of the Tycoons The Last

by TRIS COPPIN

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



en and older men wept. Days Are Here Again!" Some womcold. A school band played "Happy ing there in the raw January CHEER went up from the dense crowd of mill hands stand-

sign reading "WELCOME," His usudeeply moved, and kissed their ally trosty blue eyes tender, he bent, haired gentleman standing under a an erect, impeccably dressed, whitehands, "Thank you, thank you," he the crowd and presented flowers to Two little girls moved shyly from

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

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

> removed by a huge steel corporation being torn down and its machiners the Follansbee Steel Company Iron

and give jobs to people in their house and strength of America: When wen system. towns, you strengthen the capitalian build plants in small community like Follansbee that are the hour grateful citizens: "It's small clim big silent mill that night, he told the At the thanksgiving supper in the

He calls this "creative capitalism Twice before, he had stepped in the save local industries in small manner This isn't just talk with Land

traordinary person. Almost 11, 11 20 years younger. looks, acts and thinks like a man Cyrus Stephen Eaton is an ex-

one of the 20 rules same in its In many ways, he is a mind contrasts. Though he is a mind of U.S., John L. Lewis is a close from

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

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

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

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

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

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

considered the ministry as a career

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

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

good profit, electricity was coming, and secured confidently into a bank, argued that years later, he sold the utility for a out money to continue the project. Eaton was only 23, but he walked that year and left the syndicate withfunds to build a plant himself. Two A panic developed in the U.S.

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

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

Cyrus Eaton, an unknown in steel,

DECEMBER, 1956





to get you on your feet. Here's a trouble, and it will take \$18,000,000 and told them, "I know you're in man committee running Trumbull appeared boldly before the three

credit rating. committee had privately estimated he did not know Mr. Eaton or his But the chairman coldly stated that The sum was exactly what the

will be honored," whether this check for \$20,000,000 sum, please telephone the Cleveland 41) replied pleasantly, "If you Trust Company and ask them doubt my ability to underwrite this The relatively young man (he was

gained control of Trumbull The check was good and

written. He made only one comsigned one of the biggest checks ever ment, 'Tomorrow is another day.'" recalls, "He came in to settle up and out of windows but, as an associate 000,000. Other men were jumping I empire fell and he lost \$100,-IN THE Stock Market crash Raton's

road financiers) which set its own price for the bonds offered. house (two were known as the railup its favorite Wall Street banking funds to build a new line, it called control of industry financing which Previously, when a railroad needed revolutionized American business everything and came back. He launched an attack on Wall Street's big tycoons of the '20s who lost Cyrus Eaton is the only one of the

000 more for the bonds. This bold from Wall Street by paying \$1,500,-Chesapeake & Ohio financing away Eaton coolly took \$30,000,000 of

> Robert R. Young who was then tryand won Eaton the friendship of ing to take over the Van Sweringen many other independents, including and daring raid stunned Wall Stree

would have lost his shirt." fool. If he had bid too much, he nents, he would have looked like a If he had bid less than his oppohis margin down to the last penny was caught napping. Eaton figured beautiful maneuver. Wall Stree An observer remarked, "It was a

cial geniuses of the post-Depression rus Eaton as one of the top finan This operation re-established Cy

and basements for scrap. So he wen day when Government agents would looking for iron ore, be frantically searching junk yann Eaton, with rare clarity, foresaw the drew the U.S. into World War II in control of the West's greatest iron resources. When Japan's bombs known as "Eaton's Folly," put him Another bold venture, originally

dropped to 50 below zero 400 feet in depth. The neuros source a highly speculative ore mild in was the tiny Indian village of Aillin bottom of a wilderness lake full in Mesabi range. The ore lay at the Canada, north of our own famous kan, where temperatures some time He raised \$40,000,000 to profe

ation shook their heads and him, "It can't be done brought along to look over the Some of the engineers Enter

He had a tunnel loved throng in boots and muckinaw, Eaton, dressed like a prosper-

> tunnel would clog with rocks, lake. Pessimists warned that the 2,000 feet of solid rock to drain the

waited, outwardly calm, but he later confessed it was "one of the most tense moments in my life," that was to open the tunnel. He were set off for the final dynamiting Eaton stood by as the time fuses

began to drain. wild cascade of water, and the lake boulders shot out, followed by a groped upward into the air. Great roar, then a huge plume of smoke There was a deep underground

compare with them." ogist as "nothing in the world to are described by Canada's top geol-Also, far to the northeast, in the ica, some 125,000,000 long tons. Ungava Bay area, Eaton's deposits high quality iron ore in North Amerto contain the largest reserves of Today, Steep Rock is estimated

> canoe, jeep and airplane. He lived the vast area himself on foot, by Eaton, characteristically, surveyed

oly two decades ago. sessed when he went after monopshrewdness and energy that he posproblems of tomorrow with the same shaped, Cyrus Eaton tackles the great drives have been born and In the book-lined library of his Ohio farmhouse, where many of his

new atomic world," mulas for us to live by in this brandtheir own thinking, and design fortogether, exchange views, sharpen good minds can, in his words, "relax estate as a retreat where men of He has turned over his Pugwash

smile, "It's better to trade bulls than prize Shorthorn, remarking with a visited him last year he gave it a When a Russian farm delegation

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