



Oklahoma Bank and Commerce History Project

a program of the Oklahoma Historical Society

**Interview with Ken Fergeson
Chairman, NBC Oklahoma, Altus
OHS, 4/26/2010**

Interviewer: Michael J. Hightower and Rodger Harris

Videographer: Lanita Austin

Audio taped by MJH

MJH: Introduction.

KF: I was in graduate school at Texas Tech, working on a Masters thesis, and I made the decision that agriculture was not getting enough financing through commercial banking. I decided that I was going to get into banking and try to change that. I actually walked in over 300 banks looking for jobs. I had no background, didn't know anybody in banking, so I started from scratch. It ended up that I had three job offers: one in Houston, one in Memphis, and one in Oklahoma City. Parking was cheaper in Oklahoma City, so that's how I ended up in Oklahoma.

Actually, I got a job at Liberty National Bank, back when it was downtown. I soon discovered that agriculture was getting the credit it could stand. I got into commercial banking, I really enjoyed Liberty. I almost didn't get a job offer here. I was driving down I-40 from Memphis, back toward Lubbock, and saw this tall building, and I thought, "There ought to be a big bank there." I pulled in, and there was a guy named L.W. Miller in personnel. I got an appointment, and he stood me up. I waited for about an hour and a half, and he never came out. I told his assistant that I really appreciated his time. He tracked me down in a motel somehow, I stayed over the night, went back the next day, and ended up working there.

MJH: When was this?

KF: 1970. I started in 1971 at Liberty. It was a great time to be in Oklahoma. Everything was booming, there was a lot of building.

MJH: What did you study at Texas Tech?

KF: Economics. I did a Masters in Economics, and I was going to save the world. Instead, I just try to get by day to day.

It was fine. Liberty was such a great experience for me. I was very naïve... We sharecropped a farm, growing up. The difference between the richest person and the poorest person was about this much. [held hands close together]

MJH: Was this in Texas?

KF: Yes, I grew up in West Texas. A little town called Crowell, Texas. It was kind of in the center of everything—100 miles west of Wichita Falls, 100 miles north of Abilene, 180 miles east of Lubbock—kind of right in the middle of everything.

MJH: So your father was a sharecropper?

KF: Yes, in fact, we sharecropped the banker's farm, so that was the closest thing I ever got to a bank.

MJH: What was your share?

KF: For wheat, it was a third, and for cotton, it was a fourth. We just had one little farm, and we rotated crops. My father didn't believe in idle hands, which was good, but it really encouraged me to go to college. I promised God I would never go back. But it was good.

I tell the story, one reason I ended up in banking was we had an old dirt cellar that had a tin door on it. A storm came and blew the door off. So the banker came out, Mr. Kincaid—he drove something like a 1950 Chevrolet, one side was brown and the other side was green, I still remember that. He and my father negotiated for about two months about who was going to pay for the cellar door. After two months of negotiation, we provided the hinges and the nails, and he bought the piece of tin. So I thought, you know, I'm probably on the wrong side of this equation. So I ended up in banking.

MJH: Was a home provided?

KF: Yes, they had a home, and a barn, 320 acres. We laid out 20 acres of cotton, 20 acres of wheat, a little pasture...

RH: Do I remember that's where all the little lakes are after a big rain?

KF: No, that's more up on the high plains, in the Lubbock area. This was just dry land farms. We actually had to haul water to town to have water.

MJH: Tell me about the training program at Liberty.

KF: Well, it was great. They hired tons of trainees, which was probably the only reason I got a job. They put you through all the operations. I was a teller for a day, I was in the back room clearing checks. We didn't know anything... They had this big table, and the checks going to Memphis would go over in this square, and the checks going to San Francisco would go over there... Of course, we were so dumb... but they all ended up somewhere.

So I got trained there. And mostly, after you did that for a couple of months, I went into credit. I spent half a year analyzing financial statements, and half a year in grading loans. It was really a great experience. I saw credits that a lot of different loan officers made, and how they were approached, and then I got to go really in depth in credit construction lending (*unclear*). Different kinds of lending. It was good.

MJH: Who were your primary borrowers?

KF: Not much ag. The only ag that Liberty had was through correspondent banks out in the country. Although, I guess one of my first jobs as a commercial lender... They knew I grew up on a farm, so they assigned me to limited partnerships that raised exotic cattle. It was really a tax dodge back in those days. CPAs would set you up in these partnerships, and you'd get a real fast write-off. They bought ranches all over. And Liberty—it might have been Homer Paul!—I don't remember who made the loans. But we had these limited partnerships all over southeast Oklahoma, that nobody knew anything about... I spent several months out there, trying to find out what we had. We the cattle pregnancy tested... Luckily for the guys that bought the ranches, the land appreciated enough to bail us out of the cattle loans. It turned out pretty good.

But we had a lot of construction, a lot of big contractors, borrowers, everything from wholesale liquor to department stores...

MJH: So how long were you in that department, credit analysis?

KF: About a year. And then I ended up in commercial lending. Did that for about 4 years, then went into correspondent banking. It had a big turnover, a lot of people had left.

MJH: Tell me something about correspondent banking. Who were your primary correspondents, what kind of business did you do?

KF: We were the banker's bank for those correspondents. I had mostly west of I-35—Kansas, Oklahoma, New Mexico, and Texas. We had accounts everywhere that C.R. Anthony had a store. When he opened a store, he opened a checking account at the local bank and made that bank open an account at Liberty. So before we'd go out on the road, like to the valley of Texas, I'd go by and see Mr. Anthony, and he'd tell me stories, and I was supposed to check with his people too, make sure they were doing right, and that their bank was keeping the right amount of money. He was a great director.

Some of those relationships turned into really good correspondent banks. I remember First National of Midland started out as a C.R. Anthony account. We bought a lot of oil and gas loans from them—loans that were too big for them. We made a lot of loans to bankers to buy banks.

MJH: That would have been...

KF: Mid seventies. I left Liberty in 1979, so that was probably 1974 or '75 to 1979.

MJH: How did bank laws change during that period? Branch banking was beginning to come into the picture. How did that change your correspondent relationships?

KF: When I was there, this was still a unit bank state. We had single bank holding companies. So mostly, individuals owned one bank. Texas had started to change a little bit, w/ multi bank holding companies. Of course, it created more business for me when multi bank holding companies came in, where one holding company could hold more than one bank. People like Gene Rainbolt, through use his holding company, would buy other banks, and they would need financing. So we helped finance a lot of those.

MJH: Did you actually visit most of those?

KF: Every one. I had 500 accounts. I would leave Monday morning and come back Friday...I drove 50,000 miles a year.

MJH: Did you drive your own car?

KF: No, Mr. Bolen, who was on the board, made sure that we bought Oldsmobiles...We wore out Oldsmobiles.

MJH: You didn't have any (cell) telephones...

KF: We didn't have telephones. We had tape, not like your tape there, but...what did we call them...Dictaphones. I would take those and mail them back. Liberty had a whole floor of transcribers. Even when I was in commercial lending we did the same thing. We would transcribe through the phone system. The next morning they would be typed and laying on your desk. Really nice.

We used this system for meetings, call reports, notes, the things we did. Liberty was really big on documentation, really big on calling on your customers and knowing your customers. You could drive and make notes at the same time.

It really was efficient. My whole life, I have banked in the car. Still do – I still put 50,000 miles on my car.

MJH: So you were at Liberty for 8 years?

KF: 8 years.

MJH: And then?

KF: Then Mr. Champlain, who owned a bank in Enid, and who was one of my customers, called and wanted someone to take over their lending. So I went up there to take over the loan department at the First National of Enid.

Again, another great experience. The Champlain family, of course, has deep roots in Enid. Lots of interests. Bud Champlain, who was my main contact, was a really smart man. Went to M.I.T. He had a habit of reading three or four books at once, on different subjects. He would talk to you, and he would intertwine a philosophy book and an engineering book and a history book—so I never knew exactly what the Hell he was talking about. Really interesting guy.

But it was a lot of fun. Enid was a welcoming town, as you can imagine for those western Oklahoma towns. It was great.

MJH: Did you have an interest in art before you worked for Champlain?

KF: Not really.

MJH: Did they encourage it?

KF: No, they were more into making money. My job was to make money.

Liberty taught me to give back. Their requirements for giving back to the community were pretty intense. Number one, you had to participate in the United Way. I think I was the first loan executive that Liberty ever had to...I was not much of an executive, way down, so they could spare me. I went out and did the United Way. They were encouraging to get involved in the OBA, so I did that. I was chairman of the young execs for the OBA which was quite a treat for me, and I think it was good for the business and correspondent banking. I got to meet a lot of bankers.

MJH: Did you ever serve as president?

KF: Yes, it's a small state, and everybody has to take their turn.

The Champlain people were the same way. They were very involved and encouraging...

MJH: From your experience, could you generalize and say that that is common in Oklahoma banking industry?

KF: I think so. I think it's common to banking. I have travelled all over the United States, talking to bankers, and they all want their towns to grow and prosper. One way you do that, of course, is making sure that charitable and social organizations do the best that they can for the community. Bankers are very innovative—they are good at promoting...I met a banker one time who had a soft spot for community theater. So he underwrote a play, and he had people bring food that went to the food bank to get into the play. So he helped three charities at once, and he promoted the whole thing.

MJH: How long were you in Enid?

KF: We were in Enid for 6 years. From 1979 to the end of '85.

MJH: You were there when things got rocky in the oil patch.

KF: A little bit, but things were still pretty good when I left. I stayed on the board after all that. It got really rough about 3 years after I left. The bank ended up closing.

MJH: Was it bought by another bank?

KF: No, it just closed down. Everything was auctioned off, and brought 90 cents on the dollar. The bank was not in that bad a shape. Early on, I don't think the chains knew what to do yet. This was right after Penn Square.

MJH: Were most of your loans in agriculture?

KF: Most energy, but some ag. We had an ag lending company that only made ag loans.

MJH: A separate company?

KF: A separate company. In fact I set it up. I designed it so we could go and borrow money through the federal farm credit system.

MJH: So you left in 1985 and went to Altus. Which bank were you with in Altus?

KF: National Bank of Commerce...[reference to conversation earlier in the hallway w/ former customer]

Another one of my customers called one day and said, "I'm tired of banking and I'm ready to get out, and wondered if I knew someone who would like to buy the bank. I called him back that night and said, "I'd like to buy the bank. I just don't have any money."

It was a pretty small bank—probably \$35, \$37 million at the time. So I used every trick I had learned back in my Liberty days to finance the deal and but it.

MJH: So it had about \$37 million in assets?

KF: Total assets. The bank is right downtown, on the northwest corner of the square. There's an old building—The Gosling Building—the TG&Y Gosling building. I guess he built buildings all across the state. It's a thirties-era building. We have the original plans.

MJH: So far, you'd been at Liberty and in Enid. How did your experience in Altus differ from those experiences?

KF: Altus was pretty small and really hands-on. I didn't have people working for me to make loans. I had to do them myself. Luckily, there was a president in place when I bought the bank who agreed to stay. He stayed until he retired. Bill Carson (?). Bill comes from a banking family out of Stilwell, Oklahoma. His dad had run that. His older brother stayed

and ran the bank after him, so being the younger brother, he had to go find a job somewhere else. In 1958 he ended up working for the (?) family. We will be honoring Bill at the OBA meeting. He's a quality guy.

MJH: Tell me about your activities in community development.

KF: The smaller the town, the more you need volunteers, especially if you're new. Fresh meat—all the charity organizations pounce on you to get on their boards. In fact, that's kind of where my arts interests came in. I agreed to be on the Shortgrass Art Community Board. I had just joined the Board, and the president and president-elect left town, and all of a sudden I was president. So I was thrown into the arts organizations.

Again, wanting to build the town, I agreed to underwrite bringing the Oklahoma City Symphony to town. The organization had no money, and I said, "I'll guarantee that we'll pay them, and we'll go sell tickets." Well, as soon as I guaranteed, they quit selling tickets. That was a good lesson!

So my big goal then was to make sure that organization had a fund, where they could do their own guaranteeing. They're in great financial shape now.

MJH: Did you have correspondent relationships there too?

KF: A little bit. I was so small, I couldn't do much to help banks, but I did help finance other people who were buying banks. This was kind of at the tail end...I might have gotten the last bank stock loan in Oklahoma. After that...well, the eighties hit, things really got tough.

MJH: Tell me about your experience of the eighties.

KF: We were lucky and unlucky. There wasn't any oil and gas play. Our only problems were ag problems that we had, but we worked through all of those. But we had no oil and gas.

MJH: I imagine there was increased paperwork...

KF: It was somewhat of a problem. Where I noticed it most was after we bought a failed bank in Enid in '87, I guess, at the encouragement of the FDIC. They wanted you to go out and buy these banks, and as soon as you did, they'd say, "You have all these bad loans on your books," and I'd say, "Yeah, we bought 'em, because you wanted us to!" So there was lots of paperwork—all these activity plans you had to submit every month to tell them what you were doing to help those loans. But it turned out great for us.

RH: Your ag loans were mostly in the mortgage area, so you didn't have any problems...

KF: We had some. During the eighties, agriculture was not as well capitalized as it should have been. Farming right in the Altus area is a lot of irrigated cotton. We irrigate out of the lake. It's about 50,000 acres. It takes a lot of money to manage an irrigated farm. So we had loans that were stretched a little bit. But we worked through all of them. No

charge-offs, but we had slow pay, and we ended up getting government guarantees on a few that have now worked out and they've done real well.

RH: How about Altus in the eighties and early nineties?

KF: Mostly our business would be Air Force related. We have the branch on the base. The Dover family was very influential in getting the base and maintaining the base. So we inherited that heritage. So we have always been very active in the military. I still remember when Dave McCurdy, Congressman in the old Tom Sneed district that included Enid, Altus...all in that one district, and Fort Sill. Dave McCurdy was really good about going to California and meeting with military contractors and trying to get them to come to Oklahoma. If they were going to build a satellite office, he tried to get them to come to Oklahoma. I went on lots of economic development trips with him.

And that brings me back to art...We would go out to talk to one of these New York-listed companies...You know, if I went by myself, I'd wait for hours to talk to the assistant to the assistant...But if McCurdy would go with you, they'd wind up waiting on you. We'd start talking, and we were well prepared about what we could offer in the way of tax forbearance, or for what the city could do...But they didn't really care about that. They just assumed that. What they wanted to know about was the quality of life, education possibilities for their employees...It really taught me a lesson about the importance of the arts and culture for outsiders.

MJH: What was your experience with branch banking?

KF: I mentioned that we bought a failed bank in Enid, and then we bought a failed savings and loan. We bought a good bank in Oklahoma City. It was a unit bank but you could have multiple banks under a holding company. We wanted to get to Tulsa, and the law wouldn't allow you to branch. So we moved our headquarters to Tulsa, and you could branch back to your home.

MJH: So you bought a bank in Tulsa?

KF: No, we started one.

MJH: Which one?

KF: NBC. We moved NBC to Tulsa and branched back to Altus. That's what people were doing at the time.

We maintained two bank holding companies for a long time. A couple of years ago we merged that into one. We made everyone's life a little simpler.

MJH: How about the 90s? You had been with NBC since about 1985. You still had the bank in Kingfisher, Tulsa...

KF: Right, Enid, here [OKC] and Altus... We had one in Duncan. We sold that. I was going in as chair of the ABA, and I thought, if I was going to chair a national banking association, I wanted to be squeaky clean. And again, when you start with no money, you always need capital, and I have always stretched the limits to the maximum.

The Duncan bank was the last branch that we did, and it was sort of a stretch. I sold that to the guys that were running it for us. But my numbers looked perfect.

MJH: So you were Chairman of the American Bankers' Association?

KF: That was in the mid 1990s.

MJH: Tell me about that experience. What impact did that have on your career?

KF: I think it broadened my vision of what banks are. I have met a lot of bankers, and every bank is different. We all make money differently, post things differently...

That was three years, not of Hell, but three years of hard work. When you agree to be chairman—or rather, run for the office—it's kind of like the way you'd cook a bug. You warm the water, heat it up, and they don't know to jump out. The first year wasn't too bad, the second year was pretty bad, and the third year was unbelievable. I still remember that last year, I was home one night in two. I traveled all the time. I spoke in every state except Alaska. I spoke in Prague, Berlin... I went to Russia, I went to China. There was a lot of travel.

Back to my old Liberty days, I learned to work from my car and do long distance stuff. By phone and now by email, you can do a lot and not have to be at your desk.

I think we do more with less now. We have probably less people today per dollar deposited than we did.

MJH: What have we gained, and what have we lost, with all these advances?

KF: There has to be some loss of personal knowledge and personal involvement. At Liberty and Enid and Altus when we first started, I knew our customers intimately. I'd go to dinner with them, I'd go on vacations with them, I knew their kids and they knew my kids. So you kind of know before they ask what they need. Today, our loan officers handle so many accounts. It's more reactive than proactive. So you lose some of that.

Of course, branch banking, I think, is really going to be hard on small towns, because you take out that decision maker from the small town. The town of Cordell, I can think of, had home town banking, and now they're all branches. I remember those old-time bankers who just did everything for the town, to make it better and prosperous and grow. Now, if you just have a branch manager who's there for three years while he gets his resume together to go up the ladder—he's not going to make any waves, he doesn't have the authority to stretch...

MJH: A lot of people opposed branch banking for the reasons you describe. Do you think those fears have been born out?

KF: I think so. It's not wrong to have multi-banks and branching. I think we in Oklahoma entered it so late that we don't have big banks, like the Carolinas and California. I think we suffer a little bit from that. But the banks we do have are good contacts. But it's not the same. A branch manager just doesn't have the authority to do something that's in a foreign way.

The same is true in our telephone systems, our gas systems – they have all pulled out managers from small towns.

MJH: What are the challenges and opportunities, particularly with respect to the Great Recession of '08? How has that affected small towns?

KF: I think Oklahoma is lucky in that we are isolated somewhat. We were always last to get hit, and last to come out. I don't think we go as high in the boom times and go as low in the bad times. I do think the eighties taught a lot of us a lot of lessons about analyzing our customers better. I think our customers are in much better shape. They're not as leveraged going into this recession as they were in the eighties. So I think we have a better quality of customers. I think banks are better quality, maybe, than they were then.

So, it's really bad. I take offense listening to the radio coming up today, and they were talking about how bad the banks treated everybody, and basically they were talking about stock brokers and insurance companies. They're not talking about traditional banks. So that bothers me some. I started using the term "traditional banks."

MJH: So, do you think banking per se has been painted with a pretty broad brush?

KF: Oh, it is. We try and try, through the ABA, and we've asked the Obama Administration, to differentiate between traditional banking and banks, and he did really well for about two or three months, and now he's back to his "banks." It's just too easy to say, "bankers."

MJH: How about economic illiteracy? Is it the media's fault? Education's fault? How do those perceptions get built?

KF: All of those are true. I don't think it's any worse today than it's ever been. Everybody's never been financially savvy. We don't teach it in schools, high schools, college... We just throw you out there. It's kind of like sex education when you were a kid. You learned it from other kids. That's not the best place to learn it.

The ABA has a really strong program for bringing financial education into the schools. We try to do our part. But the schools only have so many hours, and they have things they have to do, so they really don't want anything else. So we try to bring the program there, and try not to interfere with their daily activities.

That's for lower grades. For high school, in the fall, we have a program to teach them choices: What do you want to do in life? What are you going to make? If you want to be a bus driver, bus drivers make this kind of money, so where are you going to live? Just making those kinds of choices... That's personal, but I really—maybe because of my economics background—think everybody should have to take economics and understand, at least on a macro level, what makes this country work, and what makes other countries work...

RH: Is there a difference between, say, the community banker of the sixties and seventies, and the banker today, in terms of their investment in their communities, personal time?

KF: I don't think so, from an ownership perspective. I know that I spend more time and more energy where I live than I do in Enid or Kingfisher or Oklahoma City, although I try to look at Oklahoma as a whole. I try to do everything I can to make Oklahoma better. There's a theory that a rising tide lifts all boats.

But there is a difference. When I was a little kid growing up in Crowell, Texas and went to college, the banker sent you your bank statement when they filled up the ledger sheet. You could be overdrawn for weeks and not know it. And then all of a sudden you're in a panic. I think they took care of you, they knew who your folks were, they didn't worry about that so much, and now we're pushing more of that back on the individual, hold you more responsible, than old-time bankers did.

Again, I have less people, I try to do more with less.

MJH: Do you want to say anything more about the organizations you're with today, and how those relate to your banking career? As you said earlier, from Liberty Bank on, you have been encouraged to get involved in your community. You have done the same with the banks you have headed up. Is that something that continues, plays a huge part in your life, and do you encourage your employees to do the same?

KF: I do, and I was trying to remember the number as you were speaking. I write a letter to our customers every month. Last month we were talking about giving back and the arts. The Oklahoma Arts Council just did a study on the economic impact of arts in Oklahoma, and I was writing about that, and our employees are involved in 280 different non-profits. I'd have to look to see how many hours they put back into their communities. There are only 140 of us, but they do a lot. I have always done a lot, and I think it's just my background. I can be a long distance from the bank, and I'm involved in way too many things.

In the early – mid eighties, Bellmon started the Oklahoma Academy of State Goals. It was kind of a think tank. Henry was really big in trying to force Oklahoma to think down the road. I really admired that about him. The first one I went to was in Norman. He had hired the Hudson Institute to see what Oklahoma would look like in 2020. As I was walking into the presentation, they had a map of Oklahoma and had a line from Tulsa to OKC and OKC to Dallas. They said, if you live outside that line, you're screwed. I had just bought the bank in Altus, and I said, "oops!" Then I thought, if I'm not at the table, nobody's going to think about Altus. There's no reason for someone else to take care of

me. Somebody has to do it, and that's when I started getting involved in statewide organizations—to make sure that Altus was represented.

MJH: Do you think that has been more effective for you than getting directly into politics?

KF: Yes. My wife tells me I could not be nice enough for long enough to run for office. I don't think that would work at all. I have a bad mouth, I say things without thinking... I know a lot of politicians, and I have a rule I refuse to break: I refuse to support more than three people for the same office. I draw the line.

You have to make friends. You have to the ear—especially in these times, when money is so tight—if you're not able to explain your position...it's like being from Altus, you're going to be left out. I have always been reactive to politics.

MJH: That brings up something you have touched on: we have splits between rural and urban, rich and poor, and so forth. Can you comment on that, from perspective of a small town?

KF: You are very right. In Oklahoma especially, the R and D's are not very different. The most liberal Democrat in the state would be similar to a liberal Republican in other states. I am personally a Democrat, but I think of myself as very conservative, maybe a little more liberal socially than some of the others. But there's not much difference between Republicans and Democrats in Oklahoma.

But there's a big difference between rural and urban. I think maybe the biggest fight, as we lose influence with term limits—we used to elect a senator or a representative and they stayed until they died—where urban [voters] turned them over a little faster. So we had more influence in rural areas. That's gone now, with term limits. I think that's going to be a definite. The population is going to the two cities. We will continue to lose population west of I-35. I think Elk City is the only town that's grown since 1990...It has oil and gas and it's on I-40.

So that's a problem. Oklahoma has a problem too in its two ends of the turnpike. I was in a meeting one time, and the topic was the turnpike wars. I heard the Tulsa people claim, "We don't get anything," and the Oklahoma City people claimed, "It should be here where the capital is," and I couldn't help but say, "I live in Oklahoma City, and it's like being in bed with two elephants making love. You just know you're going to get hurt." If Oklahoma City gets something, then they have to get something, except I have to pay for it.

I don't know why we can't seem to take the "Henry Bellmon long-term look" and say, "We need one college that does this, not three or two." But we're a populist state, and we have to know that. *Laughter*. I guess that's a spillover from when [Altus] was part of Texas.

MJH: Do you see any initiatives out there to try and bridge that gap?

KF: There are a lot of things that are very positive. The Academy for State Goals that I chaired a few years ago is one of the few bi-partisan or non-partisan organizations that

really looks at issues and then tries to do something about them. There are think tanks that are more partisan, and I tend not to pay much attention to them. You know what their conclusions are beforehand.

There are some wonderful things. I am chairing the Creative Oklahoma Initiative. We're hosting the World Forum for Creativity in November [2010] in Oklahoma City. There are 13 creative districts in the world, and we're the only one in North America. I think bringing Europe and Asia here is going to give us a chance to tell a lot of people that Oklahoma is progressive. They can see Oklahoma City and what we have done, what we do for creative things. That's another unique thing we're doing.

OMRF is truly unique for this part of the world. The Oklahoma Medical Research Foundation. We take no state or federal dollars other than grants that are competitive. There's nothing like it. I have friends who donate to OMRF because there is no place where you can do that, where every penny of your donation goes to research. Every penny. It's a unique place, and it comes about because of the Chapman Trust, they pay all of the overhead. What they're doing out there... We talked about Dr. Tang (?) earlier. It's amazing—every time I go to a board meeting, we talk about discoveries. They go down this path, looking for something, and all of a sudden, they bounce over here and say, "Oh, we can do this." It's a great organization.

What George Kaiser and his wealth are doing for Tulsa... I do wish he a little bit broader scope. I don't blame him. He lives in Tulsa, and that's where his interest is. But there are only three million of us in Oklahoma. We need people like him to take a leadership role statewide, and not as locals. We have the same population as San Diego—the whole state does. San Diego supports one zoo, and we support five. They have one symphony, and we have six. We have 280 museums—we have more museums than New York. It's amazing what goes on here, but it's all spread out.

And we only have 80% of the disposable income—the national average. And we do that through people giving back.

MJH: Most economic indicators put us pretty close to the bottom... Do you see that improving in the next 3 – 5 years? Are enough of the kind of initiatives you are talking about?

KF: Possibly. I don't know who came up with it, Governor Henry maybe—boomerang, maybe you're part of that—getting college-educated people to come home. It's really great to have people who come home. I just got back from Quartz Mountain, they have a symposium every year, and there were four or five people who had come home after a career or maybe a trip somewhere, and they came home. Two or three of them came home because of the boomerang initiative. Again, I'm not sure who did that, I just heard about it... They call people from here to come home, start a business, get a job here. The commitment that Larry Nichols is making in downtown OKC at Devon—that tells me that commitment is here, and those jobs are going to be here. And Devon may not be unusual.

MJH: It seems that you're pretty optimistic.

KF: I am optimistic. We are a poor state. What little wealth we have is spread over a big geographic area. We need for college graduates in our state to be doing things. We need to be a little more progressive. At the legislative level...The State Chamber puts out a little book that rates all fifty states in lots of categories, and we're always really low in taxes. But we're really low in education, and high in things you don't want to be high in: drop-outs, teen pregnancy.

We can do it.

I have a wife who keeps me humble. I have two children, one in Virginia who runs a little art gallery outside of Richmond – Farmville...Discussion of family. I have a daughter who's a school teacher in Dallas. Wife from Crowell, Texas as well.

I think I've chaired every state organization...

I serve on 31 boards. There's not much time for golf or fishing. A lot of windshield time.

Mention of the breakfast club in Altus w/ Tal Oden, Herschal Crowe, and others. Spoke about Dick Moore (deceased), great thinker.

General discussion of his friends and accomplishments.

End