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COLUMN ONE

His influence, not his name, is well-known

Most people have never heard of Owen J. Roberts. He wields his power quietly.

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BELLEAIR BLUFFS

Every town in America has its obvious leaders - publicity magnets like Tampa's George Steinbrenner or Pinellas Commissioner Charles Rainey.

But for every Steinbrenner or Rainey, there's someone nearly as influential whom the public never sees.

The perfect example in the Tampa Bay area is a 61-year-old who lives with his wife in a Belleair condo.

His name is Owen J. Roberts.

Consider the daylong economics discussion that Roberts arranged in 1991 in his company offices in Belleair Bluffs.

Newt Gingrich, future speaker of the U.S. House, came to the get-together as did W. Edwards Deming, one of the nation's most famous economists.

Soon after, Gingrich sent a handwritten note:

To Susan and Owen Roberts:

As I travel through 10 cities talking about the necessary revolution and replacing our welfare state with an opportunity society I have been citing over and over our Friday session with you and Deming. You have changed history.

Thank You.

Your friend,

Newt.

The admiration is mutual.

Over the past decade or so, Roberts has been the second-biggest contributor in the country to GOPAC, a political action committee headed by Gingrich. Roberts has contributed a staggering \$324,000 to the PAC, which was designed to forge a Republican majority in Congress. That has happened, yet Roberts remains virtually unknown.

Several prominent local politicians

have never heard of him. He's not listed in Who's Who directories. During the past decade, the longest passage about him in this newspaper was a single paragraph.

"Mr. Roberts is a very private man," said incoming Florida Secretary of State Sandra Mortham, who has worked as personnel director for Roberts' company. "He believes strongly in confidentiality."

True to form, Roberts would not be interviewed for this story. But he did cooperate with it. He allowed his longtime attorney to answer a limited number of questions about him and his business.

On his own

During the NCAA basketball tournament, the staff at Capital Formation Counselors makes sure not to blurt out scores from the previous night.

They know that Roberts, the company chairman, likes to videotape the games and watch them later, so he can fast-forward through the commercials. This man even relaxes efficiently.

"He is an absolute, total, A-plus, No. 1 workaholic," said Sally-Ann Determan, a lawyer and past president of the District of Columbia Bar, who has mutual clients with Roberts.

She also described him as patient and compassionate. He has been known to take ailing clients with him to the Pritikin Longevity Center, whose low-fat, low-salt regimen he follows.

He attended Princeton University and played on the Tigers' 1954-55 Ivy League champion basketball team. He tells friends a story about graduation. Other students got pricey gifts, but his father gave him what he said was the most valuable gift of all: "the opportunity to make it entirely on your own."

'Wealth perpetuation'

After a stint at Tampa's MacDill Air Force Base in the late '50s, Roberts settled here. Early on, he sold insurance.

Capital Formation Counselors has become a full-scale consulting firm with 60 employees and a national clientele, focusing on a variety of business issues, including corporate succession, insurance, estates and tax planning.

The company's low profile is not surprising, considering its clients. Most are privately held corporations, often

owned by a single family - companies that are not required to disclose their finances and don't.

One corporation that hired Capital Formation was Freedom Newspapers, publisher of the Orange County Register. In minutes from a 1978 Freedom Newspapers board meeting, one executive reported, "While (Capital Formation) had to get into family skeletons, they were highly honorable about it and kept it confidential."

At the time, Capital Formation's typical clients were described as 90-percent family owned, with a minimum book value of \$25-million. Capital Formation's motto was, "Wealth perpetuation within the family group."

One measure of just how low Roberts has kept his profile is his near absence from the pages of the Times.

That's unusual of itself, but more so considering that his longtime attorney - George K. Rahdert - also represents the Times. And even more so considering that Roberts has acted as a consultant for Times Publishing Co.

The Times enlisted Roberts for advice in the late 1980s on how to fend off a challenge from minority shareholders, and he was "remarkably helpful to us," said Times chief executive officer Andrew Barnes. "He's just very practiced at helping people think through business problems."

Roberts has traveled in some powerful circles. He hires former university presidents to network with potential clients. He spent a dozen years advising the chief executive officer of Jockey International, the underwear maker, and recently joined the company's board.

But it's Gingrich and Deming that intrigue.

The economist

The inner sanctum of Roberts' company offices on West Bay Drive looks like the situation room in a war movie.

Instead of a map showing enemy troop formations, nearly every square centimeter of wall space is covered with charts detailing the money supply in Japan, Moody's scrap metal index, the portion of U.S. currency held abroad, corporate debt as a percentage of GNP, and on and on.

This is where Roberts holds informal seminars for his staff and clients, including the one with Gingrich and

Deming.

Thousands of volumes fill an adjoining library, including one of Roberts' favorites: a well-marked copy of The Reckoning, David Halberstam's book on the Japanese-American auto wars.

Halberstam devotes a chapter to Deming:

Deming was an American expert on quality control, and by the late fifties he had become something of a god in Japan. With the possible exception of Douglas MacArthur he was the most famous and most revered American in Japan in the postwar years. Beginning in 1951, the Japanese annually awarded a medal in his honor to those companies that attained the highest level of quality. . . . Only an award from the Emperor was more prestigious.

But when Japanese productivity teams visiting America mentioned Deming to their American hosts, the Americans rarely knew his name.

It was only in the 1980s, after the Japanese smashed their American competition, that Deming became widely known in his own country.

Now he is something of a god here, too. Companies across the country use Deming's business

philosophy, called "total quality management." The Pinellas school system even uses his principles.

Deming believed that businesses could increase long-term performance by improving the quality of their products. He stressed the need to break down barriers between business departments, to communicate better with workers and to give them more responsibility.

Roberts generally agrees with Deming's theories and was "a valued colleague" of the late economist, said Cecilia Kilian, Deming's longtime secretary.

Gingrich also admires Deming and has extolled his theories on the House floor.

How did Gingrich know Deming? Rahdert said it was Roberts who introduced them.

The speaker

On the surface, the Gingrich-Roberts friendship is unlikely.

Roberts, as his friends describe him, is gentlemanly and courteous, someone who would take pains not to offend. Gingrich is a sharp-tongued political fighter who recently blurted out the dubious accusation that up to a quarter



Photo courtesy of Owen J. Roberts

MEN OF POWER: Owen J. Roberts, center, got J. Edwards Deming, left, and Newt Gingrich together for a daylong economics discussion at his company offices in Belleair Bluffs.

of the Clinton White House recently had used illegal drugs.

Gingrich's own press secretary, Tony Blankley, sees the contrast.

But people who have met them both say they are kindred spirits - highly intelligent workaholic types with a penchant for thinking on a global scale.

"Owen believes that Gingrich is a brilliant, compassionate, natural leader with a historian's sense of seizing the moment," said Determan, a former national board member of the American Civil Liberties Union, who is no Gingrich-lover herself.

Roberts believes Gingrich is committed to making needed fundamental changes in the federal government and American society, Rahdert said.

Roberts is a federal deficit hater "of the first order," Rahdert said, and generally believes the current level of taxes inhibits corporate investment. He described Roberts as the antithesis of the '80s style corporate raider.

The money Roberts has contributed to GOPAC went to train Republican congressional candidates on issues, Rahdert said, and other projects. Former Delaware Gov. Pete Du Pont said he introduced Roberts to GOPAC. Du Pont, a former director of GOPAC, attended Princeton with Roberts.

Roberts and his wife, Susan, who is executive vice president of Capital Formation, have contributed nearly one-third of a million dollars to GOPAC.

Election Commission records indicate Roberts also has made campaign contributions of \$60,000 during the past eight years to the Republican National Committee; \$2,000 to Du Pont's 1988 Republican presidential campaign; \$1,000 to U.S. Rep. Michael Bilirakis; and \$1,000 to Republican congressional candidate Mark Sharpe.

Which raises a question. What does Roberts want?

When corporations give big money to politicians, they usually want something in return. At the very least, they want access, so they can ask for tax incentives, complain about regulations affecting their industry, and so on.

So what about Roberts?

"He's one of the few people who has never wanted a single thing of Newt in any conceivable way," said Blankley, Gingrich's spokesman. "Owen has never uttered a self-focused word."

Roberts is not "horse trading" to get some piece of legislation passed, Rahdert said. Nor is Capital Formation angling for work as a government consultant.

"Capital Formation Counselors will never accept in its lifetime a government contract or one dollar from any public source," Rahdert said. "I can promise you that."

Mortham started working for Roberts when she answered an ad for a typist when she was a 16-year-old Largo High School student. She worked for him for more than 20 years, eventually becoming personnel director.

During part of that time, she represented Largo in the Florida House. She even served as Republican leader. But she said Roberts never lobbied her on a specific bill.

The knowledge that Roberts is close to Gingrich may make him more attractive to potential clients. And Gingrich's rise to power could make Roberts more visible too.

But no one interviewed for this story thought Roberts would follow his friend's lead and run for political office himself.

"Knowing Owen," Du Pont said, "he might rather be a behind-the-scenes adviser."

- Washington Bureau Chief David Dahl and researchers Kitty Bennett and Carolyn Hardnett contributed to