

The Last of the Tycoons

by Tais COPPIN

Cyrus Eaton rules on industrial empire
and also sponsors a "Thinkers Society"



A CHEER went up from the dense crowd of mill hands standing there in the raw January cold. A school band played "Happy Days Are Here Again!" Some women and older men wept.

Two little girls moved shyly from the crowd and presented flowers to an erect, impeccably dressed, white-haired gentleman standing under a sign reading "welcome." His usually frosty blue eyes tender, he bent, deeply moved, and kissed their hands. "Thank you, thank you," he murmured.

The man was Cyrus Eaton, one of the most colorful yet mysterious figures in the world of high finance.

Eaton had just saved the small West Virginia community of Follansbee (pop. about 4,435) from being turned into a ghost town. At the pleas of local workmen and officials he had stepped in and prevented

the Follansbee Steel Company from being torn down and its machinery removed by a huge steel corporation.

At the thanksgiving supper in the big silent mill that night, he told the grateful citizens: "It's small cities like Follansbee that are the heart and strength of America. When you build plants in small communities and give jobs to people in their home towns, you strengthen the capitalist system."

This isn't just talk with Eaton. Twice before, he had stepped in to save local industries in small towns.

He calls this "creative capitalism." Cyrus Stephen Eaton is an extraordinary person. Almost 70, he looks, acts and thinks like a man 20 years younger.

In many ways, he is a study in contrasts. Though he is especially one of the 20 richest men in the U.S., John L. Lewis is a close friend

In Cleveland, from his Terminal Tower office overlooking Lake Erie, he directs an industrial empire that stretches from the Arctic to the tropics, and includes railroads, utilities, coal, iron, gold, steel and paints. Yet, he is an honored member of the American Philosophical Association and American Council of Learned Societies.

He is a witty essayist, and a prize-winning farmer (his specialty is Scotch Shorthorn cattle). He skips every Christmas with his grandchildren.

"Do what you want to do," he says, "and work will be fun." (He works from 12 to 14 hours a day.) "Learn to understand the wonders of nature and the glories of literature. Get eight hours sleep a night." (He neither drinks, smokes, nor uses coffee, but drinks hot water with every meal.)

During the Washington probes of subversives, he announced scornfully, "The way to combat communism isn't by witch-hunting and wire-tapping. Common stocks owned by all the people, and common sense by business and political leaders is the best guarantee of a dynamic capitalism."

When the going is tough and lesser men would back out, he smiles gently, discusses early Greek culture like a scholar, and hangs on.

Cyrus Eaton is a product of Pugswash, a small lumbering and fishing village in Nova Scotia, where his father was a farmer and small shopkeeper. His deeply religious mother, Mary McPherson Eaton, wanted him to devote his life to helping others, and at one time he

considered the ministry as a career. His practical side developed while working in his father's store. The elder Eaton once said of him: "When he was six years old, I could leave him alone in the store for hours."

After college, young Eaton was a cowpuncher in northwest Canada, a store clerk and a lay minister. But once he went into business he wasted no time. His big opportunity, and one that would have frightened off a lesser man, came in 1907 when he was sent by a utility syndicate to get franchises for local gas and electric plants.

A panic developed in the U.S. that year and left the syndicate without money to continue the project. Eaton was only 23, but he walked confidently into a bank, argued that electricity was coming, and secured funds to build a plant himself. Two years later, he sold the utility for a good profit.

With this as a stake, he went into the utility business through the Midwest and Canada. Always willing to take a risk, he moved on into steel (he created Republic Steel), into paint and rubber and paper. He was a multi-millionaire by the time he was 30.

A typical Eaton operation was the way he broke into steel in 1925. First he studied the industry with all the thoroughness of a laboratory scientist, searching for a weakness he could exploit. He found it in the foundering Trumbull Steel Company and, with the masterful timing that marked many of his operations, went into action.

Cyrus Eaton, an unknown in steel,

