

Hail, entrepreneur!

A tribute to Ed Lowe, who brought the cat indoors



“All entrepreneurs start out as small-business owners, but not all small-business owners are entrepreneurs.”

— *Edward Lowe*

Hail, entrepreneur!

Ed Lowe not only launched a product that enabled more cat lovers to have indoor pets — he also created a brand new industry. What's more, Ed left an enduring legacy to support entrepreneurs, whom he believed to be the backbone of our country's economy. Here, we highlight some of the traits that contributed to Ed's success and made him so memorable...

Ed was a real entrepreneur's entrepreneur," says Dan Wyant, chairman and president of the Edward Lowe Foundation. "He believed being entrepreneurial was something he couldn't turn off, like a beagle's innate tendency to chase rabbits. In fact, Ed even referred to an entrepreneur's instinct for pursuing opportunity as 'beagлизм.' He was constantly coming up with ideas, watching for opportunities and acting on them."

Ed was born in 1920 and from an early age, he displayed an unusual amount of initiative. Growing up during the Great Depression, he found ways to generate pocket money, such as selling scrap metal and magazines and trapping nuisance animals. He also collected popsicle sticks that had been discarded at a local park by



summer concert-goers and traded them in for prizes (40 for a jackknife and 250 for a pup tent). Using recycled buggy wheels, he built his own scooter.

Fast forward to 1947: Ed had returned from serving in the Navy, and joined his father's company, which sold various commodities including industrial absorbents. Among these was a type of clay granule made from fuller's earth. One day a neighbor asked him for some sand to use in her cat's litter box as the ashes she was using resulted in sooty paw prints all over the house. Instead of sand, Lowe gave the woman a package of fuller's earth granules. After rave reviews from her and other neighbors, Lowe began marketing the material as Kitty Litter at pet shops and cat shows. Two years later, he left his father's business and devoted





himself to building demand for Kitty Litter. By the time he sold the clay division of Edward Lowe Industries (ELI) in 1990, the company had grown to about 600 employees and \$165 million in annual sales.

During his lifetime, Ed secured 32 patents, 115 trademarks and 36 copyrights. Many were related to Kitty Litter and Tidy Cat products, but others were not, such as a packaged firewood business, a method for plotting and disseminating data about violent storms, and an artisan glass company.

Heidi Connor, who served as the foundation's archivist, refers to a list of some 75 businesses that Ed owned. "It shows the diversity of all he did," she says. "Ed's unrelenting nature drove his success. Even when he was relaxing, his mind never stopped."

Long before the concept of kaizen was embraced by U.S. companies, Ed Lowe was a practitioner of continuous improvement. And as competitors entered his industry, Ed's passion for refining products and processes enabled Kitty Litter to maintain the lion's share of sales.

"Ed never stopped asking 'why?' about anything," says Darlene Lowe, his wife. "Why are we doing something this way? How can it be done better? He never stopped looking for a way to improve every aspect of his business and personal life."



"Ed was one of the biggest champions of the consumer," recalls Tom Kuczmariski, a marketing consultant and friend. "He wanted to make sure that all of his products were the best quality — from the ease of opening the package to making more healthful products."

With that in mind, Ed established a dedicated R&D center in Cassopolis, Michigan. Known as the All-American Cattery, more than 120 cats were "on staff" at the center to assist scientists with product development. Among the many improvements that ELI introduced were dust-free versions of Tidy Cat and Kitty Litter. In 1989 the American Veterinary Medical Association honored Ed for promoting cat health with these dust-free products.

Another example of his quest to "make the best better," Ed developed a "Green Hat" inspection program to ensure his plants were models of safety and efficiency. Wearing green hard hats and white lab coats, a team of inspectors would visit facilities at unannounced intervals and look for potential problems related to safety, maintenance and housekeeping. As a result, ELI plants became well-known in the industry as models of safety and efficiency — and helped maintain quality and cost-effectiveness as competitors began to flood the market for cat-box filler.

Ed possessed an exuberant personality and keen sense of timing that made him a natural born salesman. This was particularly helpful as he “put rubber on the road” to build the Kitty Litter brand.

To convince skeptical pet-store owners to stock his products, Ed would produce a small box of litter and then pour a glass of water into it, stirring with a stick until the moisture was absorbed. He repeated the demonstration at cat shows across the country, giving free product to show organizers in exchange for booth space. Within two years of launching his “dirt in a bag” Kitty Litter was available not

only in pet shops, but also in large department stores such as Saks Fifth Avenue, Hudson’s and Marshall Field’s.

National distribution also played a key role in Kitty Litter’s success. In the early 1950s, most cat-box filler was sold directly to small pet stores through regional distributorships. Yet Ed created an informal broker network that enabled him to scale sales quickly: After establishing 15 to 20 customers in a new territory, he would find a local wholesaler to buy a railcar load of Kitty Litter to supply those retail accounts — and open new ones. This enabled Ed to progressively tap larger markets, from local cat owners to



regional pet stores to mail-order customers and commercial accounts across the country.

In 1954 Ed launched a new brand, Tidy Cat, to sell in supermarkets, while he positioned Kitty Litter as a boutique brand for pet stores and veterinarians. Although differentiating a core product through branding is now an accepted marketing practice, it was a novel approach at that time. In addition to the Kitty Litter and Tidy Cat brands, Ed's company began to manufacture private-label cat-box filler.

Brian Zechman, an employee at Ed and Darlene's Florida ranch, recalls first meeting Ed in the 1970s while working as a stock boy at a Winn Dixie grocery. Ed wanted to know if the store had more bags of Tidy Cat than could be found on the shelf. "I told him we had a ton of it in the stockroom," Zechman says. "Ed then said something about not being able to sell it from the back room, and he ultimately convinced my manager and me to set up a large stacked display in the aisle."

Rather than using in-house salespeople, Ed established a network of independent



brokers, believing that they were more entrepreneurial. High-performing brokers were taken on annual trips, and destinations included Hawaii, Palm Springs, Bermuda, Brazil, Mexico, Switzerland, Spain, London and Germany.

An innovator in advertising, Lowe's Inc. began running television ads in 1977, which featured a cartoon cat named Charlie Chuckles. In the 1980s Ed appeared in his own ads, including television commercials,

which was a marketing first. This ran contrary to the advice of his ad agency, which viewed it as "vanity marketing." Yet Ed believed that linking his name with his products was about integrity, not vanity. "The public should know who is behind Kitty Litter," he wrote, "so they know who to blame and who to trust or not trust." The result: Sales soared, and Ed received thousands of fan letters.

Integrity also meant giving consumers the best possible products. From creating new types of packaging that were easier to open to developing new litter formulas that made cat boxes healthier for their users, Ed viewed R&D as the linchpin to support marketing efforts.

Often described as a demanding employer, Ed was an early riser. Out of bed by 3 or 4 a.m., he often phoned one of his staffers to bounce off a new idea.

“He set challenging, and sometimes unrealistic expectations, yet he was so charismatic that people wanted to do whatever he asked,” says Kathy Browning, the foundation’s director of administration, who began working for Ed in 1983. “He had a passion and drive that was absolutely contagious. You never knew when you got to work each morning what you might be doing. For the most part, it was fun. It was certainly never boring.”

A stickler about punctuality, especially starting time, Ed would sometimes stand at the main entrance or front door of the headquarters office and jot down employees’ arrival times. “While Ed was still alive, we set the clocks at the maintenance shop 10 minutes ahead,” recalls Mike McCuiston, a retired foundation executive who began working for Ed in 1981. “That way, the crew was moving around the property at or before regular starting time. They were also leaving 10 minutes before everyone else’s quitting time, but that didn’t seem to bother Ed.”

Ed also disliked long meetings, especially if they were related to financial matters. Nancy Goodrich remembers one meeting when Ed asked for the chairs to be removed from the

room. “Unfortunately, it didn’t move decisions along as much as Ed liked,” she says. “When people got tired, they found walls to lean against.”

Yet Ed recognized that people were his best assets, and he was on the cutting-edge of payroll, benefits, resources and incentives. For example:

- After purchasing a production facility in Tennessee, Ed immediately gave employees a 50% raise and provided them with uniforms and steel-toe boots. He also installed shower facilities and arranged for employees’ uniforms to be professionally laundered.
- Ed launched an executive wellness program, the “I Can’t Afford To Lose You Club,” which was featured in Time magazine in 1969.
- Ed was an early adopter of technology, and his employees always had the best and newest devices and computer equipment.

Ed had the ability to connect with all levels of his organization, not just managers, Wyant says: “He was famous for going into the plants and hanging out with the guys on the front lines. He did that intentionally to find out what was going on. The payoff was in spades because it resonated with and inspired a lot of people.”

Even though Ed wasn’t effusive when it



came to praise, employees say they always felt appreciated. Jay Suseland, the foundation's director of grounds maintenance, recalls that Ed was especially fond of haymaking operations, which were part of a horse-raising program at Big Rock Valley (BRV), Ed's farm north of Cassopolis. "Ed would often come to the barn to see the crew, drop off some drinks and chat about how it was going," Suseland says. "You could tell he was genuinely interested."

Perhaps a carryover from his Navy training, Ed liked things to be neat and orderly. This expectation wasn't just for office workers, but also extended to the production floor at ELI manufacturing facilities and later on, the foundation's grounds and building maintenance

crews. Suseland recalls that Fridays at BRV were dedicated "cleanup" days. At least one person spent the day washing all vehicles and heavy equipment. Afternoons were spent sweeping the shop and wiping down tools and saws. "It took a lot of labor to do that," Suseland says. "At first I wondered about lost time on other duties, but later saw how it increased our efficiency."

A master of management-by-walking-around Ed liked to drive around BRV in his Toyota Scout to survey the condition of grounds and structures. "He had a unique ability to quickly find any problem areas, even if they were few and far between," says McCuiston. "He would amaze me at what he could find."

Albeit known for his strong work ethic, Ed is equally remembered for his sense of humor and appreciation for fun.

Dick Follett, son of longtime ELI employee Bob Follett, looks back fondly on numerous times spent with Ed Lowe as a child, including visits to ELI production facilities. “Most of all, I recall Ed’s jolly smile and booming laughter,” Follett says. “He was a man who enjoyed life and lived it to its fullest.”

Employees recall elaborate parties, including one of Ed’s birthday celebrations at BRV, which featured a parade with employees from different departments making floats and wearing costumes that honored famous entrepreneurs. For Ed’s 60th

birthday, the theme was a child’s party, complete with pony rides. Guests dressed as six-year-olds, and Ed and Darlene surprised everyone by arriving in a helicopter.

In 1986 Ed hosted an “Alice in Wonderland” gala for senior executives and associates. Held at the Ambassador West Hotel in Chicago,

the event featured ice sculptures, a dance troupe and actors dressed up as characters from the Lewis Carroll book. Female guests received fur coats, and men were given silver medallions.

Not all the get-togethers were formal affairs, says Jim Dinges, who worked for Ed for 20 years.

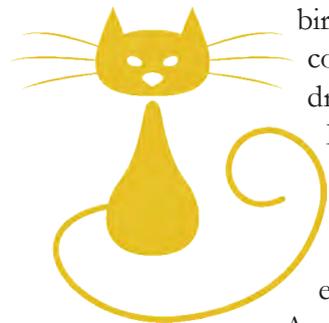
“Sometimes he would unexpectedly announce to us, ‘Shut it down. We’re going to the back room and have a party,’” Dinges says. “It was enjoyable to work for a CEO who thought of the employees. So many events brought all the employees together, and we felt like a family.”

The combination of a strong work ethic and joie de vivre is something that Ed and Darlene shared. “Darlene has a sense of humor that allows her to put up with and share some atrocious clowning from me,” Ed wrote. “She is the co-author of my infallible principle: Make a lot of love and have fun together.”

Ed first met Darlene, founder of an interior design business, while she was wallpapering a friend’s kitchen in the early 1970s. This chance meeting led to Darlene’s involvement in numerous projects for ELI. Ed and Darlene’s professional relationship eventually evolved into a personal one — and they married in 1976.

The two made an incredible team, observers agree, noting that Darlene had a calming effect on Ed. A true romantic, Ed often wrote poems in her honor and tucked love letters in hidden places for her to discover later.

“Ed often would be in the office and ask, ‘Where’s Dar’ or Where’s Peaches?’ (his pet name for Darlene),” says Goodrich. “When he found out where she was, off he would go. He never wanted to be far from her.”





Building a legacy

BRV traces its roots back to 1964 when Ed bought a 160-acre parcel of land in Cass County, his favorite spot for mushroom hunting — and pondering. Over the years he continued to buy adjacent land and eventually accumulated more than 2,000 contiguous acres of forest, meadows, ponds and streams. The property served a variety of uses over the years, including a site for some ELI offices.

Ed initially envisioned that ELI would go on forever. Yet in his later years, this desire shifted into a greater legacy: to support entrepreneurs facing the same challenges he had experienced.

“I realized I couldn’t perpetuate myself, but what could my life do to help perpetuate the breed called ‘entrepreneur?’” Ed wrote. “How can I

help him and her along, make it easier to be a success, to gain strength and recognition?”

With that goal in mind, Ed and Darlene launched the Edward Lowe Foundation in 1985. As the couple laid groundwork for the

foundation, they began to develop BRV as a learning campus for entrepreneurs.

“Ed wanted people to come to BRV — and for the foundation to be an operating foundation that could run its own programs,” observes Don Bauters, the foundation’s longtime CFO. Unable to secure IRS approval for this structure, the foundation first launched as a grant-making institution.

“Yet Ed was a fighter,” Bauters says. “He continued to appeal to the IRS, and in 1991 he was able to convert the organization into an operating foundation.”

In addition to becoming a quiet refuge for business owners, BRV reflects Ed and Darlene’s creativity and affinity for buying unique things and repurposing materials. Case in point: Five railroad boxcars were converted into sleeping quarters for guests, and the transformation of several pole barns created a turn-of-the-century small town, complete with its own tavern. Ed named the area “Billieville” after Darlene’s middle name.

With a penchant for operating heavy equipment, especially bulldozers, Ed cleared much of the Billieville area, along with many secondary roads throughout the property. Indeed, foundation employee Keith Green recalls that Ed once told him “other people play golf to relax. This is my golf game.”



The art of pondering

Although enterprising as a youth, Ed was not a particularly good student — something he attributed to having a “maverick mind” that frequently wandered in the classroom. For example, instead of focusing on a history lesson, he might contemplate whether a beaver could be trained to sharpen pencils.

“Studying is to follow the tracks of someone else. It’s like a street cleaner following the horses,” Ed later wrote. “Yet thinking is fun. Thinking is to use your mind like a muscle, shoving ideas and notions around like they were cartons to be loaded or unloaded from a dray wagon.”

As an adult, Ed’s cognitive powers became one of his greatest assets. “Ed was an unpredictable thinker... an independent thinker,” says Glenn Hansel, an ELI advertising executive. “He was not restricted by what was the norm. He could only see what was possible.”

“Ed had the mind of an engineer,” says Mike McCuiston, who served as the foundation’s vice president of physical resources for many years. “He could break down issues, functions and processes to lower basic levels and determine solutions. Ed was always wanting to find ways to make things better, stronger, more efficient — and he seemed to get great satisfaction out of finding a solution to a problem.”



To that end, Ed spent a lot of time in quiet reflection, which he referred to as “pondering,” and considered it a critical element in the creative process. “Creative people do not regard problems as irritations, nor perplexing,” he wrote. “They find problems interesting, even entertaining.”

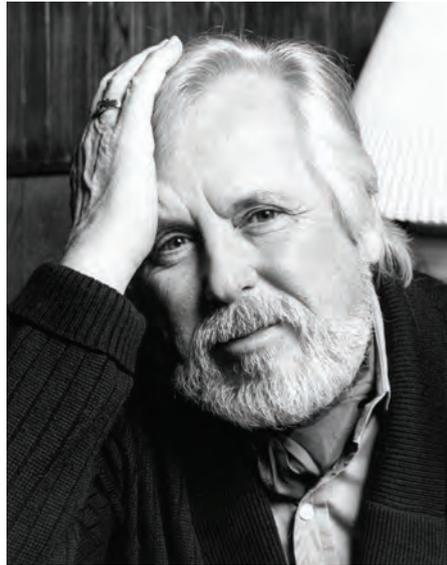
Pondering is not a procedure to be taken lightly or confused with mere thinking, he added. “When you ponder, your mind is used with a more in-depth concentration procedure... a time your mind communicates with you. Not *for* you but *with* you.”

Describing Ed Lowe in a few words is no easy task.

“In my experience, Ed was the consummate showman,” says Steve Quello, founder of CEO Nexus and an early adviser to the foundation. “At will, he could take command of an audience and dial things up a notch, but later turn the room over to someone else when needed. At the same time, he was a private man with an introspective nature and an ability to see opportunities that others often missed...a true visionary entrepreneur.”

“He was down-to-earth, comfortable in jeans and a baseball cap, and enjoyed visiting with a broad range of people,” says McCuiston. “Yet he was equally comfortable in a suit at high-level meetings or discussing complex engineering issues.”

Spending large sums of money on projects, and even going over budget, generally didn't bother Ed, McCuiston adds. “Yet he might get upset over the purchase of a small item or tool if he didn't think it was absolutely necessary. He would also get upset when he saw used building



materials in the dumpster — even if they weren't cost-effective to salvage.”

“Ed could have a hot temper and a short fuse,” agrees Wyant. “But he was quick to get over any irritation and didn't hang onto things or make it personal. I've always felt this was because he was so transparent and in the moment. He didn't have a filter and said exactly what was on his mind. The lack of a filter is also what made him fearless and gave him the ability to approach anyone.”

Although Ed occasionally had a gruff exterior, it was tempered by his extreme generosity. “Ed was a very humane person, who cared about everyone,” says Mike Ban, who joined Edward Lowe Enterprises in 1985. “He talked with people when he was in checkout lines, walking on the street, in the airport, everywhere. He always wanted to help people succeed in business, as he had. He wanted to help them with advice, money, whatever they needed to succeed.”

“There was a spirituality to Ed that few people recognized, but appears often in his poetry,” observes Jack Pycik, a longtime friend

and foundation board trustee. He points to one such poem entitled “I Thanked Him:”

*Yesterday left again
But tomorrow came around.
I paused a moment in between
To thank him for a sound.
I thanked him for the privilege
Of just this one more day.
I thanked him for the beauty
And that he let me stay.*

“The memory of a man who wanted to be ‘right with his maker’ still holds a firm place in my mind,” says Father Steve Gibson, a priest who spent a good deal of time with Ed. “Being with Ed Lowe was like being on an adventure,” he says. “The boxcars, Ed’s caboose, the western town: an adventure in every one of those places that could take you to another place in your mind you had never been before. Ed got a lot of joy from all the things that he had accumulated over the years — and he was anxious to share that joy with others.”

Gibson recalls Ed saying not to expect anything in return for their talks: “He wanted to make it clear that I wasn’t to be afraid to say anything I thought he needed to hear...that I had nothing to lose since there was nothing in it for me to begin with. Ed was wrong there. I had a lot to gain just by being around the man. Everybody did. You couldn’t help it.”



VALUES-BASED LEADER

“I always felt Ed was the real deal. He was not afraid to get his hands dirty, which impressed me. If he happened to be the first one in the office in the morning, which he often was, he would make the coffee or shovel the walk. Going forward I applied that to the way I handled my job.”

— *Jim Dinges, a former executive vice president at Edward Lowe Industries*

“You knew what his values were. He loved his country, God, the flag and people, and he carried those over into his leadership.”

— *Susan Kuczmariski, who served on the foundation’s board from 1988 to 1998*

A.J. Rassi recalls his first day of work at Edward Lowe Industries in 1992. A recent MBA graduate, Rassi anticipated a thorough introduction to Ed’s financial and strategic plans. Instead, Ed asked Rassi to accompany him to a local Boy Scout camp. There, Ed delivered a speech and financial contribution — and Rassi spent his time learning the Boy Scout oath and laws.

On the way back to the office, Rassi questioned Ed about the purpose of the day. “He asked me to recite the Scout oath and law, and then said, ‘Young man, if you will simply live each day with me by the code of the Boy Scout pledge that you memorized today, you and I will get along just fine,’” Rassi says. “Trust, loyalty and honor were values that Ed Lowe required of those that were close to him. On that first day, he made certain that I had a memorable lesson on how to be successful in life and career with Edward Lowe.”

“To the creative entrepreneur, the status quo is not a fixed inevitability. It is a target for change. The creative spirit never lets well enough alone.”

— *Edward Lowe*



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