

Chapter 01 - 1:25

Introduction

Announcer: Jim Gallogly is the 14th president of the University of Oklahoma. He is a 1977 alumnus of the OU College of Law, and is the first CEO from a Fortune 500 company to lead the University.

Jim was former Chairman and Chief Executive Officer of LyondellBasell, a company he joined while it was in Chapter 11 bankruptcy. He and his team guided the company out of bankruptcy in record time and successfully repositioned it as one of the world's largest petrochemical, polymers and refining companies. He also served for twenty-nine years in executive roles with ConocoPhillips, Chevron Phillips Chemical Company and Phillips Petroleum Company, beginning his career in the energy business in Northeast Oklahoma with Phillips in 1980. Prior to that, Gallogly practiced law with a private firm in Denver, Colorado.

The Gallogly Family Foundation has been a major benefactor for which the OU Gallogly College of Engineering and Gallogly Hall are named. The Foundation chose the OU College of Law as the pilot school for its selective Public Interest Fellowship Program, which supports graduates pursuing public interest work.

Gallogly was born in St. John's, Newfoundland, Canada, on September 1, 1952. He is one of ten children of Tom and Margery Gallogly.

Listen to Jim Gallogly tell his story in which he talks about the tremendous influence his father had on his life, and is available to you now on the oral history website

VoicesofOklahoma.com.

Chapter 02 - 3:32**Born in Canada**

John Erling: My name is John Erling, and today's date is July 12, 2018.

Jim, would you state your full name, please?

Jim Gallogly: Yes, James L. Gallogly.

JE: Your date of birth?

JG: September 1, 1952.

JE: Makes your present age?

JG: Sixty-five years old.

JE: About the name Gallogly, the ancestral background to that name?

JG: Gallogly is an Irish name. My great, great grandfather came to the state of Iowa, potato famine. Then the relatives stayed in that state. My family was half German, half Irish on my father's side, and both German on my mother's side. But the Irish name is from obviously my father's side of the family.

JE: Yeah. Where are we recording this interview?

JG: In Norman, Oklahoma.

JE: Yeah.

JG: On the campus of the University of Oklahoma.

JE: In what specific building?

JG: We're in Evans Hall.

JE: Which is a wonderful, wonderful facility.

JG: It is a gorgeous historic building. It's one of the most photographed buildings on campus.

It's at the head of the north oval, it's famous for being the office of the university president.

JE: And the president, Arthur Evans, never did get to office here.

JG: I understand that the building burned down at one point in time and they had to build a new building.

JE: Yes. And he was removed from office by Governor Haskell of Oklahoma. That's why his administration was gone when this was completed and he never did house here.

JG: I didn't know that.

JE: (laughing)

JG: You're ahead of me, you're a better historian than I am.

JE: No I'm not.

JG: I'm a lawyer by trade though.

JE: Where were you born?

JG: In Newfoundland, Canada.

JE: And that'll be an interesting story. We'll ask, well, why? Why were you born there?

JG: Well, my father was an enlisted man in the air force. When he was a very young man, before he should serve in the military, like many young men of his age when World War II was ongoing, he enlisted. He enlisted before he was really the right age to enlist but the military didn't check ages very much at that point in time. They were looking for soldiers. Young men were wanting to serve our nation and my father went into basic training and was on a boat on his way over to the Pacific to fight in World War II when the war ended.

He stayed in the military and had different posts. He was in the army originally and then, of course, the services split and he went into the air force branch. He was stationed at places like Newfoundland, Canada, Anchorage, Alaska, Fairbanks, Alaska, because he was in communications and had to worry about where we had satellites. And of course, they put satellites on the coasts.

Newfoundland, Canada, was on the eastern coast of Canada and a place where we had a military post.

JE: How long did you live there?

JG: I was there about four years. Two of my sisters were born in Newfoundland as well.

JE: Your mother's name?

JG: My mother's name is Margery Abbas, a good German last name. Both her parents came over directly from Germany and both had a very heavy German accent. They were farmers in Iowa. My mother grew up on a farm.

JE: What was her personality like?

JG: Just really wonderful. You might imagine that if you're a mother of ten children, and she did have ten children with my father, you have to be a very caring, loving individual. That's the perfect way to describe my mother. And very patient (laughing).

JE: Obviously, what she did for a living was the very important job of care and keeping for the family.

JG: Yes, probably the highest calling a person could ever have.

JE: Right. And ten children on top of that.

JG: You bet.

Chapter 03 - 6:27

Wingtips

John Erling: Your father's name?

Jim Gallogly: Tommy M. Gallogly. He liked to be called Tom. His mother filled out the birth certificate Tommy and that stuck with him the rest of his life.

JE: When he was in the service, what was his role?

JG: When he retired he was a Senior Master Sergeant. He used to say with great pride he had stripes from the top of his shoulder all the way to his wrist.

JE: But he was a Drill Sergeant, wasn't he?

JG: Well, he was of sorts. When he was in the army, you know, he had different kinds of roles than when he was in the air force, but everybody used to call him Sarge and he had a crewcut haircut, even when he was a school teacher. You're wondering, okay, you said he was in the military, then you said he's a school teacher. We'll get to that in a minute, I suspect. He went back to college but he kept his military habits all through the way that he raised his family, through the time that he taught. He was a great disciplinarian—everything had a place, everything had a rule, and he always was very, very disciplined.

JE: Did he line all you children up?

JG: You bet he did.

JE: (laughing)

JG: We had to be there at breakfast by a certain time. And when it was time to eat, you know, we had kind of an order in which people were served. We had lists for when it was our time to do the dishes and our time to mow the yard and our time to sweep the floors. There was a rule for everything.

JE: Did he check, as we say in the military here, gig line?

JG: You bet he did.

JE: (laughing)

JG: And the beds, by the way, had to bounce a quarter otherwise it had to be redone. (laughing)

JE: At the time, I suppose, it was irritating, but when you look back on it it gave you some pretty good training, didn't it?

JG: It really did. I never saw it as irritating because it was always that way. And when you grow up in a disciplined family and you see how others may be living in a less organized way it always seemed to me like he had a pretty good way of getting things done.

There's a saying that sometimes necessity is the mother of invention. You can imagine what twelve people in a household with just a couple of bathrooms—we lived in a very, very modest home, sometimes on military bases and base housing wasn't very spectacular—we had to have discipline simply to get by.

JE: And I'm sure that you lived in houses that weren't big enough for twelve people.

JG: No they definitely were not and I look back with great joy on the fact that, for instance, in the last family house when everybody was still home in Colorado Springs, there were seven brothers who lived in the same room downstairs that my father made. It was just a plain basement concrete floor and he built walls to make a bedroom.

JE: Huh.

JG: And that's where all of us slept. We all had a bunch of bunk beds but everything was always neat and orderly.

JE: Where do you come in the line of siblings?

JG: I'm number two.

JE: How many boys and girls?

JG: We had eight boys and two girls. Here at the University of Oklahoma we have a new football coach, Lincoln Riley, who had a great first season last year, who went to the Rose Bowl. Of course, we lost in that. Lincoln was asking me about, you know, a large family like that, and he also asked me just like you did what order I was. And I said, "I was number two. But, Lincoln, I'm only number two once."

JE: (laughing) That's good.

JG: He looked at me and said, "I think that means I'm supposed to win."

And I said, "You're here at the University of Oklahoma, that goes without question."

JE: Yeah. I'm checking your shoes because I think your style of shoes is in honor of your father.

JG: It is, I always wear wingtips. My father, being in the military, always had to have a shined pair of shoes. And military issue never had any decoration at all, they were just shiny black. And of course, there are certain times when you're in other kinds of uniforms, you know, for combat, but the dress uniform of the day in the office was pressed shirt, pressed slacks, your uniform with your stripes from the top of your shoulder to your wrist, and black, perfectly polished shoes.

When my father didn't have to wear those he had on a pair of tennis shoes. But any other time, for instance going to church, he always wore wingtips.

JE: Yeah.

JG: It's one of the things I always remember about my father was the wingtips. The reason I still wear them today—we had a trunk out in the garage. And when most people are thinking about going to school and getting new clothes for the school year we had a different routine. Our routine was not going to the store because we couldn't afford to go to the store and buy new clothes for school. We'd go out to this giant trunk in the garage, we'd go through everything in the trunk to see what fit whom. It could be for the younger brothers something that had been worn by three or four different people before it wore out. It was just the question of did it fit you now?

In that trunk one day there was a pair of wingtips that my father had worn. They were kind of worn out but they were still very special to me and when they would fit I wore them with great pride. And to this day, it's a great reminder of my father when I wear my wingtips.

JE: Did he ever encourage any of you to go in the military or did he speak against it?

JG: No, he was very in favor of people having a military career. My older brother had a long career in the army. He was also an enlisted person but he became a Warrant Officer, an

officer who's not enlisted, I guess, is a short way of saying that. So he achieved a very high rank.

I wanted to go in the air force. I was in Colorado Springs, we had the Air Force Academy there. It would have been a dream come true for me to go to the Air Force Academy as an enlisted man's son in the air force. I took the test, I had great grades, I did well on the test. I got a congressional appointment. Went and took the physical, everything was going really well until the last part of the physical, which was the colorblind test. I did not know that I was colorblind. My father was, turns out some of my brothers are. I can see colors but I cannot see colors in patterns. So I failed the colorblind test on the physical to go to the Air Force Academy.

They said I could still go but I could never fly. So I had to quickly develop a Plan B, and I went to the University of Colorado at Colorado Springs because my father also went to undergraduate school just before I did.

Chapter 04 - 4:37

Father Back to School

John Erling: He went to school to the University of Colorado at Colorado Springs?

Jim Gallogly: Yes.

JE: He graduated in?

JG: In two and a half years.

JE: Yeah.

JG: He had the GI Bill, he'd done a lot of time in the military but he didn't have the full GI Bill because he took a couple classes along the way in certain thing like communications, this or that, but they didn't count toward a degree. So when it got time for him to decide whether he wanted to go back to college, and by the way, that was in his fifties, I can't remember what age, he only had two and a half years of the GI Bill. He decided, "I'll take double loads, I'll do whatever it takes because I have twelve people in the family," including himself, "that had to be fed and clothed and housed and bills to pay." And he had a short amount of time on the GI Bill.

So he went to the advisors and said, "I want to take thirty hours a semester."

And they laughed and said, "Nobody does that. And you haven't been in school for twenty-five years or more, this isn't going to work."

And my father said, "Would you please give me a chance? All I ask is a chance. If it doesn't work I'm done in the first semester. I tried but, you know, I have to do it this way,

I literally have no choice. If I make it my first semester, give me a second semester to try again.” He was basically a straight A student and very disciplined. Remember, they called him Sarge. That discipline didn’t just come at the expectation of others, it was also for himself.

JE: Pretty amazing, isn’t it?

JG: It was just nothing short of amazing. In fact, there’s a great conversation my father and I had before he went to college. I’ll never forget it. This is usually a reverse kind of a conversation. My father and I were sitting at the dinner table. He looked at me and said, “Jim, I’d really like to go to college. I know I should get a job, I know we need the money, but I always wanted to be a teacher and I cannot be a teacher if I don’t go to college. It just won’t work that way. I could probably get some kind of civil service job or some sales job or doing this or doing that but I always wanted to be a teacher. And I want to go back to college.”

Well, I was in high school at the time and full of myself and thought I had a pretty good understanding of the world, you know, at that young age. Said to my father, giving him advice, “Dad, this is not going to turn out well. You should not go to college. You told me you were a C student in a little school in Iowa and now you want to go off and go to college. You don’t have the academic credentials, you haven’t written papers forever and ever. You were Crypto so everything you always write is in code and short.” I said, “Dad, this is not going to work. The best advice I can give you is help put bread on the table for the family and give up this crazy idea.”

He said at the time, “If you have passion for something you’ll find a way.” And he did. He ignored my great advice and he did what he wanted to anyway.

JE: (laughing)

JG: And I told you that story because we need to talk about that same conversation later because it shows up in reverse at another point in life.

So then he taught.

JE: What grade level did he teach?

JG: He started out student teaching in high school, where I was going to high school, Wasson High School, Colorado Springs. And I had friends who were in his classes and I was just mortified what they’d say about my father being a teacher because I figured he’d want to have strong discipline in the class. And there I was not disappointed. But I thought that this would be a big stretch for him because most of the people that I knew wouldn’t have the kind of discipline that he expected in his family.

It turns out that he was a great, great teacher. People were telling me how wonderful he was in the classroom, how practical, how great his experiences were and how fun it was to listen to him talk about history and economics. Those were the two subjects he taught.

When he got done student teaching he went and taught at middle school because his view was that you needed more of that discipline and all in middle school. That's where he thought the problems develop in students, you know, that difference between being a child and an adult and that that's where he'd have the most impact. So he wanted to teach in middle school. And he taught in the Air Force Academy School District, District 20.

JE: How many years did he teach?

JG: I think it was around fifteen years. He taught for a long and then retired and wanted to live in the mountains and spend some time with his grandkids.

Chapter 05 - 11:44

Privileged Environment

John Erling: Now that he's working with his family and teaching his children, didn't he guide many of them into the areas that they seemed to be interested in and nurtured them in that area?

Jim Gallogly: Yes he did. First, I want you to remember, this is an enlisted man in the air force. I said before that he built a wall, built a bedroom for all of us to sleep, he also always had a library. No matter where we lived he'd build a library. Just get plywood and a saw and he'd build a library. When you move a lot you don't want to carry a lot of things but he always had books. And he would not just have any books, he would classic books, great books, philosophers and Shakespeare and a variety of, you can imagine, the best books. He'd always have a collection of a hundred plus books that he would carry everywhere. And all of his children were given reading lists.

"This year, Jim, during the summer, I want you to read these five books." And it wasn't that we had to prepare book reports or something to prove we did it, if he said you're supposed to do something, we did it. So we'd read these books. We were never tested, never questioned, we just expected to do it. And it turned out that great books are a joy to read and I actually look forward to it.

Very few people could say that when they're in grade school they write a book report about a fourteenth century English philosopher and the book is a thousand pages long. I did that kind of thing because my father made that kind of book available.

The other thing that was so unusual, not just the library, the way he trained. My father wanted me to be a business person someday. I don't know why, I don't know what he saw in me, but he said, "Jim, not only do I want you to read these books, I want you to regularly

read...,” and he couldn’t afford it but he still bought it, a subscription to something like *Forbes Magazine*.

And in the newspaper he’d always save the stock market section, every day of the week. And on weekends we would chart stocks. He would have other investment books available that I was supposed to read. And we would talk about his portfolio of stocks that he owned.

Now, it took me a long time to figure out that my father had no money and he had no portfolio, but that didn’t mean we couldn’t pretend. So we had this, what I thought I was real, portfolio of stocks that were in fact pretend, but if real, as poor as we were if we didn’t invest right it could make us poorer.

I was very focused as a young man on picking the right stocks and understanding why, what industries, what stocks, all of that. First in grade school and middle school. By the time I got into high school I figured out he didn’t own any stock and so we didn’t play the game anymore. But I was learning those kinds of things.

Each one of his children, he was able to see something in them that caused him to push them in a direction.

My older brother, it seemed clear from the very beginning that he was going to go into military, and that’s what he did.

One of my brothers is a CFO. He was trained a bit like I was.

My two sisters, one was pretty clear she wanted to be a mother like my mother. That was terrific. One of my sisters showed a lot of inclination to teaching. She became a teacher. And my father guided each of us in a very unique way.

If you think of the workload of that, that many children, finding that kind of talent, pushing them in a certain direction, he’s an amazing, amazing man.

JE: You know, we, uh, think of wealth now in terms of money, dollar signs, but you were wealthy then.

JG: Oh, very much so. I said I lived in a privileged environment.

JE: There you go, right.

JG: And people said, “Well, what do you mean by privilege? You’re as poor as church mice.”

JE: Right.

JG: And I said, “No, no, no, I was privileged to have a father who cared, who had great faith, who took a great deal of time and interest in each of us. He had great books for us to read, taught us discipline, showed us great examples. I mean, what a privileged environment that is. That you can’t buy.”

JE: He encouraged you to be on the debate team?

JG: He did.

JE: Why?

JG: Well, my father was also fairly blunt, that came with the military service too. He was not one who pulled many punches. By the way, I want to talk about punches too, because that's part of what he also taught us. My father said, "Jim, if you're going to be successful in business someday it's not just about picking stocks. You're a bit of a mumble mouth." That's what he called me, a mumble mouth. I had a speech impediment when I was young. Had, you know, had somebody help me with my speech, couldn't pronounce certain letters right. And I was always a little bit shy because of that. He said, "I can't see you standing in front of a group making a speech. You're very, very smart but you're a bit timid and you need to have confidence. One of the ways you can accomplish that is get on a debate team."

And I said, "I do not want to do that, Dad. I do not want to be on the debate team. I have no interest in that. It gets in the way of my other studies and I do not like speaking in front of people."

He said, "That's exactly why you're going to do it." He said, "Son, this is not a request, this is one of those orders."

And when you heard the word "order," you knew that was not debatable, even if you're going to be on the debate team, it's not debatable. So I went onto the debate team, and regardless of how I interview today, whether I'm articulate or not, at that time, I was a very good debater. And almost immediately we made it to the state tournament.

My partner in high school was a young man named David Grecimer. Grecimer and Gallogly, how about that for a couple of names? Long and complicated. He went straight to Johns Hopkins Medical School. He was a concert pianist when he was in high school. He was an absolute genius.

Between the two of us we were quite the debate team. We always went to the state finals and we never won in the state of Colorado. We always were beat by a Denver team but we did take a multi-state tournament first place. And he was just a wonderful young man to debate with. But my father made me do that.

JE: Well, you surprised me because I thought you were going to get there and be very nervous and very shy, but, bingo. Did you overcome that pretty fast?

JG: Yes, because one of the things, I said I was only number two once, well, if I'm going to do something I'm a very competitive person. And one of my father's sayings is, "If you're going to do something, be the best at it." You know? If you're going to do it, be the best at it. And he said that time and time and time again.

So if I was on the debate team his expectation was not to just participate; his expectation was to excel. So when he said, "You're going to be on the debate team, Jim," I knew what that really meant.

JE: Right.

JG: I have to tell you this wonderful story because it wasn't just my father. When I went to my first state tournament I got my shoes out of a trunk and all, I did not have a sport coat. You're supposed to wear a tie and a sport coat to the state debate tournament. My mother made it for me. My mother was a seamstress.

JE: Did you like it?

JG: It wasn't stylish but I loved it.

JE: (laughing)

JG: The collars were a little thick.

JE: Did you feel funny wearing it?

JG: I, well, I did and I didn't. I felt funny wearing it because it didn't look like anybody else's suit or sport coat, but it also didn't look like anybody else's because nobody else's had that love.

JE: Yep. Yeah, that's great. My mother made some shirts and the collars were always too big.

JG: Yeah, people used to make things in the day.

JE: Yeah.

JG: And my mother made that sport coat. The second time I went, they were so proud of me that they actually went to Montgomery Ward's and my father bought one on sale for me. It was the ugliest plaid sport coat in the world, but that was a big sacrifice for him to do that.

JE: I should say, as you tell this you tear up a little bit as you tell about it.

JG: Yeah, a little bit. It's still a good—

JE: It's a great story.

JG: Yeah, yeah, it was great.

JE: He was a good athlete too, wasn't he?

JG: He was. He was a football coach, a baseball coach. We had our own baseball team. If you have eight boys and you have a father who's a good athlete and a baseball coach, a football coach, guess what we had? We had probably the best family baseball team ever. And people used to come play the Gallogly boys in this dirt lot out in front of our house.

Our house was very modest. And the nice thing about growing up in a house like that is sometimes there's vacant lots around. Well, we turned that into a baseball field. We played hours on end when we were on summer break.

JE: Punches, what did you mean by punches?

JG: Well, punches. Um, one of the things my father did was when he was growing up in the Depression, he and his brother found that one of the ways they could make some money besides bailing hay and working on the farm was to go box. Boxing was a popular sport back then, so they both kind of went pro on boxing and got paid to go fight.

His brother Gene was a Golden Gloves and my father, I don't know, my father never talked about himself much so I don't know what he achieved. If he achieved something he'd never tell us anyway so we never asked. He's a very modest man. But he loved boxing

and he wanted either my older brother or I to be a pro boxer. And like I said, if you're going to do it, do it really well.

My older brother was too big and too awkward to be a good boxer. I was small and really fast. My dad said, "You're good enough to go pro." And every Christmas we'd get a new pair of boxing gloves. About every third or fourth year we'd get a new boxing helmet. It took a while to wear those out.

I used to hate to see Christmas for one reason when I was young. All the furniture would get moved out and my older brother and I would probably go ten rounds on Christmas Day with our new boxing gloves. Not all at once, just beat the pulp out of each other and he was a lot bigger than I was. So it wasn't much fun to be the little guy. But, let me tell you, he never knocked me out but I knocked him out multiple times. And I was a pretty good boxer.

My father said I was good enough to go pro but, at some point when I got old enough to even think about it, he said, "That's not what you need to do."

JE: Your father was how old when he died?

JG: He was in his sixties. And one of the things that I look back and regret is because we were in the military and because we were poor we never went to the doctors. We could never afford to go to the doctor, we just got better. You know, whatever we got we could go get medicine or whatever. I guess in the military it was free but we just never went to the doctors.

In fact, when I worked all my career until the last year I worked, let's see, that would have been something north of thirty-five years, I never had a sick day in my life at work. My father had something going on and he thought he had pneumonia. He went to the little country doctor and kept diagnosing him as, "Well, you still have that lung infection and you have this."

A year later he finally went to a doctor in town, turned out he had cancer. If he would have gone earlier it probably would have saved his life. But it's just something he never did. And so, unfortunately, by the time he started getting treated it was just simply too late.

JE: It had to be tough then.

JG: Yeah, it was.

JE: To lose him. Down through the years, does he sit on your shoulders every once in a while?
Talks to you?

JG: You bet, you bet.

JE: Yeah. Well,...

JG: Wingtips and all.

Chapter 06 - 8:10**Safeway**

John Erling: We need to get around to talking about you.

Jim Gallogly: Well, he's better to talk about, he really is, because you find the people you admire you turn into.

JE: Yeah. You went to elementary school many places?

JG: Yes. I started in a little farm school in Iowa, all the grades, one through six, no kindergarten, one through six. I was too young to be in first grade but that didn't matter, you still go to school. Everybody taught in the same room by a single teacher.

Then he got transferred to Alaska, Fairbanks, Alaska, so I showed up. I'm in first grade, too young, but I started early. So when I graduated from high school I was a year younger than everybody else in the class.

JE: And that was in Colorado Springs at Wasson?

JG: Yes, high school.

JE: High school. What year did you graduate?

JG: Nineteen seventy. We were three years in Fairbanks, three years in Anchorage, and we came back to Colorado Springs. I did middle school and high school in Colorado Springs, and undergraduate school.

JE: Did you play sports in high school?

JG: They didn't have boxing, I was a wrestler. And I wrestled the lowest weight group.

JE: How about baseball? You could have carried that off.

JG: Oh, I was a good baseball player but, you know, we had things to do in the summers and the way they played all of that I just didn't have time for baseball. But I could have played baseball very, very well.

And in fact, I played in the Alaskan All-Stars in baseball, so I could have made any team. And then, they didn't have baseball in Colorado Springs for my age when I was at the University of Colorado, Colorado Springs, they actually have a team now, but they didn't then.

When I got here at the University of Oklahoma at law school I played on some industrial teams. Just pick-up kind of and played on teams.

JE: Huh.

JG: And I played until I was in my forties. I just loved baseball and loved to play.

JE: What was your position?

JG: Shortstop until I got quite a bit older and my elbow was burning out after all those years. And that's a deep throw, so then I moved to second. I played any position because when

you learn out there on and the sandlot I played outfield, I played this, I played that, but I loved shortstop. And that was always a high-skill position.

The other thing that was a little unusual was I could bat right-handed or left-handed and hit almost equally well with either hand.

JE: So your batting average of .312?

JG: I don't know what it was but I was always lead-off because I was always on base. Not always but a lot of the time.

JE: University of Colorado, Colorado Springs, what was your major or majors?

JG: Psychology. An interesting story on how that turned out, again, with my father's influence, the gentleman who ran the psych department at the time, Professor Nichols, was an ex-military person turned CIA. Spoke multiple languages, all of this. My father and Professor Nichols hit it off because they were the only two people with crewcuts on campus. They were both about the same age and they turned out to be good friends.

So when I decided to go to that university because I had the colorblind issue at the Air Force Academy, they took me immediately. I had great grades, I finished, I think, number five in my high school class in a big school. So I could get in anywhere.

But my father said, "If you go here, you can live at home." I also worked full time. You know, I helped the family support the rest of the kids. That's one of the reasons why that I was interested in Air Force Academy, you get paid while you go to school. In a sense, I'd have a job, you're in the military.

So I worked full time almost my entire time while I was in undergraduate school. But Professor Nichols and my father were good friends. My father said, "Take a class or two from him, you'll really enjoy it."

Fortunately, I really did and stayed and that was my major. Then I could live at home and work.

JE: Yeah.

JG: You know, we were a family and all of us helped. My father had just finished college himself. He's a school teacher—we had some bills to pay. So we all just contributed.

JE: So you did various kinds of jobs then?

JG: I worked at Safeway. I started about the day I finished high school at Safeway, worked all summer, all the way through undergraduate school. And then, even when I came to law school I worked on the weekends here in Norman.

JE: Did you ever think that the grocery business was going to be your life?

JG: I did for a while. After the first four years I thought I'd never want to do it. But having the degree in psychology turned out to not be something that gave me an opportunity to go find a job right away. At least the kind of job I wanted.

And kind of an intervening story there, I also met my wife at the grocery store. She and

I both worked together and so when she graduated from high school and I graduated from college we got married at the tender age of twenty-one and eighteen. By the way, we've been married forty-four years now.

JE: And you have three children?

JG: We have three children.

JE: Are they daughters?

JG: All daughters, yes, all daughters. I've got to talk to you later about the Muslim faith and three daughters, this is really important. (laughing)

Anyway...so we got married. I continued working at Safeway. So that brings me to the story about my father and that opposite discussion. I sat down at the dinner table one weekend and said, "Dad, I think I want to go to law school. I got my undergraduate degree, did well, I think I can get into law school."

My father said, "That's a really bad idea."

And I said, "Why is that? I thought education is something you always thought was a great idea."

He said, "Not in this instance." He said, "Way too many lawyers. You're going to go to school, you're going to accumulate a lot of debt. It's three years. You're going to get out, you got a wife you have to support. You're doing really, really well at Safeway. In two or three years you're going to be a store manager there. They're promoting you right and left and you're going to be a store manager in a few years."

"Your wife is working, you got a nice car, everything, you know," when he looked at his world we had great success. We had some money in the bank, we were saving money and all. He said, "Why law school?"

Just like he did with me, I said, "Dad, I'm not going to take your advice, I'm going to go to law school."

He said, "Okay. If you do it, what I always tell you is be the best at it. Have passion for it, be the best at it." Then he said, "There's always room at the top. There will be some of those lawyers get jobs. There will be some of them that do well. Be one of those. If you're going to do it, do it all out."

I always remembered that about everything I did the rest of my life.

JE: But you had a degree in psychology. Were you planning to become a psychologist?

JG: You know like happens with a lot of young people, you start, you find something you have an interest in but you don't have a plan. And I didn't know when I was majoring in psychology what that plan would be. My father was an enlisted guy and he couldn't really give me advice about go do this or go do that. You know, I took aptitude tests and all in high school and said, "You have this great aptitude for math." I really was a math whiz and I should have been an engineer. That's what everybody said I should do was go to engineering school.

I took calculus and all those things in college and it was so easy. But I didn't know what engineers do and it wasn't really a school that had much of an engineering program at the time. I just didn't have good counseling and didn't know.

You see that I worked my way around in my career to work with a bunch of engineers and naturally in the jobs that I did it was like I was an engineer the rest of my life. But I missed that opportunity to actually go to school and do that because nobody gave me good advice.

JE: Maybe that was good. You might have been an engineer to this day.

JG: Well, you never know and if I had been, that would be a wonderful change.

Something that my father always also said that I think was so important, you hear me talk about him a lot, it's because he had high impact; but one of his favorite sayings besides "Be the best at something if you're going to do it," is, "Never judge success by the size of your paycheck."

JE: Um-hmm (affirmative).

JG: People have all sorts of different sizes of paychecks, different aspirations, different things that they do. Don't judge their success by the size of their paycheck.

Chapter 07 - 5:50

Two Wives

John Erling: You said you got married, we didn't name your wife.

Jim Gallogly: Janet Ostimiller, turned Gallogly, and she even learned how to spell it since she also had a long last name.

JE: Did she have a career?

JG: She certainly did. Her career's being a great mother. This is something she was talking to me about recently here at OU. She said, "I feel kind of funny because I'm here at a university and I never had the opportunity to go to college. Year round all of these faculty members, the smartest people in the world, they're always talking about where they went to college and all and very proud of being from OU." She said, "I was here but I was putting you through school."

And I'm very proud of her for doing that. How many people will give up their personal opportunities to make somebody else's dreams come true?

JE: Yeah.

JG: That's what she did. She didn't like working at a Safeway any more than I did. She started in high school working at Safeway because she also came from a humble family. And if

she wanted a new dress or something like that she had to go out and burn money. So she worked for many years at Safeway as well as me. That's where I met her.

When I decided to go to law school, she said, "Let's work together for a year, let's save our money so we can go wherever you decide to go."

And then when I started at OU she worked full time all of that period of time. Of course, I'm in the classroom or working on weekends, studying all the time, and I was an absent husband. Didn't matter if she worked in a very dedicated way instead of going to college in a college town like everybody else in fulfilling her dreams—she could have gone to college—she did that for me.

JE: Yeah.

JG: Pretty unique, huh?

JE: And then you had the three children.

JG: We had three daughters after that. One of the reasons I decided to finish so early, I finished in two and a half years, is we wanted to have a family. Her family, she just had a brother but, you know, good family life. I had a great family life. We're going to have a family, we're going to raise our own kids. So we had three daughters.

JE: And you chose not to have ten?

JG: That's right.

JE: What are your daughters' names?

JG: Kelly and Kasey and Kim. So we have Jim and Janet with a J; the next generation, Kelly, Kasey, and Kim. It sounds like we had a plan but we never thought we'd have daughters because she had a brother and I had seven brothers and just assumed we'd always have boys. This generation was all daughters.

So I got to tell you the Muslim story.

JE: What is it?

JG: When I'm overseas people are telling me, "Jim, in the Muslim faith if you have three daughters it's an automatic ticket to heaven."

I said, "That can't be right. That just cannot be right."

They said, "No, no, no we can show you in the Quran where it says that if you have three daughters you're in." And he said, "All you have to do is convert your faith." (laughing)

And I said, "There's got to be a catch. There just has to be a catch. I mean, if I convert I'm automatically in heaven on your faith?"

He said, "Absolutely."

I said, "It's starting to sound pretty good."

He says, "No matter how much you screw up on this earth, after you've raised successfully three daughters, you're in."

I just kept thinking and thinking, "There's got to be something wrong with this picture."

And they said, “No, no, no it doesn’t...”

Late in the conversation this particular person was trying to talk me into converting, he says, “Well, you have done well in business and you have achieved a certain amount of wealth. So with that wealth you should take at least two wives.”

So I told you there was a catch! (both laughing) I said, “I think I’m going to continue to take my chances.”

JE: Right.

JG: So that’s my story of my friends in the Middle East.

JE: You’re Catholic?

JG: Yes I am Catholic. With that many children in the family, you bet, Irish Catholic.

JE: Right.

JG: Um-hmm (affirmative).

JE: University of Oklahoma, you graduated law degree in what year?

JG: Nineteen seventy-seven but in the class of ’78.

JE: After law school, then what?

JG: I took a job in Denver, Colorado, with the law firm of Calkins, Kramer, Grimshaw, and Haring. I was the associate for Hal Calkins, the senior partner. Very proud of that. It was a very prestigious silk stocking law firm in Denver. At that time, forty to fifty lawyers, I can’t remember exactly how many, but a big law firm for its day in the city of Denver, easily a top three firm.

And I got hired to be an oil and gas lawyer because I went to the University of Oklahoma and they had an oil and gas law program. But most importantly, I got an A in Professor Kuntz’s class. Dean Kuntz was famous because he wrote the treatise on oil and gas law and everybody who practiced knew his name. He made a statement at the beginning of each one of his classes that if you got an A in his class he’ll write a personal letter of recommendation to whoever you’d like him to write it to.

And mine says, “Jim Gallogly is highly proficient to practice in the field of oil and gas law.” Maybe add a sentence or two, signed, Dean Kuntz. I got an A in his class. Very rare to get an A in class. He’d give one or two a semester. I got an A, he wrote me a letter and so almost every place I applied, on the basis of his recommendation, I got a job offer.

So he made a big, big impact on my life. I went to Denver, worked for Hal Calkins.

JE: Oil and gas law, why did you choose that?

JG: I had no counseling on that either but oil prices were really high at that point in time. And people told me that you’re a good debater so you’d probably be a good lawyer. I didn’t know if that was true or not. But after stacking cans on shelves and working in the produce department for a number of years at Safeway I was willing to try something different.

JE: But choosing oil and gas law that just obviously set you on a plan that you had no idea you were going to go on.

JG: I didn't know exactly what that meant or where it would go. When I took the class, I said, "You know, I'm likely to go to work for a firm that works for oil companies." That seemed like a positive thing to do because there was a lot of money in that at the time. It seemed like a good career path.

Chapter 08 - 4:22

Frank Phillips

John Erling: So then you did go to work for an oil company?

Jim Gallogly: I did. You know, out of law school Phillips Petroleum offered me a job. They were just slow in getting to offer it to me and I had already accepted a job with Hal Calkins.

Phillips said, "Well, we'll pay you more than what they're paying you if you'll join us."

Unfortunately, they were late and they said, "Well, just say no on this one, come with us."

I said, "Well, once I say yes, I mean yes." I guess I've been married forty-four years and when I say yes I mean yes.

JE: Right.

JG: So I worked there for a couple of years and Phillips kept offering me a job. Every six months, every three months, "Please come."

And finally, I said, "Okay, I will. If you want me that badly, I'll come."

I came to Bartlesville, Oklahoma.

JE: That would have been in 19...?

JG: Eighty.

JE: Nineteen eighty. We want to talk about that but because you were there for twenty-nine years you became immersed in the history of the Phillips Company and how Frank Phillips started it.

JG: Yes.

JE: You then obviously knew about Waite and Wiate and—

JG: Um-hmm (affirmative).

JE: That was a ten-children family too, by the way.

JG: That was a big family. I used to call him Uncle Frank, I hope that's okay. And I don't think people really call him Uncle Frank but I always did. There's a portrait of Uncle Frank in one of the hallways. He had this nice smile on his face but he was up there on the wall. And when I'd walk by it always seemed like he was looking down and smiling at me.

JE: Did his image hover over the company for a long time?

JG: It still does, and in a very positive way. When you think of a father of a company, he was a barber in Iowa. My parents came from Iowa, so I always thought I had a little bit of a connection to him. But he came to Oklahoma, got married, I guess his wife had a little bit of money. He had an idea. He was not an oilman any more than I was an oilman.

Next thing you know, he's drilling a well or two. He didn't have immediate success, as I understand it. And it took him a while, but once he got on a roll, he really got on a roll. He built a multinational oil company out of nothing.

So I always had a great admiration for a man that I never met.

JE: And then he brought his brothers in, L. E. Phillips, and Waite too, because Waite died. So then they created the Phillips Petroleum Company.

JG: Yeah, and you had Boots Adams.

JE: Right.

JG: So you have Phillips as the founder; Boots Adams was, I think, the second CEO. You have other family members heavily involved. So it was a family company that got pretty big pretty quickly.

JE: And of course, Waite was a big name in Tulsa with Philbrook, the mansion that he built.

JG: Um-hmm (affirmative).

JE: And then, of course, the Philbrook Museum of Art. And I'm leading to he and his wife, Genevieve, had two children, Helen Jane and Elliott "Chope." I have Elliott Chope's interview on our website—

JG: Ohh?

JE: VoicesofOklahoma.com.

JG: Okay.

JE: It was very interesting. And Chope shunned the glitzy lifestyle of his father.

JG: Yes.

JE: Chope just wanted to be a rancher. When I asked him how he liked living in Philbrook at nine or ten years old, he said, "I didn't care about that, I just as soon be living in a log cabin somewhere."

JG: Yes.

JE: So he chose that lifestyle.

JG: That's interesting. A professor in psychology used to have this poem he made us memorize. What you just said made me remember it, it pops up in my head every now and then, I recite it wrong, although it was on the test. It's something to the effect that man is this funny creature. When it's cold he wants it hot, when it's hot he wants it cold. He always wants what he hasn't got. Something like that. I got the phrasing wrong because hot and got rhyme, but you get the point.

JE: Right.

JG: You always want what you don't have. And if you have wealth you want the simple life; and if you have the simple life you may want the wealth, see what that's like. You always want what you don't have, for different reasons.

JE: Right. When you were living as a child, was that a dream to become wealthy?

JG: No, it really wasn't. I didn't see wealth around me at any of the places I was at. At a point in time when I started working in an oil company it was never about the money. But I kept thinking to myself, "I think I could run this place someday." I never had a goal to be CEO but I kept thinking to myself, "I could probably do what some of these people are doing, if given the chance."

And at one point, I finally got that chance.

Chapter 09 - 2:40

Bartlesville

John Erling: So in 1980, your first job with Phillips and how old would you have been?

Jim Gallogly: Hmm (thoughtful sound).

JE: Late twenties, early thirties?

JG: Yeah, yeah, late twenties probably. I think I was the youngest vice president of Phillips Petroleum ever. Because remember, I started school early, finished law school early, and I was just a really young man when I started practicing for Phillips in the legal department.

JE: Yeah. I didn't mention, I mean, you lived in Bartlesville all those years. Great community.

JG: Yeah, I love Bartlesville, and two out of my three daughters were born there. We used to always say, "It's the best place in the world to raise a family." And I think that might be true, even to this day. It's a really great school district, wonderful community. Everybody in my family or friends that come and visit Oklahoma who haven't been here, one of the things they always say is, "Are all the people so nice in this state?"

And I'd say, "Pretty much."

JE: Yeah.

JG: "Pretty much."

JE: Yeah, so nearly thirty years living there?

JG: Well, no, I was transferred here and there and everywhere.

JE: Okay, that's true.

JG: Yeah, I got transferred a lot and I lived a total of four years the first time. They sent me to Norway. And then they sent me to Houston, back and forth and all over. The connection

is I always worked for an Oklahoma based company. And even when I was in Norway or in Houston or whatever, we used to always come back. You know, presentations, meetings in Bartlesville, so even if I didn't live there, it was like I lived there.

JE: Yeah.

JG: Because I was a senior executive and that's where we ran the company.

JE: What was your first job with Phillips?

JG: I was in the legal department as an oil and gas lawyer.

JE: So you had a variety of positions in different departments?

JG: Um-hmm (affirmative).

JE: Legal, probably financial.

JG: I did go into finance. I was made finance manager of North America Exploration and Production, that was like the CFO of that division, which at the time was the largest division in the company.

And then I got a call and said, "You're doing really well at this. Would you like to become treasurer in Bartlesville with an idea to be CFO in four or five years?"

I said, "If I'm going to be a specialist I should be a specialist in my profession, which is law."

At one point, they asked me, "Do you want to be CFO, General Counsel, or run a business?"

I said, "I'd like to run a business."

That's when they gave me North America E & P, where I used to be finance manager. Actually, the place where my career really took off was when we redeveloped the Ekofisk Field in Norway.

JE: You moved pretty fast, didn't you, up the ladder?

JG: I did. I think I was the youngest vice president in the company—

JE: Yeah.

JG: And I ran every division within Phillips Petroleum at some point in my career. I don't think there's anybody in the history of the company that ever did.

Chapter 10 - 4:02

Norway

John Erling: Talk about Norway. My ancestors, both sides, come from Norway. I am—

Jim Gallogly: I *snakke Norsk*.

JE: I *snakke Norsk*.

JG: Yeah, how about that? See, I don't ever get the chance to do that anymore and I hope you don't ask any more questions in Norwegian because it is so rusty.

JE: Oh.

JG: I took five, six levels of intensive Norwegian. I love Norway.

JE: If I said, "*Takk for maten,*" would you know what I meant?

JG: Yes, thanks for the meal.

JE: Right. (laughs) Did you like Norway? Did you like their government?

JG: You know, Norway is a very special place. My wife and I used to say, if we just picked one place because of how nice the people were and what a beautiful scenery it was, and no crime and no poverty, no anything, other than the weather—

JE: Yeah.

JG: ...the weather was not nice. Norway was a wonderful, wonderful place. It couldn't be replicated in other places very easily for this reason: Norway had a very small, very homogenous population. Because of its great oil wealth, because of its forestry, because of its fisheries, because of its hydroelectric they had a lot of wealth for a limited number of people. Most governments are always borrowing—they had a surplus. So they would have a very strong social network.

They had a heavy, heavy taxation system and they would redistribute the wealth so that there was no poverty. And if there was no poverty, people don't need to steal anything. And if they don't need to steal, there's no crime.

They never had racial issues because everybody looked the same, pretty much. I'm not saying that's a positive, there's no diversity, but there was a society that blended fairly neatly that was fairly wealthy. And as a result of some of that it created an easy place to live and an easy culture to live in.

JE: You said "redistributed the wealth." How did they determine this wealth was going to be distributed?

JG: The taxes are so high and then you would pay a bunch of taxes in and then they would give you money from the government back. Like we got paid money, as people living in Norway, for our children. We had three daughters so they would send money to us for having three daughters. And it was quite a bit of money.

The company would take that, of course, and they would just pay us what we would normally get paid. But they also had to pay the very high tax rate, which was 60, 70 percent of what you earned.

JE: Yeah.

JG: So your money'd go into a big pool and then it would just be redistributed in kind of an equal way. So people didn't want to work overtime. Not everybody, it depends on people's motivation, but most people didn't want to strive for the next higher job, 'cause if they got

paid they just paid a higher tax percentage. 'Cause they want everybody to be generally about the same economic wealth.

Very, very different society, but it worked for them.

JE: Be tough to start a business then, in Norway.

JG: It would be, it would be. And when I first got there, businesses were open from about ten to five. There's no advantage to having long hours because, again, money's going to get redistributed. It's hard to go to the grocery store on the weekend because they weren't open.

Eventually, some of the competitiveness of Europe came into Norway and they started having businesses that would push the local merchants to stay open. And so life changed over time.

But the first time we lived in Norway in the mid '80s, we didn't have cable TV. There's one channel on TV and there's only one program in English. There was a very different life.

JE: But you still enjoyed it?

JG: Oh, I loved it, yeah, yeah.

JE: But did you eat *lutefisk*?

JG: Only one.

JE: Good.

JG: For those in the audience, that's a, kind of a lye fish.

JE: It's a cod fish.

JG: Yeah, and it's not very good (both laughing).

JE: No.

JG: I had it one time and it lasts for a long time.

JE: It's a traditional Christmas fish.

JG: Yes.

Chapter 11 - 3:23

Work Smart

John Erling: On here in your career, and I have in 1996 you were appointed vice president of plastics.

Jim Gallogly: I was.

JE: And what did that mean?

JG: Well, actually before that I was vice president of North American Exploration and Production doing oil and gas wells in United States, Canada, Alaska. Then I was appointed to head up the plastics division. Basically, there's two major types of plastic that Phillips

made: polyethylene and polypropylene. It would take the rest of the interview for me to explain all of this but let me just give you a few examples: plastic trash bag, black, that's polyethylene. The milk jug, polyethylene. The plastic in your car, you know, the bumper and dashboard, generally polypropylene. Those are the two major products that they made. And the building blocks that made those products. There were a few others.

JE: Did you just outwork everybody? Were you smarter than everybody? I mean, the jump in the responsibilities they gave you, you were impressing them. Tell us what you were doing.

JG: Um (thoughtful sound). I'm not the smartest. I'll say I had smart parents and through the gift of genetics I'm reasonably intelligent. I barely squeaked into law school but I did well in law school because I just outworked everybody and I found that that works.

When I got into these jobs I worked really long hours, I worked really hard, I tried to work smart. I loved reinventing myself all the time. But most importantly, by working hard and not letting any balls drop and not allowing myself to fail in all these jobs, people could count on me.

If they said, "Well, if you put Jim in that job, it's going to turn out well."

So I got the reputation of being someone who improved businesses along the way. And someone who could learn something entirely new in a very short time and be pretty good at it.

JE: You went back to school, you did the advanced executive program in 1998. Tell us where that was and what that was about.

JG: Yeah, I went to Northwestern. Phillips had a program where if they thought you were going to be a real senior executive someday, maybe the CEO, they sent you back to school, kind of finishing, for grooming. It's like a mini MBA.

I had already been trained in finance and already knew most of what I was going to learn there. But it was a seal of approval from Northwestern that you'd been to their advanced program so they could say to the stockholders, "Oh, by the way, he's been. They've been successful. He knows net present value, he knows cash flow, he knows the balance sheet, and he knows management principles and practices. And so he's qualified to do some of these greater jobs."

It was interesting. I got taught by some of the very best. They gave us the choice of going to Harvard, Northwestern, Stanford, MIT. There was just a handful of what they considered the elite finishing schools. And I picked Northwestern because I was in plastics at the time. They had a big advertising group, marketing group, and I said, "You know, that's something I don't know much about, so maybe I'll learn something I don't know by going there." And I did. It was terrific experience. Worked around a bunch of smart people. And it was a break. We weren't allowed to do any work. They completely extracted us from the company and let us concentrate solely on that for a couple months, as I recall.

Chapter 12 - 5:55
Corporate Raiders

John Erling: In that year, I believe, of 1998, '99, companies tried a corporate takeover of Phillips Petroleum.

Jim Gallogly: Yeah.

JE: Talk to us about how a company can do a takeover of a company.

JG: What was going on at the time was oil companies were doing very well and had strong balance sheets. When I talk about a balance sheet, you have stock, equity on one side of the balance sheet, and you have debt on the other. I'm grossly oversimplifying, I'm a pretty sophisticated financial guy but oversimplifying on purpose for clarity. But what happened was oil companies had a lot of cash and a lot of equity but not much debt. Oil companies built their balance sheet that way because when you do big projects, especially overseas, these projects cost billions and billions and billions of dollars. So you want the ability to go execute those things.

One of the ways you got projects overseas with governments is the governments typically didn't have the money to develop their oil fields. Oil companies did. So we would bring a lot of cash in and help develop these fields. Besides expertise we brought cash to the table, or the ability to borrow because of all the assets that we have.

Raiders, at a point in time, figured out that, "Oh, there's this big pool of cash that we might be able to help ourselves to." They would come in and say to shareholders, "We can give you some of that cash today if you put us in charge."

JE: No.

JG: Companies would fight that because it was, "No, no, no we need that to go do our business." Well, they were successful in getting companies to take on a bunch of debt and give it to shareholders today, at the expense of tomorrow.

JE: Yeah.

JG: So Boone Pickens and Carl Icahn both took on Phillips and caused it to go from a very profitable cash-rich company to a company that had great debt in the future and limited ability to do the kinds of things to give it a bright future. They just rearranged the balance sheet and they were able to persuade a lot of shareholders, "Let's talk about today; we're not that concerned about tomorrow because we only own the stock today."

That worked for a while. Those corporate raiders were very successful for a period of time. You saw them do that in industries like the oil business.

Remember when airlines used to have a lot of cash?

JE: Um-hmm (affirmative).

JG: Because they had to have money to buy airplanes and all of that. Well, they did that to the airline industry. There were certain industries that they were very successful rearranging balance sheets. "Give us today at the sacrifice of tomorrow."

They put a huge hurt on Phillips Petroleum. We went almost a decade with a very distressed balance sheet because to survive we had to, I'll say, make a deal with the devil.

JE: And the devil was?

JG: These takeover artists, Carl Icahn, Boone Pickens.

JE: Yeah.

JG: Back to back.

JE: But they didn't succeed to taking you over.

JG: They did not. Because we took on debt and were able to secure independence at the expense of a brighter future. This was a Wall Street tactic because most of the shareholders were Wall Street people. So they were able to talk pension funds that owned us, mutual funds that owned us, individual shareholders that owned us that, "Oh, by the way, we can give you fifty dollars a share price today," I'm making that number up, I don't recall what it was. "We can give you that in cash today instead of stock and your stock will still be worth something." But there's a lot of debt to pay back tomorrow. So it was a "pay me today or pay me tomorrow" kind of thing. And people wanted the payment today.

JE: Did you ever speak to T. Boone Pickens about this?

JG: I did, many years later. An interesting story, T. Boone Pickens was one of the most famous corporate raiders there was. Phillips wasn't the only company that he attacked. He made a lot of money doing that. He had his own oil company. He was in the gas business up in the panhandle of Texas. So he had legitimacy because he did in fact have a much smaller company than Phillips. He was just saying, "I'm a lot smarter than their management so let me do that. And I'm going to give you a bunch of cash," taking over a company with nothing.

You know, he got a lot of cash as a percentage. Some people call that greenmailing. So he made a lot of money. Later on when the oil prices and gas prices fell his company was very distressed. He was really good at corporate raiding and not quite so good at running an oil company.

So I was running North America E & P at the time, still quite a young man. I got a call from Boone Pickens. He said, "Hmm, we have a bunch of assets for sale up in the panhandle of Texas. You're not in the data room. You know, you're a big operator up there. Phillips is the biggest operator in the panhandle of Oklahoma and Texas. Why aren't you up there looking at my properties?"

I said, "Well, Boone, you're not much of an oilman. We looked at your assets and they're worth less than your debt. You're probably not going to survive and we're not going to pay you more than those assets are worth. The banks own you; we don't need to buy

the banks out.” I said, “We got long memories as well. We wish you all the best but we’re not too surprised that you ended up in this position.”

Now, of course, he turned out to be a pretty good trader and oil prices came up and he’s done pretty well through the years. But at that point, he had that not so special moment himself. And it gave me some pleasure as a young man to have a personal conversation to tell him that maybe he wasn’t as good an oilman as he thought.

JE: We have his interview on VoicesofOklahoma.com, so those who want to hear it, you can go to that. What—

JG: I bet he tells that story differently or never told that piece.

JE: Right.

JG: (laughing)

JE: No, he never mentioned you.

JG: Well, I was one of the people he called, and the chairman said, “Well, why didn’t he call me?”

And I said, “He was probably embarrassed to call you.” (laughing)

JE: Yeah.

Chapter 13 - 7:14

ConocoPhillips

John Erling: You merged with Conoco.

Jim Gallogly: We did.

JE: Tell us about that and why.

JG: I mentioned our company was damaged in these takeover attempts. And we had a very limited future. Didn’t have many options without any cash, so we were just trying to survive year after year after year, and doing okay at it. But we had a discussion one night, I think there was seven, eight people in a room. The president’s office up on the eighteenth floor of the Phillips building in Bartlesville, Oklahoma, imagine the Phillips building.

JE: Yeah.

JG: We were sitting there one day looking out on the town of Bartlesville, having this—I’m not going to call it a desperate conversation but a very worried conversation, this was like seven, eight o’clock at night. It was dark. I think I was a senior vice president at the time. We were looking out and just said, “We’re the leaders of this company. What are we going to do? We’re a takeover candidate. People say our balance sheet is such that we have one foot in the grave. We’ll probably end up a hyphen on somebody else’s name. You know, there was Exxon-Mobile, Chevron-Texaco. See, we could end up as a Something-Phillips

and it's more probably than not that that's going to happen. We could not withstand another takeover attempt. If that happens, this town is going to be decimated because it will not be somebody else's headquarters."

We're looking out there on these lights and thinking, "We're having this conversation and all these employees and all these people depend on these employers running these shops, probably have no idea what a fragile situation they're in." And we're trying to figure out, "What do we want to do next?"

We could sell the money and make some money. We're all shareholders and, you know, we're senior executives, we have shareholders, that would probably be good for us personally.

We could proactively try to go merge with somebody.

We could just try to do what we're doing and hope for the best.

Or maybe we could develop a bold plan and do something to save the company and secure a bright future.

When you look at all options, you know, I said, "The one thing we are is fiercely independent. I mean, if we wouldn't let Carl Icahn take us out and wouldn't let Boone Pickens take us out and they both put a big hurt on us, if we wouldn't let that happen we're sure not going to end up a hyphen on somebody else's company name. We're fiercely independent and we're really good at what we did. And what happened before is we were too successful and had too much cash and we got hurt because of that. We're not going to let that happen."

So we developed this really beautiful plan on paper, it seemed absurdly difficult to execute, where we would take our chemical business and merge it with somebody. And I personally was running chemicals at the time, I was senior vice president of chemicals, so we had to do that with Chevron. Because we would be a perfect match for each other. And we could put debt on this company, use the new cash that we got out of it to pay down debt of the company. Do the same thing in midstream, the gas processing and pipeline business, we could do the same thing there with another partner. Use some new cash, pay down some debt.

We could buy ARCO Alaska, the pearl, you know, BP was buying ARCO at the time. We didn't think they'd get to buy ARCO's Alaska interest in Prudo Bay and we said, "Wouldn't it be incredible if little Phillips could buy that? We're one of the few companies who could because we're small enough. We don't have the cash but what if we could? By getting the other cash pools."

I said, "Okay, that gets a few years down the road but what next?"

"Well, if we bulk up the balance sheet by doing a merger with somebody or buying somebody, in five years we could merge with Conoco and then we'd have a great company. We'd be right up there with the big guys."

So this is crazy enough to be something worth trying. Three months later, we had the Chevron deal signed up. A couple of months after that, Duke Energy Fields Services, the biggest midstream company, and we bought ARCO Alaska. We had the cash and we bought ARCO Alaska from BP.

And then we ended up bringing TASCOCO assets in for a stock deal, bulked up the balance sheet. That made us the second largest refining company in America. Our balance sheet wasn't great but it was definitely improving and the oil prices were coming up. And that deal we did with BP on buying ARCO Alaska's Prodo Bay assets was looking golden.

So we went to Conoco and said, "Let's put these two companies together."

They said, "Yes."

In a pretty short period of time, we had a Fortune 5 company, and a great balance sheet and one heck of a story.

JE: Both Conoco and Chevron, you came to them at a very special time in their business life.

JG: Yeah.

JE: If it had been sooner, maybe not?

JG: No, it was all—

JE: It was just all good timing?

JG: The timing was really important. And you also have to have somebody who wants to merge with you. We ran a pretty good chemical business. I ended up running that even though I was just in chemicals for a while, because Chevron said, "We will do the merger if Jim comes over as our CEO."

So okay, "Yeah, I'll help." And I didn't expect myself to be a chemical company executive. But that merger worked out really, really well. And the midstream business turned out really well. But we became an attractive partner because we were getting things done.

Conoco said, "Wow, look at what these guys have done so far, they're a good partner."

So we have to show that we're capable. We became an attractive company to partner with, to merge with. As a result of that we built a beautiful company.

JE: Um-hmm (affirmative). Then you were based in Houston, Texas?

JG: I was.

JE: When you were with Conoco.

JG: Yes. First I was CEO of Chevron Phillips, as a result of that merger. The deal was, if that turned out well, and it did, then I could go either to Chevron or to ConocoPhillips.

JE: Hmm (thoughtful sound).

JG: At the time, it was Phillips. And then Phillips asked first and I went back and ran Refining, Marketing, and Transportation. As I said, we were the second largest refining company in America and I think we're number five in the world. So I became a refiner. I had gas

stations, pipelines, something I'd never run before. You know, it was Golden Age Refining and good profits and our company was number one in profitability per barrel, something I was very proud of. A fabulous team of people, I loved working with them.

Shortly after that, they asked me to come back. Then they said, "Well, we want you to run Worldwide E & P." And I was being trained potentially to be the next CEO of the company.

So at the point I started running Worldwide E & P I had at that point run every asset within the company, upstream, downstream chemicals. It was a terrific experience.

JE: Two thousand six ConocoPhillips, you were executive vice president of Refining, Marketing, and Transportation.

JG: Yep.

JE: Later, executive vice president of Exploration and Production. In 2009, you retired from ConocoPhillips.

JG: Yes.

JE: After twenty-nine years. You'd been involved in every business of the company.

JG: Yes.

Chapter 14 - 10:06

The Challenge

John Erling: Why did you decide to retire?

Jim Gallogly: I had a crazy moment. I had an absolutely crazy moment. Let me tell you about that. You never tell a Sooner what they can't do. We have to put that in perspective. I had a really good shot at becoming the next CEO of a Fortune 5 company. In fact, some outside investors came and said, "We want you to be the next CEO of LyondellBasell. It's in bankruptcy, it's got over \$20 billion of debt." I think its maximum debt load is about \$24 billion. The second largest bankruptcy in America; General Motors was number one.

This was a wreck of a company. Mergers that had failed, terrible cost structure, dead last in financial return nine out of the last ten years of the decade. Just a massive failure of epic proportions and probably no good way out. Employees streaming out the door.

First, a gentleman named Len Blavatnik called me. I thought he wanted to do an oil deal. He was one of the owners of BP-TNK of the TNK part, they call them Russian oligarchs, he's not an oligarch but he's one of the Russian owners of the TNK part and a very wealthy man. He bought Basell, which was BSF and Shell's chemical businesses merged. And he used that to buy Lyondell, another chemical company. He did it all with debt.

And then 2009 happened and the company collapsed. But it was a poorly managed company, a poor return company. A good size but just not much good to say about that company. I used to compete against that company before it merged, against Basell and against Lyondell when I was at Chevron Phillips. They were not competitive. Neither one was competitive.

So when they called and said, “We want you to be CEO,” I thought he wanted to do an oil deal. But he started out the conversation this way. He doesn’t say hello or anything, he’s got a heavy Russian accent. My assistant says, “There’s a gentleman named Len Blavatnik wants to speak with you on the phone, would you like to take the call?”

I said, “Oh, yeah, he’s a TNK guy. I think he wants to do a deal with us and the former Soviet Union, yeah, we’d look at that. Let me talk to him.”

I picked up the phone. Heavy Russian accent on the other side. “My name is Len Blavatnik, you’re coming to work for me.”

JE: (laughing) Just like that?

JG: That’s, that’s all there was. “My name is Len Blavatnik, you’re coming to work for me.” (laughs) I started laughing and said, “Len, I’ve never met you before but why would I come to work for you? I love this company, I’ve been here twenty-nine years, doing well with it. What is this all about?”

He said, “I want you to come run LyondellBasell.”

I literally laughed and said, “No way, just no way.”

He said, “Well, why do you say no way? I haven’t even told you what the offer is?”

I said, “No way.” He had some bankruptcy, it’s a mess of a company, there’s no way I’m interested. “And I love the company I’m working for—impossible.”

He could see I was very serious, just no way. He said, “Well, it’s in bankruptcy, I own all of it, I lost all of it, I’ll never get it back. But I made some mistakes. I owe it to people to try to fix it. I probably won’t even be a shareholder on the other side but I have to find a new CEO. We’ve got to get it out of bankruptcy. Would you at least meet with me when you’re in New York next time and talk to me about people in the industry?”

I said, “Well, would you consider selling part of that Chevron Phillips?”

“I don’t know, I don’t know, but I’d like to talk to you about it.”

So I said, “Okay.” So I showed up in New York, probably a month later, I was making a speech at an analyst conference and I called him the week before and said, “I’m going to be in New York on this day, will you be in the city? And if so, you want to have coffee that day and I’ll talk to you a little bit about your company and some of the people in the industry.”

“Oh, yes, yes.”

After I speak, I show up in his office and he’s got the board of directors there. I said, “What is this all about?”

He says, "We're interviewing you for the job."

JE: (laughs)

JG: I said, "Len, I told you categorically no."

Anyway, he said, "Well, just talk to us, answer a few questions."

So I did, and afterwards he said, "We want to hire you."

I said, "No."

Anyway, so very persistent guy, call, call, call. And at one point he said, "Well, you're probably the wrong guy anyway. You work for a big oil company, you probably couldn't do it anyway."

I said, "What do you mean by that?"

He said, "You're a big oil company guy, you can't fix a bankrupt company. You have all these people around you, you've got corporate judge, you've got this, you've got that. You can't run this company anyway."

I said, "Well, wait a minute, what do you mean I can't run this company?"

"You're the wrong guy."

He shouldn't have said that to me because that made me angry a little bit.

JE: Do you think he was smart enough to know what he was doing?

JG: I don't, I don't know if he was or not but of course I could run that company. So I said, "Okay, I'll talk to you another time. Highly unlikely, but, you know, I'll talk to you."

So I told the chairman, who is a good friend of mine, Jim Mall, I said, "Jim, I'm going to go talk to these guys about this company."

And he said, "You're not serious? You're the most loyal person in this whole company. You helped us create this company. You love this company like I love it. Why would you ever do this for?"

So anyway, long story short, Jim comes and says, "We want you to stay. The board will tell you, we'll guarantee that you'll be president of this Fortune 5 company. Why would you ever go to a bankrupt company and help them?"

The answer was, "The challenge." Just the extreme challenge of it. You know, you get up in the morning and you wonder if you have another day in business. And you're sitting there with seventeen thousand employees' jobs at stake, and their pensions at stake, and their total futures. You know, 'cause the ones that had left had left. And could we solve that problem?

I didn't leave ConocoPhillips because I didn't want to be there, I truly did and I very much was excited about the future there. I helped create a Fortune 5 company. And it was hard, hard, hard to leave. But it wasn't the challenge.

So I got up, took that job, formed a new team. And the very first day I sat down Len Blavatnik was there, we did a call with all employees around the world, and I said, "My

name's Jim Gallogly." I learned that from Len Blavatnik, you start telling them your name, especially if it's hard to pronounce. "My name is Jim Gallogly and I didn't come here to help you exit bankruptcy. That's easy. We'll do that very quickly before you can blink. We're going to turn LyondellBasell into the number one petro-chemical company in the world. Those of you who have the will to help me get that done will stay here. And those of you who don't have that desire or don't have that energy, leave today, leave this hour, leave this company. We're on a mission to go from worst to first and we will make that happen before you can blink.

"Everybody will tell you why it can't be done and I'm going to tell you right now, here at this moment, that's exactly what we're going to do. Either get on board or get the heck out of here."

That was that first conversation. A few left but most of them stayed to see what this crazy guy was going to have a plan to take us from worst to first. And this is a company that's over \$20 billion in debt, no future. And those employees got on board. It was a brilliant, brilliant story that they created.

I'd love to say that was me but they took their company back.

JE: Well, they caught your spirit.

JG: You know, that's one thing I always had was a lot of spirit. And you have to have ambition. You can't tell people that our ambition is to get out of bankruptcy and expect them to get excited about it. But if you say, "People will write books about this effort that we're going to be making in the next year or two. They're going to write books about what we accomplish as a group, and it will be a story that will forever be told on Wall Street, what we do now."

JE: So it became what?

JG: We became the best petro-chemical company in the world. We were one of the largest petro-chemical companies in the world, but we had the number one return, the best safety record, the best operating dynamics, the best everything. We were known as the number one private equity deal of all time, the number one turnaround story on Wall Street. And Len Blavatnik's reinvestment, I think it was *Forbes* or *Fortune*, I can't remember which one, wrote an article about his buying back in at 1 percent and then gradually buying more of the stock. They said that was the number one investment of Wall Street history too.

So it was one for the ages. We took the stock price from seventeen dollars and change, coming out of bankruptcy. Four years later, \$115 a share.

JE: Wow.

JG: And paid, I forget, five, six billion dollars of special dividends. It was a massive, fabulous turnaround of a company.

JE: And that was in Houston, Texas, where you—

JG: Houston, Texas, but we were a Dutch company. The amazing thing is this wasn't just an industry getting better. Dow Chemical was our biggest competitor, we were much smaller than them. We almost passed them in market cap. Their stock price was flat-lined through that period of time but we were going up like a rocket, in the same business. We almost passed them in market value in four years.

If I would have delayed announcing my retirement for thirty days we would have passed them because our trajectory was such it was just a straight line. We were only \$200, \$250 million less in market cap before I announced retirement.

The reason I bring that up is because our share price fell about ten billion dollars equity after I announced retirement because people didn't realize it wasn't just me, it was all these thirteen thousand employees.

Well, the stock prices come back up and people have figured out, "Okay, I'm a person who has a lot of energy and a lot of spirit." But we had a lot of great employees, and they're the ones that turned their company around.

JE: Yeah.

JG: So it all came back.

JE: A book could be written about that whole story.

JG: It certainly could. And maybe, maybe we will.

JE: Yeah. That'd be good because a lot of business people would like to read that story.

Chapter 15 - 4:30

George H. W. Bush

John Erling: You retired in January of 2015 and then in February of that same year you were appointed as a director of DuPont.

Jim Gallogly: I was. Actually, Dow called me while I was employed at LyondellBasell and asked me to go on their board because they had an activist campaign against them. I had to report that to my board that they called me and asked me to go on their board because they're our biggest competitor. And you don't call a competitor's CEO and say, "We want you to go on the board," before they're retired. So I had to report to my board that Dow called me.

And then DuPont called me too and said, "Hey, we want you to come on our board." And they had an activist campaign, Nelson Peltz, Trian was saying they had the wrong plan and things weren't going right and their stock price was depressed and they wanted, not a takeover, but it's, you know, an effort to put new directors on and kind of push management real hard.

So it was the, I think probably the most famous activist campaign of all time. Ellen Coleman, the CEO, called me and said, "Please come on the board. You're a very famous chemicals guy. We're a chemicals company and if we have you on the board it'll say we're very serious about managing the company because you've run Chevron Phillips, you're from LyondellBasell, both brilliant stories of success in chemicals. I think if you'll join us and we've got another guy we're thinking about bringing on, we think we can beat the activist campaign just by announcing the two of you."

I think the *Wall Street Journal* talked about that and said, "Game over," when we got announced as directors. It wasn't game over, we had to work our tail off.

Ed Breen came on at the same time and he's now the CEO of DuPont.

JE: When you were living in Houston, did you ever meet President George H. W. Bush?

JG: I did.

JE: Tell us about that.

JG: Well, I saw him at different events. You know, you can always meet famous politicians if you're in business and there's events where you can get your picture taken and all. But I also had him call me one time, and he said, "Jim, I want to come up to Bartlesville, Oklahoma, I'm going to make a speech up there and go to," I think it was OK Mozart concert. He said, "Can you give me a ride on the company plane?" (laughing)

And I said, "I'll bet somebody'll get you a ride on that plane. Yeah, I know I can do that for you, George," or Mr. President. I probably called him Mr. President that time. He'd just been president.

So I called the CEO and said, "He'd like to come."

And of course, the CEO said, "Well, I'll come pick him up. You don't get that job, you're still junior enough."

But then I've also seen him since then at multiple social things in Houston. His lovely wife. One time I saw him lined up with—LyondellBasell did not have company planes. Taking over bankruptcy I just said, "We aren't going to have company planes, we aren't going to do this and all the corporate things," because we were bankrupt.

So I was on a Transatlantic flight and there was our former president flying. And the other thing that was amazing, I'm not good with names but he's great with names. He walks by and says, "Jim, how you doing?" He's an amazing man. I was just so surprised at his ability to remember someone and just a spectacular person in so many ways. I always thought he didn't get full credit for what a great man he was.

And when you get a chance to talk to these people about issues, it's not what you read in the press. It's always such a multifaceted complex issue. And everybody tries to turn it into some little simple decision. But this decision affects that decision and all these other things and it's such a complex maze that they have to sort out. And,

unfortunately, very seldom does the difficulty of their decision making get properly portrayed in the press.

JE: Yeah. He came to Tulsa to speak and I attended that.

JG: I didn't, I got displaced on that meeting.

JE: Yeah.

JG: I didn't get to listen to him speak.

JE: When I heard him speak in Tulsa—

JG: Um-hmm (affirmative).

JE: ...he came off as such a macho man.

JG: Um-hmm (affirmative).

JE: And remember there was that wimp factor when he was vice president, even president?

JG: Um-hmm (affirmative).

JE: But man, when he spoke, he was a dude!

JG: Yeah, yeah.

JE: That didn't come across in office.

JG: No, I, I, you know, and very strong, thoughtful, smart guy.

JE: Yep.

JG: I don't know what happens in those kind of situations. I think people try not to be too powerful. They're trying to sometimes play to an expectation instead of just be themselves. I can assure you, he didn't get to be president of the United States being someone who was afraid to speak his mind and take a stand.

JE: Right.

Chapter 16 - 5:50

Gallogly Foundation

John Erling: All this time you've been a major donor to OU and to the University of Colorado and Colorado Springs. And you talked about being an engineer.

Jim Gallogly: Um-hmm (affirmative).

JE: There's a building here on this campus that has the Gallogly College of Engineering name on it. And your family foundation made that major benefactor to the College of Engineering and Gallogly Hall. That's got to make you feel good.

JG: Yes it does. You know, there's a saying, "To whom much is given much is expected." I had a lot of success in business. I owned a lot of that stock that went from \$17 to \$115. You know, that's all public information, CEO's pay is widely known. CNBC said I was the highest paid

CEO in America multiple years. That always used to be very embarrassing to me because that had a connotation.

In fact, some of our works counsels employees in Germany would say, “You know, you’re such a frugal person and so tightfisted with money but you make so much money, how does that all square?”

And I said, “Don’t judge me today, judge me tomorrow when you find out how I spend the money.”

They said, “What does that mean? What, are you going to buy a yacht or jets or...?”

I said, “No, no, no watch where the money goes. To whom much is given much is expected.” I used to say that a lot because I always wanted to remind myself. If you have the benefit of all these gift of success of different types, you have an obligation to give back.

So we try to choose wisely where that money goes. And my father was a big believer in education. He was a teacher. He always had great books on the shelf. He always pressed upon us the need to go to college, to study more and to continuously reinvent yourself. Higher education is something our family really believes in. So giving back in different ways, whether it’s University of Colorado, University of Oklahoma, we give money to other places and other causes.

We have a family foundation and we’re in the give-back stage of our life.

JE: The foundation shows the OU College of Law as a pilot school for the selective public interest fellowship program.

JG: Yes.

JE: What’s that about?

JG: I was a lawyer by trade. My middle daughter’s a lawyer. My oldest daughter’s husband is a lawyer. So we have some lawyers in the family. One of the things we recognize is that there are people who can’t afford legal services. Lawyers are sometimes pretty expensive, especially good quality lawyers. It’s also hard for lawyers who want to do public interest work to get hired and get paid. They can do pro bono, which is kind of Latin for free, they can do free legal work. But a lot of things you can’t do part-time. You need somebody who’s dedicated to it.

So we tried to build a program to bridge the gap between people coming out of law school with no experience—if you go to work for a charity, they want somebody who can practice law today if they have to pay you. And the people who are already making money, they don’t want to quit a high paying job to go into a low paying job.

But there are some people very passionate about serving the underprivileged and people of need of legal rights. We’ve tried to create a program to bridge between coming out of law school and getting paid a fair wage, and working for public service for a couple of years. And then hopefully, staying in public service.

So our family foundation would go and match up charities with young lawyers. Some of the best young lawyers out there, by the way, doing incredible work today. Really high quality credentials. I mean, we're hiring brilliant, top of the class lawyers who have a desire to serve the public in special ways, in lots of different ways, from typical child advocate work to Indians who can't afford legal services on the reservation to immigrants in California whose legal rights are being violated because if they go to court they get arrested. All sorts of different people. We're helping them get the best lawyers.

We have a small law firm now, I think there's—depending on the time of year—twelve to fifteen lawyers we've hired as a foundation to go do public interest law. This program isn't real low but so far the ones who have gone through the program are staying and doing public interest work. So it's working.

This was my middle daughter's idea and a way to help people have rights and somebody to be their voice.

JE: So is that firm here in Norman?

JG: We have lawyers in different places. It started at the University of Oklahoma as a pilot. We have some lawyers in Washington, DC, doing public interest work. We have some in rural Oklahoma. We have some here in Oklahoma City area and Tulsa. We have LA, Texas, they're in different places for us. We started in Oklahoma and have kind of a preference for Oklahoma.

But the wonderful thing about trying to do good work is you don't have to know the people you're doing good work for. It's not about getting thank-yous, it's about having an impact. So we don't care about the geography so much, where they want to do this work. It's what is the work they want to do?

We have a variety of things our charity supports from higher ed to land preservation to lease lawyers. We have a lot of things. We don't allow solicitation. My middle daughter run the family foundation; all of my family members are officers of the foundation. I tell people my middle daughter, whose lawyer's job is giving her dad's money away.

JE: (laughing)

JG: Because we don't need it where we're headed. Hopefully it helps us get there, if you know what I mean. But to whom much is given much is expected.

JE: Yeah.

Chapter 17 - 13:35**Oklahoma University President**

John Erling: March 26, 2018, you were named president of the University of Oklahoma following the retirement of David Boren and you became the fourteenth president. How did this prospect come about? Did you have a dream of being a president of a university? Were you being considered by other schools? How did this all come about in your thinking?

Jim Gallogly: This is almost as crazy as the story of why I ended up at LyondellBasell. I was flunking retirement. People like me who work like me don't do very well being retired. So I went on the DuPont board and I helped them merge with Dow. And I went on Continental Research's board and I was enjoying that and I was doing a little of this and a little of that and staying extremely active.

I'd get calls in the beginning almost every week, "Would you go run this? Would you go run that? Would you be CEO of this or that?" because I had a good record on Wall Street.

And then the beginning of this year, a company called, a very, very large, very, very famous company who is struggling today, they said, "The board had a meeting and multiple board members know you pretty well. Our CEO needs help. You're probably the best-known turnaround guy on Wall Street. We want you to come to work for us, Chief Operating Officer, or whatever."

I'm sixty-five so I shouldn't be a CEO of a multinational giant company at my age. There's usually age limitations and if we don't check and bridge our CEO to the future, you've been there, done that, we want you to help."

I said, "Hmm, that's kind of interesting. I still have some energy, I think I'll do that."

So I was meeting with the CEO, we were talking about what the plans might be, how we might do it, we're talking about job titles. I didn't talk about pay with them yet because I didn't care. You know, given my money I don't care how much you're going to pay me. But it was a very intriguing opportunity.

We were probably 95 percent of the way there and I got a call from OU. They said, "You've been nominated by multiple people to be the next president of the University of Oklahoma."

And I said, "Well, not interested in a job. I'm been talking to somebody else, I'm a corporate guy."

They said, "Well, would you interview?"

I said, "No, (laughs) not really very interested. I love the place, I'm investing in it, I've been on campus a lot, I care very, very deeply about University of Oklahoma, you know that."

He said, "Well, that's part of the reason we're calling because we know how you care about this place. And you are a benefactor but you're also a nontraditional person and we'd like to consider different candidates this time."

I was getting calls from several other universities through headhunters, they'd call and ask if I'd consider it. And I said, "No, just absolutely no."

One was a pretty large university that we compete with on the football field, and I said, "There's something you need to know. I am a Sooner through and through. No way—"

JE: Right.

JG: "I cannot be a president of a university that's a competitor to Sooners, impossible."

So when Sooners called and they said, "Well, come talk to us about what the university needs to do."

I said, "Okay, I can do that."

They said, "There'll be a committee."

I said, "Good."

"It's faculty, it's students, it's members of administration."

"I'd love to tell them what I think the university needs to do in the future." So I had that conversation. The funny part about that first conversation was I didn't make it to the interview. There was an ice storm this spring, that's when I was supposed to fly in and all the flights out of Houston up here were canceled so I couldn't get here, couldn't make the interview.

So I said, "Well, I guess I'll just write you a letter."

And they said, "No, we really want to interview."

I went to MD Anderson Cancer Center because I'm on their board and I had a meeting there. And I said, "Well, let's see if we can do something telephonically, maybe video, whatever."

"We still want to have this interview, want to hear what you have to say about the University of Oklahoma."

So I'm sitting in a University of Texas MD Anderson Cancer hospital conference room. The seal of the University of Texas on this conference room window on this great big etched glass, interviewing for the president of University of Oklahoma.

JE: (laughing)

JG: Is that a view? Is that a picture right there?

JE: Yeah, yeah, yep.

JG: And at the bottom of that, because it's MD Anderson, there's a saying. It was something some architect once wrote and the first president of MD Anderson said, it was like, "Have no small dreams," it was, "Build no small things." You know, if you're going to build something, build something grand and great.

So I'm sitting there in the University of Texas. First ask you, "Why do you want to be president of University of Oklahoma?" That was the first question they asked.

I said, "I don't. I'm here to tell you what I want the University of Oklahoma to do. I'm an investor in the place, I'm somebody who cares deeply about it, and I'm here to tell you what I'd like to see it do."

I'm sitting here at the University of Texas and there's a saying on the wall, "Build no small things." And I said, "That's a good place to start. We want a great university and we've built a wonderful undergraduate program. We need to build a great research institution and we need to do that now. We need to have a much older vision and here's the things I think we ought to be doing."

And they said, "Wow."

The next thing you know, I'm meeting with the regents. And again, I'm going to tell them the same thing, not in the same context, not in the same room, not on video conference, but in person. So I came up and told the regents the same thing.

And then they called me. I was on my way to my little ranch over in Antlers and they called me and said, "If we ask you to do this job, would you do it?"

I said, "I don't want you to ask me to do this job."

They said, "Well, what does that mean?"

I said, "I will never tell my university no. I don't want you to ask me to do this job because I can't tell you no." (laughing)

So anyway, we had that conversation and they said, "Can you come back and meet us? Just turn around." I drove from Austin to Oklahoma City for the interview and I wanted to go down to this ranch I bought down there in Antlers so I was on my way. "Could you come back and talk to us some more?"

Anyway, I was at least an hour and a half away because I was on the road. Before they called me they had a couple of other people they interviewed in the meantime. I said, "Well, I can come back, it just, it'll be a while before I get there."

They said, "Well, could you just pull over and have another conversation with us?"

So we talked. At the end, they said, "Well, we can't make you an offer today or any of this, we have to go through this process, but we may ask. And we'll want to know if you'll say yes."

I said, "Don't ask me, remember I said, 'Don't ask me.'"

They called me later and said, "Well, we are going to ask you."

And I talked to one of my mentors. I said, "I'm going to work for this other company and this is almost done. This is what that's all about."

And they said, "So which one is keeping you awake at night? What's bothering you?" He said, "Are you excited about doing that job?"

I said, “No, I’ve done that kind of stuff before, I think I can really help them, that’s what I do.”

And he said, “What keeps you awake at night?”

And I said, “OU.”

He said, “Why?”

And I said, “I have no earthly idea. It’s kind of asking somebody why you married your wife. Why is she different than everybody else?” I said, “I can’t answer that question.”

He said, “Well, then, you got your answer.”

JE: There you go.

JG: Had my answer. When they asked, I said, “Of course.” I said, “You know, I’d be proud to serve. It’s a wonderful university, wonderful people, meant the world to me. Here I am.”

JE: You said you’re a corporate guy.

JG: Yes.

JE: So when you come here there was some criticism of you because you came out of the corporate world. I was reading in one of the papers, “Presumptive selection for OU’s fourteenth president does not meet many of the higher education qualifications outlined early in the search process.”

JG: Um-hmm, um-hmm (affirmatives).

JE: “Among the academic qualifications included in the profile was seeking a distinguished record of executive level of accomplishments,” which would be you—

JG: Um-hmm (affirmative).

JE: “...preferably in higher education and a strong commitment to excellence in teaching, scholarship, and research.”

JG: Um-hmm (affirmative).

JE: So you definitely met some of that. But there was criticism because you didn’t come out of the higher ed background.

JG: Um-hmm (affirmative).

JE: So that hit you, and how did that bother you or how did that affect you?

JG: Well, if you’re an oilman, especially an oilman in a major oil company, you get used to criticism. You know, you’re sitting there supplying gasoline in everybody’s tank and most people aren’t happy you’re doing your job. I’m used to criticism and it’s just part of things. And they’re right in quite a few ways, that I don’t have all those academic credentials. I trusted the regents had a reason for wanting me versus somebody else who had those credentials. I wouldn’t know what those are.

Whenever I do something I bring a great deal of passion to it. I do have a lot of business school skills. I had actually been asked to be a professor at the University of Texas to teach oil and gas law in the last six months. They asked me to come in and teach and I asked them, “Why is it?”

“Your academic credentials are outstanding, you obviously have a ton of experience. We think you’d be probably the best oil and gas professor we ever had.”

So the dean approached me to go teach there and I was thinking about it. And that’s a very highly ranked law school.

I get the privilege to teach oil and gas law, not this coming semester but the semester afterwards at OU.

JE: Yeah.

JG: And you know what? That would be in Professor Kuntz’s footsteps.

JE: Yep.

JG: That hasn’t been lost on me. That’s why I want to teach that.

JE: I did a little research and I discovered that the first president of the University of Oklahoma was David Boyd.

JG: Um-hmm (affirmative).

JE: And he faced criticism when he came because he began preparations for planting thousands of trees around this campus and began buying young trees from a bankrupt nursery in Wichita, Kansas. Of course, the people of Norman were upset, outraged about this. But when they learned that he was purchasing the trees and the water with his own money they became grateful.

He planted nearly ten thousand trees in his first eighteen months on the job and developed a campus nursery with more than forty thousand trees.

JG: Wow.

JE: I thought, “Well, that’s kind of interesting. Look at the kind of criticism he got when he first came.”

JG: Yeah.

JE: But then he was run out of office by the Oklahoma governor.

JG: These kind of jobs are fairly political. It’s always difficult to make all of the constituencies happy. But I come with a service mentality. I truly am here to serve at the whim of all those people, you know, the taxpayers of Oklahoma, the Board of Regents, the governor, all of the above. And here’s the thing I remind myself every morning: This is not a for-profit business. I’m a fairly smart guy. This is not a for-profit business. This is a place where you take ordinary people and turn them into champions.

I like visuals sometimes and did this little Day 1 video with a little short letter and we talked about the Sooner spirit. It’s a fun video to watch, but one of the key things that I say in my little letter is, “We take ordinary people and turn them into champions.”

In fact, I just recently walked around the oval and I went into the old law school. It’s not used for that now, there’s a new law school. I only did my first year in this old law school, Monnet Hall. I went back in there just to see if it jogged my memory on anything.

But there is a course I took in the very beginning that one of the reasons I'm such a big fan of the University of Oklahoma, I think it was the very first day, people said, "You will learn law but most importantly, you will come out of here ladies and gentlemen. You will be dignified. You will be respectful. You will be agents of the court, no matter what profession you go into. And by the way, many of you will not be lawyers, but you will always be an agent of the court. Whenever you interact with people, do so with dignity, with respect as ladies and gentlemen having fully researched your subject."

Those words were never lost on me, and to this day, I still consider myself an agent of the court. I'm a member of some bar associations, I've been a CEO far longer than I've been a lawyer. Now university president, but I'm still an agent of the court. I learned that here at the University of Oklahoma. It's a special place.

I get the opportunity when I'm inducted, whatever the proper word is as the next president of the University of Oklahoma, I will be doing it with the entering freshman class. And I'm likely to make a speech about ladies and gentlemen and dignity. Not agents of the court but how you will come out of this place different. And that that kind of an approach to life is very, very important.

I don't expect everybody to like me. I don't expect everybody to say that I'm the perfect candidate. I do have a jurist doctorate degree, underscore the word doctorate that was lost on some of the press in the beginning. I do have a terminal degree and I did very, very well in law school. I did extremely well taking bar exams and practicing law and I think I had a reasonably successful career. I bring a diverse set of skills. And when you look at the financials of the University of Oklahoma, I have something to contribute today, and I'll do my very best to do that.

JE: Right. By the way, I'd like to interject here my son David is a graduate of the University of Oklahoma Law School.

JG: Terrific.

JE: And you meet some of those criteria that you just mentioned.

JG: I'm very pleased to hear that. And I'm not surprised, by the way.

JE: (laughs)

Chapter 18 - 6:25

Budget Issues

John Erling: This is kind of time capsule because we imagine generations to come are going to listen to this. And yes, you have budget issues here, you cut executive staff, reorganization,

and all those kind of things, and you get criticism for that. The campus had been losing \$36 million a year the past five years. So you're right in the middle of all that, but all that experience that you had dealing with companies and so forth are coming to bear now.

Jim Gallogly: Yes. We had not reviewed our budget in terms of profit and losses who was always an incremental budget. I've been, like I say, working for room and board the first three months. They gave me a dorm room and a meal ticket and I've been on campus learning what's going on. And part of what I was doing is looking at financials.

I told our financial people that I think they're losing money. And they said, "No, no, no we're not losing money."

And I said, "Yes you are, and here's why I know this." And I showed them in the balance sheet what was going on, and I said, "Well?"

"But we're not losing money."

And so I had them break things down in terms of tuition and money that people paid for meals and the room and board part, all the revenue side of what the university does. And then I had them take all the expenses and said, "Okay, now put those all together and see what's happening." Our expenses were growing much faster than our revenue, even after state support, and even after foundation support gifts, we were, in fact, losing significant money every year. And our cash was dwindling very quickly.

Today, that number is \$104 million. Yes, I know the numbers pretty well. We have high debt per student in the top 10 percent of other universities at this moment in time. I have to underscore at this moment in time because we're going to go fix this.

I just got done meeting with the faculty senate earlier this morning, and said, "I did not come here to help you fix your balance sheet. I didn't come here to help you make a "profit." That's not what universities do. I came to help you keep tuition low for these wonderful students in Oklahoma and from out of state who are smart enough to choose the University of Oklahoma. We're pricing ourselves out of the reach of the common student. And I happen to be one of those students who worked full time to afford to go to school. I know how difficult paying each one of those tuition dollars was, on a personal basis. Coming from a family of ten children. I don't want people like me to be priced out of great universities like this."

JE: Yeah.

JG: "We're going to get that right. So many of you as faculty members have not had raises for year after year after year and you're the soul of our university. You're the people who pass knowledge to these students. You're why they come here, not to be with the president of the university with some business reputation. They're here for that time to spend with you. And yet, we don't give you the dignity of pay raises year after year after year. We have to correct that."

I said, "But most importantly, we're here to build a great research institution that becomes an economic engine in the state of Oklahoma. And that will be a bold vision, double the amount of research we have and I'd love for it to be triple. I'm sixty-five years old, maybe I can't get it tripled by the time I leave here, but we're about making this a great research institution, a pride in the state of Oklahoma. We have a bold vision, not about fixing the cost structure and getting us back to profitability, but about creating this institution. It's already the pride of Oklahoma, but something that is the economic engine of the state of Oklahoma.

"People have told me time and time again that nothing will have a greater impact on the state of Oklahoma ten years from now and twenty years from now than what happens on this campus. And I know they're right."

JE: Yeah.

JG: I know they're right.

JE: Maybe you've answered this question: Five years from today, how will this school be different?

JG: Well, we won't be talking financial woes, if I've done my job right, if people have allowed me to continue to serve. We'll be talking about exciting research projects that are generating new businesses, that are solving problems for the rest of the world. There are so many wonderful things that happen on campus today. In our cancer hospital that didn't exist a short period of time ago, is already in the top seventy cancer hospitals in the United States with a national designation.

We have a few of those kind of brilliant things. I want lots and lots and lots of those brilliant kinds of things for the people in the state of Oklahoma. I know that we can accomplish this together. I keep saying that, you know, when we talk about school financing and all, it's a topic of great interest to everybody at this point in time. We have the teachers, people like my father who would be there marching, if he were still alive, on the steps of the capital of this great state, saying, "Just pay us a livable wage."

JE: Um-hmm (affirmative).

JG: And in that backdrop, I see us wasting money on this campus and doing things that are silly, sometimes that are very exclusive. We have to be smarter about those things. I don't want to be arguing with the legislature about whether they're funding higher education at the proper level. I want them saying, "We're so excited about what's going on in this campus that we want to fund you."

JE: Hmm (thoughtful sound).

JG: "We want to make that happen faster." Which is a totally different dialogue.

When people came to my old company and said, "We're going to buy your stock," you know, there's a reason that that stock price went from seventeen bucks to \$115. There were

people that wanted to own a piece of our company because of the exciting things that we were getting done and the income that we're generating.

Here we're not going to ever generate income, but we are definitely going to turn out some brilliant students. We do today but we need to do that at the graduate level as well as undergraduate. We want them to have those skills that just transform the state of Oklahoma.

Wouldn't that be exciting stuff?

JE: Yep.

JG: I'm ready for that.

Chapter 19 - 5:40

Professor Kuntz

John Erling: A lot of students can't afford to go to a state school like this but they go to community colleges. And in the world of education, that role that community colleges are playing is very important.

Jim Gallogly: It can be, sure. A lot of the times that's access. Many times students don't know how important high school is.

JE: Yeah.

JG: They haven't figured out that that will determine which college they can go to. So they are much more interested in other things until they reach that little maturity and say, "Oh, that was an important time." Some will get a second chance to go to a community college and be able to academically prove themselves. Sometimes it's a financial question.

People like me, I needed to stay close to home because I had to help put food on the table.

JE: Yeah.

JG: I had to keep my expenses down, I had to live at home. That limited my choices.

There are lots of people like me in the world, regardless of their academic qualifications need to be in an affordable place or a place where they can get a second chance to prove their academic ability. Those other universities provide a lot of opportunity for that.

JE: Yeah. So you're sixty-five.

JG: Yes.

JE: Many Americans plan to retire at sixty-five; you're just beginning a major undertaking.

JG: I am.

JE: This thought about retiring at sixty-five, you never thought you'd do that. You said you failed at retiring.

JG: No.

JE: And you just can't imagine yourself doing that and here you are, taking on this major job at sixty-five.

JG: Well, my wife was asking me why we're doing this because we were planning to spend a lot of time with our grandkids. We didn't move to be where the home of University of Texas is. It happened to be where two out of our three daughters live and two out of our four grandkids. We wanted to be home when the grandkids could come visit us after school.

What I explained to my wife is, we just took on a much bigger family.

JE: (laughing) Right.

JG: Much bigger family. And so we have different kids popping in after school over here at the Boydoff. [time 2:05]

JE: Um-hmm (affirmative).

JG: And there's a much better chance that my grandkids are going to be Sooners when they grow up.

JE: Right.

JG: Which is pretty important to their grandpa.

JE: Your accomplishments, there are many of them, is there any one or two that you're the most proud of?

JG: No, for this reason, and this is an important part of why I do the university work like I do and the different style that I'll have than some of the prior presidents. The first day we were here we had marching bands and cheerleaders and all these people saying, "Thank you," and "Congratulations," governors and they even had a police escort from Norman to Oklahoma City for the next speech. I had no idea that that was going to happen. I would have worked harder on my speech if I would have known that this was going to happen like that.

At the end of it, my very smart wife, who put me through school instead of going to school herself, in her own special way said, "Jim, who was president of the University of Oklahoma when you were here?"

I had one of those moments and it wasn't a senior moment, it was a very honest answer, "I don't know." Because it wasn't important to me. It wasn't important to me.

But if you would have asked me, "Jim, who are the most influential professors, members of the faculty that you had while you were here?" very quickly I would have said, "Oh, Professor Kuntz," or, "Professor Nichols at University of Colorado Springs." I would always remember those people who had a massive impact on my life later, not who the president of the university was.

She asked me that question for a very, very important reason. Just like when you're CEO of the company, if you're going to be successful taking over a bankrupt company, one

person can't fix that. And it's not about you as a CEO. And if you're working in a massive company like ConocoPhillips, people might know your name because you're the guy on Wall Street who gets a lot of the credit and a lot of the people there always talk about the CEO and not the company.

Those of us that have had success in life, the people who really understand the success know that you're one cog in a great big gear. And if I'm successful here, you won't remember my name.

JE: They'll remember their professors.

JG: They'll remember the professors. And it will be financially stable, it'll be a growth engine of the state of Oklahoma. It'll be those faculty members who cause that to happen, not the university president.

A lot of times people think of businesses and universities like pyramids with the president at the top. Really, really successful organizations flip that upside down and I'm support staff. I get to have the title and the honor of being president. I get to be the mouthpiece for the organization from time to time to tell the great stories of other people. But even like today when I'm telling you stories about my past, a great father, a great mother, great opportunities working with great people, achieving pretty significant things. But it would take us days and days and days to list the people that were there that caused that to happen—

JE: Yeah.

JG: ...shoulder to shoulder with me.

JE: Right.

JG: So we get to be storytellers of other people's wonderful accomplishments and I'm support staff at the University of Oklahoma.

Chapter 20 - 3:20

Take the Challenge

John Erling: Well, I want the many students who come here to hear your story through our website VoicesofOklahoma.com. And as these new students come on and listen, some advice to new students in general? Maybe you have advice to business students? Business owners?

Jim Gallogly: Sure. The thing that I would encourage people to do is dream big. Most of the time people are self-limiting. They won't take that chance to do the job that they're uncomfortable with, to switch companies, to go from a Fortune 5 highly successful

company to a bankrupt company and take a massive chance. To come out of retirement to come into that some might criticize you for because you're not an academic. To bring whatever skillset the regents thought you might have to bear on the problems that they think exist. So many people will not take that chance, that risk, better called that opportunity—

JE: Yeah.

JG: ...to elevate themselves. They'll take the safe route. They'll underestimate their personal skillset. The story of LyondellBasell is thirteen thousand people taking their company back, operating plants around the world at a level that no plant around the world have ever been operated at. Literally becoming the very best of the best.

Success isn't about the title you achieve, it's about the result you achieve. And those people took the challenge to have a story worth telling. When I said we'll go from worst to first, they took the challenge, they accomplished the result. They said, "Yes we can."

And the advice I'd give to everybody is, "Don't be self-limiting." My father used to always say, "Decide what you're passionate about, and then be the best at it." So what is it that defines the best? That's a different definition for being a mother. It's a different definition for being a teacher. It's a different definition for being a university president or a CEO. But you know what? When you've accomplished it, you know it, and there's some self-satisfaction in it.

So I just tell people, "Go be the best that you can be at whatever skillset you have. It's a gift, take advantage of it."

JE: Yep. Jim, I want to thank you, you're a very busy man and here on campus we're in Evans Hall. This is for many, many eons to come, what we have done, so I thank you very much for this contribution you've made.

JG: Well, thank you so much. I've enjoyed our discussion. I'm hopeful that in whatever period of time I'm allowed to serve the University of Oklahoma people see great things out of our students, great things out of our faculty. And I do know this, this university is already the pride of the state of Oklahoma. Those of us who are Sooners will always be Sooners. I think there's even a song about that, right?

JE: I think so.

JG: So Boomer Sooner to everybody.

JE: Right.

JG: Thank you.

JE: And let me say, in Norwegian, "*Mange, mange takk.*"

JG: (laughing)

JE: And you know what that means.

JG: Yes, thank you very, very much.

JE: Yes indeed. All right, that's fun, thanks, Jim.

JG: Thank you.

Chapter 21 - 0:31

Conclusion

Announcer: This oral history presentation is made possible through the support of our generous foundation-funders. We encourage you to join them by making your donation, which will allow us to record future stories. Students, teachers, and librarians are using this website for research and the general public is listening every day to these great Oklahomans share their life experience.

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