure he went to the office a whole lot in San Francisco. He used the house as an office, and so he had a lot of meetings up there.

But, you know, I think he got to the point where—you know, he lived to be eighty, so he was in his seventies—that it's time for some of these other guys to take and carry the ball. He couldn't do it all, because at one time he was the guy that brought in all the work. I mean, he did it all. He'd bring it in and they'd do it. I think he nurtured these guys to go out and bring in work, and they'd do it. Tom Verti, prime example. Dean Stephan was a prime example. Russ Osterman would do it. George [Hutton] did it in Hawaii, and there are probably other guys I'm forgetting. But I think he nurtured these guys to do that, and I think the guys that he nurtured, he encouraged them to nurture the guys coming up. It's a gradual procession to go out and generate work. I know Tom enjoys it thoroughly. I talk to him. He likes doing it. I think he's real good at it, too. Some people are extroverted and they like to go out and they like dealing. Some people like to sit behind a desk and work calculations. We need them all, I guess.

I just felt he knew he was invincible. I think his health was maybe a little questionable longer than we realized, to tell you the truth. He never complained a day, but he may not just had that gumption to go do it anymore. Maybe he got bored and he decided there were other things he wanted to do. I know he liked to travel. He always traveled. He did quite a bit of that. He always went to ACI [American Concrete Institute] conventions. He enjoyed that. So it could be he decided that as time goes that

“These guys need to pick up the ball and run with it a little more, and I need to enjoy some of the things I’m doing.”

He always wanted to travel. I’d walk in his office, “Hey, you want to go somewhere? You want to do something?” I could have walked in once and said, “Hey, let’s do this,” and he would have done it. So he was that kind of guy, and as time went on, I’d go to lunch with him, and the whole afternoon I would just write off. Not write off, but just designate to be with him because I knew I’d have that much enjoyment talking to him, and I did. I had a great time talking to him. I loved talking to him. I miss that today. It was never where he was lecturing me and that. He treated me like an equal. It was back and forth. So it was always very enjoyable. We had a good time.

Adamson: Did you ever go on trips collecting art with him?

Pankow: You know, he collected most of his art through—to answer your question, no, I don’t believe I did. I think he collected most of his art through brokers and things like that, contacts, and probably a lot on the phone, and he may have gone and seen it. But we did a lot of travel with him. I mean, we took one trip to the southern hemisphere around the world for twenty-seven days.

Adamson: The whole family?

Pankow: Yes. That was in like ’85, ’86. Eighty-five, I believe it was. We took another trip in like ’95 around the world, more the northern hemisphere. We went to Europe

numerous times, to the Orient numerous times, down to South America a couple times. He loved to travel. He loved taking the family. He was very good about it. We loved to fish. We would go salmon fishing sometimes three times a year up in British Columbia. So he enjoyed his recreation, he really did.

Adamson: Alan Murk mentioned—I forget the year it was, but that your father one day called him in and gave Alan Murk and his wife tickets for an around-the-world vacation to places that he had been, and Doug Craker last week mentioned that when he moved, Charlie came in and said, “We’ll take care of the move.” So several people have mentioned this off-the-cuff generosity that endeared these people to him.

Pankow: Oh, absolutely, doesn’t surprise me a bit. Doesn’t surprise me a bit. Not at all. And there’s probably a lot more we’ll never hear about. He was a pretty humble guy. He kept it to himself. He didn’t advertise that. So it would take a guy like Doug or a guy like Alan Murk to mention it. But my dad thought the world of Alan Murk, thought the world of Alan Murk. He had a very, very high opinion of Alan Murk.

Adamson: A couple people have mentioned, and Doug was the one who gave me an actual anecdote to illustrate this, that your father wanted to only deal with people that had the decision-making authority. The anecdote that Doug told me last week was that early on, maybe during MacArthur Broadway, your dad was in one of the banks trying to get a loan for a San Francisco project, and he was talking to someone, and I guess the guy’s boss came in and perfunctorily said, “We’re not funding this project,” and walked out.

And from that day on, your dad learned from that, that if he was going to talk to someone, he was only going to talk to someone who would be able to approve things.

Pankow: Doug's right. I heard a story similar to that later on where they were trying to resolve some issues, and he thought he had a deal, and it turned out these guys didn't have any deal, and so he just said, "Look, I want decision-makers. If you can't make a decision, don't put me in front of some guy that's going to take it back to you. I want to talk to the guy that can sit there, yes or no, because I'm presenting a proposal, I'm making a decision, I'll live by the decision I make, and we'll go." And I think he expected the same in return, so I can understand that 100 percent. I agree.

Adamson: We may have touched on this, or you may have touched on this already in the way you've answered some of the questions, but in general, how did you see your father encouraging or mentoring the careers of the people in the company?

Pankow: I don't know if I saw him mentoring specifically in a sense of "You've got to do this, you've got to do that." I think what he did is his type of mentoring would be encouragement and recruiting kids from school, supporting school projects, possibly, or being a supporter of the university in the sense that Pankow Companies would contribute to the School of Engineering or School of Construction Management, sending more of the younger guys up to talk to the students that were about to graduate for recruitment purposes, so they had a commonality with them in the sense they were talking to

somebody that was a few years removed from school versus somebody that was thirty years removed from school.

I think if somebody walked in and asked my dad a question, they could talk to him. I think he had a very open-door policy. His mentoring was the type of building he did, design/build. Being involved in organizations such as American Concrete Institute, being involved in the Design/Build Institute, things like that, I think that was his way of mentoring. And just the way this company was set up that the employees got to have a piece of the action, that's the way I would notice it. Now, if there are other ways, you'd have to talk to those people that maybe he talked to. Dean might be a guy to ask that question of, Tom, Alan Murk, possibly. That's how I see it.

Adamson: You mentioned that you actually worked on couple of the job sites. For the record, can you recount those projects?

Pankow: Yes. I worked in Santa Ana on a ten-story office building. I worked in Ventura on a parking structure. I worked in Hawaii on a high-rise condominium project. I worked in San Francisco on the Pacific Telephone building, and I actually did some work in Lexington on troubleshooting for a few weeks back there on an office building. I worked on 10560 downtown on Wilshire Boulevard, and I think by that time I finally went to work for a local contractor shortly after that and did my own career.

But I worked as a carpenter in Hawaii. I hit it off with those guys really well, and I was put in charge of the flying form, the floor construction, the flying form decks. They probably don't do that anymore. Jack Parker was the superintendent. He was about

twenty-nine years old at the time. It was a young crew. The general foreman was a guy named Takimani [phonetic]. He was probably in his fifties at the time, and he told me this after the fact, he said, “I like you a lot. When you first came over here, I thought, ‘Oh, boy, boss’ son. We’re going to have to babysit this guy. He’s a prima donna,’” and all this. Him and I hit it off like no tomorrow. He says, “Anybody you recommend, I will hire.”

So I said, “Well, that’s quite a compliment.”

And I actually went back about six months later for a groundbreaking with the same crew on another project, and we had quite a weekend. So, yeah, I had a lot of fun. I enjoyed it. But it was good learning. I mean, it was hard work. I learned that’s not what I want to do. I always got my best grades in the fall. I got a little weaker in the spring when all I had to do was go throw a hammer for three months, and then I realized this is what I want to do. But it was good.

My dad—there’s a part of mentoring if you want to use it as an example, even though I didn’t come to work for the company, was my brothers weren’t really interested in the industry, they just were interested in a summer job making money, and he knew I was interested in the industry. So instead of having me go and work as a laborer, he says, “You’re going to go as a carpenter’s apprentice. You’re not going to make the money your brothers make, but you’re going to learn something.” And it was great advice, and I enjoyed every bit of it. I really did. It was a lot of fun.

Adamson: Many of the interviewees have talked about or alluded to your father's affinity for the tradespeople on the job site. I think Alan Murk went into some detail on that. But did you get a sense of that when you were on these jobs?

Pankow: Yes, you bet. You bet. I think he valued the guys in the field. Those are the guys that make or break you. They make the money for you. And his job was to go out and keep people busy and generate work. But it was their quality, their ability to build these buildings, and build them in the form that they did, in the amount of time they did, and with the care and just the type of technical aspects that were involved in these projects. I think he had a great affinity for the field and thought the world of them. I really do. I know with Alan Murk, he can elaborate on it more than anybody else, but, yes.

His field guys stayed with him a long time. I think he mentored that down to his guys, because I remember when I was in Hawaii and George Hutton was running things there, I don't remember if I had gone in the office or something or what it was, or he was out in the field or something, talking, and I just happened to be part of the conversation or could hear it, but there was going to be a meeting. "Are we are going in the office?" It was the guys in Honolulu, and there's quite a few projects going on in Honolulu. So I think he was out talking to Jack, and he said, "Well, we're going to have a meeting on so-and-so, go over some things," whatever it was.

"Well, are we going to meet in the office?"

"No, no. We're going to meet out at Pearl. We're going to meet in the field where the work is. That's where the work is."

And I liked that idea. I did that with my management areas. We have meetings.
“Are we coming in the office, Steve?”

“No, I’ll meet you out in the job site. We’ve got room out there. Why bring all you guys in and take away time from your families or take the time from the job when I can jump in the car just as easy as anybody else and go out there? I don’t care where I sit. I don’t have to be in a leather chair.” So I sensed that, and I think there was a lot of humility with these guys, really was, in the initial beginning of the guys that—very humble guys. That didn’t mean they didn’t have egos, but I think they were very humble and I think they were appreciative of the guys that were working in the field. You know, they made so much per hour and they were subject to labor unions or labor laws, whatever it was, in the sense of their rates were set.

They weren’t big on the labor unions, but, you know what, they didn’t fight them. They figured that wasn’t necessary. I think if there wasn’t a labor union, that the management of Pankow under my dad would find a way to see to it that these guys had health and welfare and the right benefits. But there was a union and that’s the way things went, so just they didn’t fight the battle. And they don’t to this day, that I know of. There’s a threat of a strike, they just sign the short forms and say, “Let’s go. We’re not going to argue,” because contractors aren’t united. They’re not going to get in the middle of that battle. They’ll say, “Fine. We’ll just go on.” We have a contract with our client, not with other contractors and not with the labor union. So their obligation is not only to the client but then the people that they employ.

Adamson: Since you worked at both in Hawaii and on the mainland, can you speak to any differences on the job between the culture or the environment of doing business in Hawaii versus the mainland, or did that come out at the level that you were?

Pankow: In San Francisco I worked in a casting yard down in Milpitas, so I was pretty involved in that and I had a pretty set schedule. All I can say is that being Charlie's son, they could have a lot of reasons for resentment, and they didn't. They were always very supportive. But I was Steve. I didn't have my last name on my hardhat. I wouldn't even put my first name on, except they made me. But I was Steve, and so it was kind of a philosophy that: "You guys can say anything you want on the job site. It's not leaving. So you want to bitch about my dad, bitch about my dad. I don't care. I'm not taking it home." So it's that old philosophy of what goes on on the site stays on the site.

The same thing, you know, my dad talking to me. He would never pressure me, "What do they say? What do they do?"

I just said, "Well, Dad, what goes on on the job site, I leave there. What discussions you and I have here at home, they stay here. I don't take them back to the job site." I think he appreciated that, and I think the guys in the field appreciated that, too. I mean, I didn't go out and advertise it, but that's just what I did. But you could tell certain guys were talking to you. Usually my co-workers, like the carpenter foreman or something like that, that had been with the company for a while, they had a beef. It wasn't me, it was just they had a beef. They figured, "Well, we'll tell the son because he'll go tell his dad."

When I finally caught on to what was going on after about five minutes of this, I said, “You’re wasting your time. It’s not going to go anywhere. I’m not taking it with me. So you can be as mad as hell as you want with everybody, I don’t care. It doesn’t affect me. We’re not going anywhere with it.”

But the supervisory guys that I reported to just treated me with nothing but respect and courtesy, and I learned a lot from them. Great group of guys. I think it was a pretty common deal, because whenever I saw them later on at functions or some other time, we always had a good friendship. I mean, I don’t think they felt like they had to be nice to me because I was Charlie’s kid, you know, and I never advocated, well, like, “I’m going to be coming on board running things.” That was all—the last thing I would ever do.

I worked for Alan Murk one time, but I kind of worked indirectly for him. He was running the project in San Francisco, and Stan Daugherty was running the casting yard in Milpitas, so I really worked for Stan. He was a good guy. He treated me really well. And the guys in Hawaii, he was probably closer to me in age, so he was kind of a character, and I was a young guy, so that would be the difference. We had a good time.

I always respected who I worked for, and I never took it for granted. My dad just told me, when I first went to work on a construction job, “You don’t need the job, Steve. I pay for your education. I’ll take care of your housing. You’re going to school. The money you’re going to be earning is your spending money, and you’re going to be able to enjoy that.” He was really fair. He says, “But I want you to work 110 percent. I want you to set the example because you’re taking the job from somebody that needs it, a guy that’s married or a guy that has a family. So I would like you to remember that. Set the example and work hard.” So I thought that was a good point, and I did. The guys had

the authority to fire me if I wasn't cutting the mustard. "Get rid of him." My dad didn't have any qualms about that. "If he's not doing it," but he kept asking me to come back to work for him, so I figured that's a good sign. [laughter] "Where do you want to work this summer, Steve?"

"Well, where have you got work?"

"Well, you're going to have to go to Hawaii."

"Oh, that's tough." [laughs] So that was nice. He kept asking me to come back and go to work summers. It meant I was doing something right.

[Begin File 2]

Adamson: You worked on a couple of Pankow buildings. Do you have a favorite Pankow building?

Pankow: No, not really. I liked the ones I worked on, but there were a lot of buildings throughout that are kind of neat. The Louisville Building. The Citizens Bank Building is a unique building. Some of these buildings that we're looking at [points to photos on conference room wall]. That's 10560 behind you. That's Century Center out in Hawaii. That's some time ago. And there's a building called Landmark in Hawaii that's kind of unique. They did the MTA Building. That's kind of interesting. Some are a little more showy than others, but, no, I don't have a favorite building. I take pride in the ones I worked on, but that's about it.

Adamson: Do you think your dad had an affection for a particular project or building?

Pankow: Yeah. The tougher the project, the more affection he has for it. Yeah, that would be my dad. I know he took a lot of pride in the Pacific Telephone Building in downtown San Francisco. He had ownership in some of these things, too, as a builder developer, as I told you earlier. He created development purposes strictly for the building company, not the other way around. But he worked like a dog to get that job going. It was down in Yerba Buena area, it still is, and he worked and worked and worked to get that. So I would say as complicated as it was to get that project approved, whatever he had to go through, titled, funded, the whole nine yards, he probably took a lot of pride in it. And I know he took some particular interest in it, too. He got involved in determining what the texture of the building would be, the color and all this stuff. So, yeah, I would think that he had some buildings, but I know that one for sure, because I just know what he went through. So there may be others. I couldn't tell you.

Adamson: What stands out about Christmas parties and other events held at your house?

Pankow: Everybody had a good time. [laughs] I'll elaborate a little bit. I think what stood out, what stands out most, is that the guys, going back to the field, his affinity for the field, the comments that I got because I knew some of those guys, was that "The owner of the company would invite us to his home to have dinner." I think that meant a lot to people. I think that meant a lot that he would have us to his home. This is where he lives, and all that. I think that meant a lot. I really do. So other than having a good

time, I think that was the other thing that stands out. My parents made a point that these guys have a good time, my mother and my dad both. They wanted them to enjoy themselves, and they were most welcome.

Adamson: Talk, if you will, about your father's relationship with Purdue University in terms of promoting education.

Pankow: I think my dad's relationship with Purdue came back after he graduated, when Steven Beering became president. I think for some reason, whether it was through mutual committees they were on or ACI, I'm not sure, I can't tell you that, but he got to know Steve Beering, and I think that is where he really started to gel. And then he got to know—I think I have it right—John McLaughlin, who was the dean of the engineering school and all that. I might have it backwards, where John said, "You've got to get to know Steve," and all this. But I'm not sure. But it was pretty much around the same time, and I just know that he liked those guys a lot. He liked them a lot, and that's when he started to want to do things with Purdue and get involved with them and make things available to them. I know he thought very highly of Steve Beering and John McLaughlin, the School of Engineering. Of course, they gave an honorary degree, doctorate, and I think he was proud of that, distinguished alumni, and it was over a period of time. I think he got distinguished alumni in the seventies. I think the degree was in the eighties. And then, of course, they used it. They went back and recruited quite a bit, and that helped. So those are what I remember about Purdue.

Adamson: You've mentioned your father's enjoying ACI conferences. I wonder if you can speak to the importance your father placed on promoting the industry through ACI, ASCE, and then the Design/Build Institute of America.

Pankow: Yes. Well, he was president of American Concrete Institute, and he got sworn in in Las Vegas. I actually was invited to go over for that, so I did, and I had a good time. It was nice they included me. I know he served on the Technical Activities Committee, which was writing a lot of the codes for concrete and things like that. I think that was real beneficial to them.

But the one thing I remember talking to him about, and this is later on, is when they did this hybrid moment frame, he didn't put a patent on it, and I don't think he could because he'd used government money, I think, in the sense of grants to the University of Washington. But he didn't want to put a patent on it, and I think he had some other areas that he could have patented, too, and he chose not to do that because he wanted to make it available to the industry. He felt the industry didn't share enough, they were too busy being competitive, keeping their own secrets and doing what they've got to do. "I've got to find a better way to build a mousetrap." He felt that the more the industry developed and shared, the better off the industry would be. So I know that was real important to him, and that's why he got involved. I think he's one of the original founders of the Design/Build Institute, to tell you the truth. Him and a few of those guys started putting it together, and I think he belonged to Society of Civil Engineers [ASCE] and all that, because that's where [President, California Polytechnic State University, San Luis Obispo and ASCE Fellow] Warren Baker speaks of him. And those things were

important to him, I know that. I know that he wished that the construction industry was a little bit more united, to do things, to share things, maybe stand up and get counted.

But, again, this company's a little different. I mean, this company is extremely technical. These guys walk into a room and they can sit there and tell you the bits and pieces of it going together and all that. That doesn't mean that they don't use engineers and all that, but they're able to do the stuff ahead of the game, and I think that gives them quite an advantage, the fact that maybe sometimes they're too technical oriented, not enough sales oriented to go out and mingle with the masses. I don't know. Again, I'm not involved in that type of deal, but a little bit of both goes a long way.

So I'm very impressed with the technical ability of this company from the get-go in the sense that they can sit down and tell you on a napkin or whatever and start building, telling you how we're going to put a building together and all that. I think that's pretty impressive, and I think that's what he was so good at and that's what he tried to promote through his people and through these associations he had, either through societies or universities.

Adamson: I think you probably answered 80 percent of this question when you were talking about what made Pankow a successful construction company, but Tim Murphy mentioned a few of the other non-construction business ventures your father had, and his remark was it was amazing how successful your father was, no matter what business he got into. So is there anything else that made your father a successful businessman beyond construction that you can note?

Pankow: Well, I think the development work that he did helped him a lot. I really do. I think his ability to go out and build a project, take ownership in it, share it with some people, turn around, and sell at the right time. I think Tim's right. Tim would probably know more about it than anyone else, because Tim got involved with the numbers. Tim is a guy that gave my dad the reports, told my dad what his tax liabilities were. So I agree with Tim, and I probably couldn't elaborate a whole lot. He seemed to be pretty successful and quite a knack for business, he really did. For a guy that was as technical as he is, to have the sense of business that he has is pretty remarkable. So Tim probably stated it very well.

Adamson: We talked a little bit about traveling. You asked me to ask you about what your father liked to do outside of the building industry and be more specific about what he did for recreational purposes. Are there any other things to—

Pankow: He did like to travel. As time went on, as he got older, he liked traveling with his family more and more. Of course, we were at the age where we were raising our kids, busy with our careers, so it wasn't quite as easy, but, surprisingly, we made it work, and we took quite a few trips that most families don't take, I'm sure, in a lifetime.

He loved to fish. He was raised in Indiana, and he fished as a kid up in Minnesota and Canada, in those waters of Duluth and the lakes. But he discovered a place called Campbell River [British Columbia] in the early seventies, and the salmon fishing was pretty remarkable. We'd go fishing there a lot. In his last days or last years, he went to a place called Langara [Island], which is up in Queen Charlottes [British Columbia], again

salmon fishing. The last trip he took, he was sitting in the back of the boat in raingear, probably freezing because it was pouring rain, and he brought in a thirty-pound salmon on his own, without any help, and that was the last trip he took with us, and I'll never forget that. He was shivering and all that, but he had this grin on his face ear to ear because he brought this big fish in. He really enjoyed that.

He took his dad up there and he took his brother and a sister and he took us kids numerous times. Rick, Chip, and I and [son-in-law] Fritz Tegatz had been going with him, and even when he couldn't go, because he just thought it was too much, he wanted us to go, so to this day we continue to go. We continue to go, and we always toast my dad. The guide we've known for thirty years. He's about our age, and he was a young kid guiding us down the Campbell River. He's very fond of my dad. Yeah, it was something he really enjoyed. He enjoyed fishing, and he enjoyed his ranch. I will say that. He enjoyed his ranch thoroughly out in the San Fernando Valley. He liked going out there and planting trees. He liked to plant trees and he liked to water them. It drove my sister [Betsy] nuts because the water bill went way high, but those were things that he enjoyed.

Adamson: And that's what your sister is still involved with?

Pankow: My sister runs the ranch, yeah. Her and her husband, Fritz, run the ranch.

Adamson: That was another one of the business ventures that Tim talked about.

Pankow: Well, I don't know how much of a business venture it was.

Adamson: Or just setting it up as a first-class—

Pankow: It's a first-class operation, and, actually, it does make money. I mean, it doesn't make a ton of money, but it pays for itself and then some. It provides her [Betsy] with a nice living. Yes, I think he was kind of proud. I think my sister was telling me he was kind of proud. "I don't have to pay money out to keep this thing afloat." It actually stays on its own. Of course, that doesn't include capitalization and all, that's independent of the business, but I mean, still it does well. I have to credit my sister and her husband. They've just done a remarkable job keeping the place up in the years they've worked there. It's not easy. Tim's right, he built a first-class operation out there. It was very nice.

Adamson: Al Fink wanted me to ask you about MidState Precast and your visit out there and [about] Al's running of the company. I guess he wanted your impressions of the place.

Pankow: Oh, that's nice, Al. That was a while ago when we went. We drove up there. My dad had been wanting to go there for some time, and so we went on a Monday. So we drove up there, and I think it's a two-hour drive, maybe, something like that. Al greeted us there, showed us around, showed us everything that was going on, and Al was doing a fantastic job, as far as I could tell. I always liked Al. He's always been a very

gregarious guy and pleasant as can be. He's always happy to see you. Just a good guy.
Al's a good guy. I think he's recently retired or about to be.

Adamson: Yes, about to.

Pankow: He's been around a long time. I think he came in shortly after George Hutton did.

Adamson: I think he said it was '69.

Pankow: Okay, and George started in '65, I think, in Hawaii, so four years later. Here it is 2009 and he's still there, so he's been there a long time.

I was impressed with the operation, and they were just getting going, and Al had said, "Well, you've got to come back and see when it's going full bore," and all that. My dad and I talked about doing that. I think my dad got back there, but I didn't get back up there. I think he flew up there one time with some guys, and it might have been because they were trying to show him how they were doing something.

They did this Mission project in San Francisco, and that all came out of Corcoran. So when I was up there, Al was getting things ready to go and all that, but Al definitely had an understanding of what it was about, what was going on, how it was going to work, and he knew what he was doing, no question about it. I think it was pretty interesting, because MidState now, they do work for other contractors. This new arena in Ontario [California], I think it's called Citizens Arena, they did the precast work for that. So I

know companies are using them, and I think they did some work for an arena in Fresno, I'm not sure, but I think they did the seats for Galen Center, too, down at USC's new basketball court. I think they're doing a lot of precast work for other companies.

Adamson: Does that pull something that Pankow people used to do out of Pankow?

Pankow: Well, one of my dad's philosophies, I mean, it was a good philosophy, I guess, is they did a lot of precast work. Well, if you could do it onsite, that's the most economical way to go because you're not having trucking costs involved and all this. With today's environmental laws and all that, if you're sandblasting, chances of you being able to sandblast down Wilshire Boulevard would be pretty tough, or any area.

So they were renting property, I think in Livermore for northern California, and they were renting property out in Fontana, and paying union wages and probably the highest cost for trucking and fuel being in two metropolitan areas. So somebody did a study, and it may have been Al who did it all, it may have been Al's idea, because he was one of the original guys, if not the original guy at MidState, why do we need to be in suburbs of southern California or suburbs of northern California? Why don't we kind of get halfway?

So they were able to negotiate a deal with the union in Corcoran, which was a pretty good deal, a lot less than what they paid for carpenters in northern or southern California, and I think the savings there were [unclear] with that, and the trucking costs because it was cheaper to actually operate a plant out of Corcoran and truck it to either

San Francisco or Los Angeles than it was to try and maintain a piece of property in those areas and truck it fifty miles as it was anyway, fighting traffic in L.A.

So it sounded like a pretty good idea to me. I wouldn't have any problem with it. So if they're not doing it onsite, they are going to do it in Corcoran. So where it would take away from Pankow, it would be just a local sense in the sense that the guys would be doing Los Angeles. But when it gets to Los Angeles, they're going to be putting it together. They're going to be erecting it and making sure all the pieces fit. They're going to be sending all the measurements back and saying, "Okay. Hey, we got this change, we've got this." I can imagine there was a lot of communication between Corcoran and whatever job sites involved with a project at Corcoran and the Bay Area or Los Angeles.

I think they were able to do multiple projects. That was the nice thing about it. I think they started with ten or twenty acres, and then I think they expanded on that. I think that's a pretty good-sized complex, and they have a batch plant right in the middle of it.

Adamson: They have a what?

Pankow: A batch plant, which makes concrete. So they're not going fifty miles to get concrete. They just call the batch plant and say, "Okay, we've got 300 yards for this concrete mix design. Let's go with this for beams, girders," whatever it is, panels, and they do it. It sounds like a pretty good idea. I'd like to go back and see it again, but Al's not there. So I wouldn't know anybody up there. [laughs]

Adamson: That's right. Al's moving on. He mentioned yesterday it was the middle of this year.

Pankow: He's in Hawaii now, though, isn't he?

Adamson: Yeah. But he was in Ventura [California] the other day when I talked with him.

Pankow: Oh, you met him in Ventura?

Adamson: He's got a property that he's refurbishing in Santa Barbara or something.

Pankow: Well, you talk to Al, and if he's moving to Ventura, tell him I'll be more than happy to take a trip with him to Corcoran. I'd love to go see it.

Adamson: Okay.

Pankow: Because he had said, "Come on up. We're going to be really going. This was when you really want to see it," when they were doing that big Mission project. But they were just, like I said, just getting going. So they were probably four to six weeks out before they were going to start manufacturing product. So that's the time to see it.

Adamson: Right. I've got one more question, and you can break this out professionally and personally. How should we remember your father?

Pankow: That's a good one. That one I should think about before I just give you an answer. But I think professionally, well, professionally and personally, I'll tell you this right now: a man of integrity, honesty, and professionalism. I think of him both ways, and I haven't met a man that matches that, not just because he's my father, but just because I believe in those three things so much. I think they're a key ingredient to how you live your life, how you conduct your business, a man of your word. Your word is your bond. And whether it's personal or business or professional, I don't think one should be compromised because of what it is, or vice versa. I just think it's very important.

My dad had fallacies. Don't get me wrong. We all do. We're human. But I liked the way he handled business. I liked the way he dealt with people. I liked the respect that he generated from people. He probably generated fear. I'm sure he did. But I did not ever have a problem communicating with him.

Personally, as much as I miss him, I do not have any unresolved issues with him, and I'm very comfortable. I miss him, he's gone, but I feel that I was a very fortunate son, and he was a good dad, great dad, and one hell of a businessman. I enjoyed the time I had talking with him and visiting with him, and, like I said, I don't have any unresolved issues with him. I'm not only proud, I'm very fortunate and very thankful.

Adamson: I think that's probably a good note to leave it, but if there's any story or anecdote that illustrates something I haven't asked you about, I'll just leave you with the last word to bring up anything that I haven't touched on.

Pankow: No. We got to meet at my mother's house when you were trying to interview my mother, and I know we talked a lot there. I appreciate the opportunity you interviewing me. I hope I offered a lot. I hope I was able to offer more insight into some other areas that other people weren't, and I appreciate it. You remember, I think, more of the stuff than I did. I looked at your list here, and we talked about that? [laughs] So, no, I don't have any more comments. I just hope I answered your questions. That's great.

Adamson: All right. We'll leave it there then. I thank you for your time.

[End of interview]