Redeker, Jerrald H Oral History Interview: Business and Industry in Holland

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Interview with Jerrald Redeker

Interviewed by Anna Holt

June 16, 1999

AH: This is Wednesday, June 16, an interview between Anna Holt and Jerry Redeker. If you could start by telling me a little bit of your personal history, when you were born, where you went to school...

JR: I was born [date removed], 1934 in Waupun, Wisconsin, first son of Samuel and Laura Redeker. Waupun is the prison city of Wisconsin. My father had a men’s clothing store. This is right coming out of the depression, a small farming community. I have one sister who still lives in Waupun, she’s five years younger than I. I went to Waupun High School, graduated in ‘52, came to Hope College, graduated in ’56.

AH: Could you tell me a little bit of background about the Old Kent Bank in Holland?

JR: The Old Kent Bank in Holland was, when I was here as a student at Hope it was then People’s State Bank, which there were about twelve People’s Banks I guess, in the state of Michigan. In 1974 when I came here it was still People’s Bank. It was one of the first four banks in the Old Kent Financial Corporation Holding Company; Freemont, Cadillac, of course the main bank in Grand Rapids, and Holland. Mr L.C. Dalman, Curley Dalman, as we called him, was president and Mr. Clarence Klaasen was chairman of the board. Each of those gentleman had about thirty-three years, I think, with the bank. They had started out together, well-known, had been involved in the community. We were giants in the banking industry and a leading
financial institution in Holland, Michigan. I was thirty-nine years of age at the time, had had previous experience with Old Kent Bank. I had started with them in 1960 in Grand Rapids, Michigan as a trainee and then subsequently left them and had other positions. This was a nervous and formidable beginning for me in 1974 in Holland, Michigan, to follow these two gentlemen because I came in as president of the bank and there were officers who had been here for twenty-five years or more who were in their mid-fifties. The task then was, I was new in the community, unknown. This was a very, very homogeneous community. In fact, Mr. Dalman told me when I sat down with him, he said, "Jerry, you'll find out that Holland is unlike any other community." I did have some relatives here, I had my four years of college experience here, not that that did me a whole lot of good. I was the new kid on the block. That's when I came in '74. That's when the holding company was just being formed.

AH: So when you came in '74, you came in as president?

JR: Yes, which was somewhat unnerving I think to a lot of the people who had been here. Mr. Dalman's son, Curley Dalman's son, Ron still is a leading attorney with Cunningham and Dalman PC, at that time it was Boder, Dalman, Murphy and Bidol. At one time I think he entertained the thought of being president of the bank. This was a real challenge.

AH: What happened when you first started at the bank? Tell me about developments.

JR: Well, I remember going down into the basement of the main office where I met all of the other officers. I was introduced by my former supervisor at Old Kent Grand
Rapids, that's how I got back here, and was wondering how they would accept this very young kid with all these people with banking experience. I remember very clearly that first day saying, "I really need your help and your assistance. We'll go through this together. I'm not here to disrupt anything, I just want to make a good showing for the bank and for myself." Of course, I knew the philosophy and the officers of Old Kent in Grand Rapids, now Old Kent Financial Corporation. I knew them well. I knew what they expected and I knew that I had their backing, which really gave me a lot of confidence. Nevertheless, working with probably a staff of around fifty or sixty people at that time was formidable. I had been president of one of Michigan's smallest banks up in Charlevoix, where total assets - this is laughable - grew from a million to eight million during my five and a half years there. People's Bank in '74 had total assets of about sixty-five, sixty-six million and had at least two or three branches. We had no branches up at the bank in Charlevoix. This was kind of a testing of my management and personnel skills. It was interesting because Mr. Dalman had his office in the lobby, right smack dab in the middle of the lobby, off to the right in the main office of the bank. I will never forget, here was a gentleman, all of this banking experience and I came in and that first day we sat down, he was in the president's chair, I sat next to him. I'll never forget, to this day, Mr. Dalman got up and said, "Here, you're president of the bank now. You sit here and I'll tell you everything I know." To his credit, from that time he just filled me in with relationships, with all the knowledge which he had, which is formidable. That was invaluable to me. Also, the first day I was there, there had been a threat made on
Mr. Dalman's life, this was my first day in the bank. Back in '74, which doesn’t seem that long ago to me, but we didn’t have real sophisticated equipment, and they had a short cord similar to what you’ve got here, attached to the earpiece of the telephone. Mr. Dalman had put the telephone, or recording mechanism in the top drawer. When the phone rang, I remember the first time I picked up the phone, that cord was very short and I knocked the telephone out of my hand. [laughter] But anyway, we got through that, nothing was ever done with the threat, thankfully. That was my first day of experience. It was kind of bad - having a threat, to the very good - this wonderful, knowledgeable predecessor who could have elected not to give me the time of day, chose to tell me everything that he knew. And he had a wealth of information about the community. We had a gentleman who was vice president in charge of operations of the bank. He ran the bank, in my judgement, out of fear. There had been many, many long term employees, very faithful to the bank, that was their life’s career. I wrote a memo concerning certain practices (this was maybe after I’d been there three months) that we should follow. I remember in his own way, apparently he went down to one of the tellers - as we called them then, now we call them customer service representatives - who’d been there many, many years. It was a reimbursement check from an insurance company. He had been in the habit of taking these down and the tellers cashed them. They knew it was not the right thing to do without an endorsement on there, the money should go back to the bank. That was the reason for my memo, that this had to be reimbursed to an expense account. He went down Friday night and said to this teller, "Cash it". She said, "Did you see
the memo from the new president, requiring your signature?" He said, "I did. Cash it", without signing it. I'll never forget, that Friday night this teller came up after she did that. She was just a nervous wreck, she was in tears. She still didn't realize the transition that had taken place. She said, "I am going to be fired from my job for doing the right thing." I said, "You're not going to be fired at all." [I] asked her what happened. I said, "You go home, take the weekend off" - we weren't open on Saturday - "Get yourself composed." I went to the vice presidents office and said, "Until further notice, you are suspended." Remember now, he was in his mid-fifties and had been here between twenty-five and thirty years. I was thirty-nine, forty, had been there just a few months. I told him not to come back to the bank. The one thing I didn't do was to take the key. The next morning this vice president called me from the bank. I immediately went down there, we had a confrontation, I called up the auditor - who was mowing his lawn that Saturday morning in Grand Rapids - he came down. As a result he was the first vice president that I had to fire. Not a fun thing. Subsequent to that, maybe a year, year and a half later there was another vice president who had been there a similar amount of time, kind of co-workers with all these people, from the same era. He wanted to implement a program at the bank, he was a department head. I said, "Fine, go ahead, but I think that this is not legal, but check it out." He was a department head and my theory was, I'm not going to do these people's work for them. I'm a great delegator, let them go ahead, let them get the credit. He came back a few days later and said, "Yup, everything's clear." I said, "Fine." We had a big breakfast for the auto dealers at the Holland Country
Club, balloons and whistles and everything. I think it was about a day or two later, I got a call from one of our competing banks who said that they were going to call the Financial Institutions Bureau because this was illegal. I called the vice president in on a Friday afternoon, after checking with Grand Rapids and telling them what had happened. I said, "I'm sorry, but you're done." My parents were visiting from Wisconsin that weekend at our home here in Holland and within ten, fifteen minutes after I left the bank that Friday night and got home, this vice president's wife was already at our home. Here were my parents, we were ready to take them out to dinner. She was yelling at me, saying, "What do you mean? My husband has been at your bank for over twenty-five, thirty years, he's only a few years away from retirement." These people just did not understand that we were no longer in the era of longevity - if you behaved yourself or did a few things wrong - but we were in era of based on merit, promotion on merit. I'm not a patient person. My reaction is to yell and scream and say, "This is my decision." But that night, I guess it was a God given ability just to try to counsel her and calm her down. I asked her if she wanted to go into the living room. Of course my whole family was around, so we went out on the front porch, outdoors. I tried to reason with her, there was no reasoning. After about a half hour of this, she told me where I could go and she very angrily went off to her car. I heard this whispered voice from a screened window, just one floor up in our home, say, "Way to go Dad." My son had been there by the window, overhearing everything, this conversation I had with the wife of the vice president I just had to fire. That I guess, taught me a lesson to this day, no matter how angry or
upset you are, how unjustified you feel some of the actions of the people who are hurt, you still have to treat them with respect and dignity. It's a story that my son and I still talk about. Now with two vice presidents gone within a period of two and a half to three years, it got back to me that I had come in here as a hatchet man for Old Kent Bank and was going to clear things out. Nothing could have been further from the truth. I came here to do the job. I told all of these people that I really needed them. Then we had a third vice president, who was at that time was of the same age and so forth, same era. He was getting very nervous, he thought he was going to be the next to go. I said, "Just continue doing your job, do it well and you have nothing to fear." Thankfully he did do his job and he had nothing to fear. He stayed with me until retirement. Going back, you asked me about when I first came here and I was telling you about that first office there in the lobby. When I got to know a few of the customers, I couldn't get any work done because these customers, which I was grateful for, the customers would come in - my office was right there on the other side of the lobby from the tellers - and people would come in and chit-chat, which was wonderful because I got to know the community and the people. It wasn't very conducive to doing all the other work that a president of a bank has to do. Mr Klaasen and Mr. Dalman were constantly - which I was grateful for in a way, but it almost become a burden - they were constantly bringing people up to me and introducing me. People were used to coming in, chit-chatting with the chairman of the board and the president of the bank. I should retract here for just a moment and say Mr. Klaasen as chairman of the board, his love was running the mortgage
department, so he ran the mortgage department. Mr. Dalman really functioned as head of the commercial lending department and then this other gentleman, the first one who I fired, was in charge of operations. Because these two gentlemen were so busy with their running the mortgage department and the commercial lending department, they left everything, the whole rest of the bank - personnel operations, accounting, everything - to this one person. In the words of Mr. Dalman at that time, afterwards I asked him, "Why did you do this?" Couldn't you see this?" He said, "Yes, but we just kind of grew like topsy and we just didn't have time, so we left everything to that vice president." That's how it happened. I loved being involved with the people, meeting them. I had to do this, but on the other hand, I was taking a lot of work home at night. There just wasn't time, you're constantly greeting people and going out to lunches and so forth. I thought, well, we'll put a nice stop to this, we'll be gentle. So I had them erect a plate glass barrier, so the people could still see me and could see if I was busy, had a customer there type of thing. If I wasn't they could still come in. I was still with them, but I wasn't. Then we had these people who I was getting to know would then come in, and the customer would be sitting across from me as you are and the plate glass window facing the lobby was behind them and then these customers would come up by the plate glass and make all sorts of expressions. [laughter] I'd be sitting trying to concentrate on the customer in front of me, you see the problem. After that we still didn't want to offend the people, we put in a light curtain so I could see the shadow out there and they could see if I was busy, that type of thing. Finally, we moved to an office in the front of
the bank that had a door on it. All the while I was very, very, reluctantly moving further and further physically from the customers. It was something I had to do as the bank grew, but it was probably the most painful thing for me. [I] finally moved my office up to the second floor, where it still is now. The president’s office is on the second floor. During my tenure here, the bank grew from sixty-six million in assets to - I was president for twenty-one years - grew to around three hundred and fifty million in assets. When I left I guess we had about six or seven branches. It was a formidable change, change the name of the bank and so forth.

AH: What year did that happen? The change from People’s State to Old Kent?

JR: I was afraid you were going to ask that. I think that was about...somewhere between '78 to '84. They were acquiring more banks. I'm sorry I can’t give you the exact date. Interestingly enough, when I came here, Old Kent bank knew that I had experience as president of a very, very, small bank, smaller than most bank branches, can’t really play that up too much. Mr. Richard Gillett, who was then chairman of Old Kent Bank in Grand Rapids, Old Kent Financial Corporation, a great, great banker, community involved. He was a close friend, I think he graduated from South High School in Grand Rapids with George Heeringa, who then was president here of Hart and Cooley in Grand Rapids. He asked Mr. Heeringa, who was on the board of then People’s Bank, whether he would be chairman. The idea was that I would be mentored by Mr. Heeringa. I think two or three times I went over to his office, we discussed the agenda and that type of thing. Mr. Heeringa was a great administrator, a great management person. That gave me a great deal along with Mr. Dalman,
especially, gave me a great deal of help in running the bank. I can’t give you the date on this either, but I believe this was in the late 70’s. At that time I was no longer leaning on Mr. Heeringa and Old Kent was making some changes in administration and so forth. I’ll never forget, my supervisor who was George Lathrop at the time, looked at me and said, "Do you think it’s time that you become chairman of the board and president?" I should add, I came as president and CEO, chief executive officer, which I hadn’t been up in Charlevoix. They gave me a lot of authority here. I didn’t get a pay raise; that was common in banking circles. You get a raise in title but not in salary. I thought that was pretty nice, being chairman of the board, president, CEO. I guess that maybe happened in ’84, ’88 some where in there. Subsequently then, I got Mr. Don Heeringa on our board and he was until they finally disbanded the local boards a couple years ago. Don Heeringa was the son of George Heeringa, so it was a great privilege to have him on our board.

AH: When you made the change from People’s State to Old Kent was there a lot of changes that occurred?

JR: A lot of paperwork, a lot of filings, all of your forms have to be changed, that type of thing, legal department in Grand Rapids took care of most of that. This was a great security blanket for me, in that I really wasn’t president of a totally independent bank, which would have been a much more challenging task. [I could] get on the phone call the legal department, whatever department you needed. Those services were available. I was really in reality more of a manager than an entrepreneur or an innovator.
AH: Much is said about the work ethic in Holland, do you think that had a lot to do with the success of Old Kent in Holland?

JR: For me personally, I think it did. I don't know if I can make that general statement because I feel that all of our competition was very ethical as well. It wasn't a matter of us having something they didn't. For me personally, I say to this day without any qualms, Jesus Christ was my chairman of the board. I ask for guidance every day. There's no question in my mind that any success that I might have had - this little country bumpkin telling you about Waupun, Wisconsin, I didn't have any great skills over and above anyone else. I personally feel that it was providential that I was chosen. I tried to honor my God everyday with the people that I worked with. I have to admit in Holland, Michigan that's probably a whole lot easier than in a lot of other communities. I always tried to be a personal example to our staff, to our customers. Some of the things that give me personal gratification, now that you ask the question, when I came here we were almost a savings and loan institution. About seventy percent of our total loan portfolio was in mortgages. In the late seventies was when the savings and loans institutions got into real difficulty. It cost the tax payers at that time billions and billions of dollars nationally to bail out the savings and loans. In a bankers terminology, they were borrowing short and lending long, so they got stuck with a lot of these long term mortgages and the interest rates went up and they couldn't charge any more interest rates, that type of thing. At one point, I remember saying to our chairman of the board then, Mr. Heeringa, "This bank is not going to make another mortgage", which was a pretty crass thing to do. He said, "I don't
think that's wise. I don't think you should go that far." I said, "I've got no choice."

The prime interest rate in 1979 went up to twenty-one and a half percent. There were actually a couple of days that we loaned money to some of our customers at interest rates that were less than what the bank had to pay for them on a daily basis. You can't do this a whole lot of times and stay in business without going bankrupt. That was probably, looking back, it was a very incisive move as far as the community is concerned, to make no mortgages for several months. It was also the start of People's Bank then, now Old Kent Bank becoming a more retail oriented and commercial lending oriented bank. The great emphasis since that time, this is now twenty some years ago, was put on commercial lending. Of course now, they are making a lot of mortgages, but all of those are being sold immediately. They don't keep many of those in their own portfolio. So from a customer oriented ethic if you will, that was a bad choice. Here people have to buy homes and here is this big financial institution saying, "We aren't going to loan you any money to buy a home."

In that sense it was bad, but your question is far more reaching than that, certainly. I never worried ever, I still don't, about any of the actions that we took, any of the loans that we made. Obviously you don't make all good loans and we took some losses, we took some hits I hated to go to headquarters to Grand Rapids and say, "I think this is going to fail." I remember the first time we wrote off some of those bad loans. I think that [we] tried to do everything as honestly and forthrightly, personally and with our staff and with our customers as we could. If that didn't fit, if they didn't like it, I'm sorry I couldn't help it, but I really made no apologies for it either
because it was something we had to do. There’s an old saying in banking, there’s a
difference between a head loan and a heart loan, and there still is today of course. A
head loan is one in which you analyze all the figures no matter who’s sitting across
applying for a loan or needs help. I could tell you some stories where I would have
loved to make heart loans, just crying needs, but that was not and is not the function
of a bank. I guess that’s why they sometimes they call bankers glassy-eyed,
uncaring, hard. To a certain extent that has to be true. You simply cannot be
softhearted for every person that has a need and that applied, but ethics, highest
quality as far as I’m concerned.

AH: You mentioned competition, can you expand on that a bit?

JR: Sure. At that time, what is now Huntington Banks was FMB, or First Michigan
Bank. They were very, very strong. I was very dismayed that just shortly before I
came here they had established a branch in Holland township, it’s still here on east
Eighth Street, right across from Hart and Cooley, the Old Federal School District.
They were strong competitors. In our market area of Zeeland and Holland - this is
before FMB branched out and became a holding company, when it was First
Michigan Bank - they were probably about twice our size in this market. One of my
goals was to not only run a profitable bank, but try to become as large as they were,
we never did it. They always maintained about a two to one edge, but we were by
statistical standards, more highly profitable than they. To the extent that at one time
Randy Decker, chairman at that time of First Michigan Bank and I had a conversation
and he said, "Now what we’d like to do is make the same kind of profits on the same
amount of assets as you." I always took great pride in that. They were our most formidable competitor. In 1976, that was two years after I came here, we established our first branch office in Zeeland township and it's still there, just on the west end outside the city limits of Zeeland, just on the outside of the fence that divided the property. At that time Financial Institutions Bureau would not permit a bank, there were certain standards, to go into another community where there was another bank such as Zeeland so we couldn't get into the city. And they went into the township on Eighth Street across from Hart and Cooley but they could not come into the city. They were fierce competitors, good competitors. We had a wonderful relationship. At that time I really didn't worry too much about what was First National Bank of Holland, in downtown Holland. For years and years and years they had been known as an ultra-conservative bank, good people, wonderful people. I associated with their chairman of the board and so forth, but I never worried about them competitively because they were always so conservative. Then our other main competitor at that time was Ottawa Savings and Loan. At that time they didn't have retail loans or commercial loans, they just had mortgages and we didn't want mortgages. In fact at one time we sold some mortgages to them. From a competitive standpoint it was always, as far as I was concerned, how do we stand up to First Michigan Bank? Strangely enough, now being retired almost five years, I am irritated what Huntington Banks, someone in Columbus, Ohio has done to First Michigan Bank what they did. I mean, they just decimated it. People have left First Michigan Bank. Good friends of mine, in high offices there have retired or left, been asked to leave. Looking at
the Holland and Zeeland community, I don't think it's a good situation. In other words, I'm saying, good competition is good for the customer and I'm dismayed to see a lot of these big holding companies, even Old Kent, but it's a sign of the times. I'm also happy to see a person such as my successor Rich Lievense starting Bank of Holland. Practically my whole staff is over there, my former executive secretary, vice president of accounting, human resources, president of the bank, the head of commercial lending, senior vice president, on and on. Walking into Bank of Holland today is more like walking into what I knew as Old Kent Bank's main office. Getting back to the competition, it was First Michigan Bank, which formerly had been the DenHerder Bank and I knew Bob DenHerder who was then president and consequently chairman of the board. We'd had dinner together up at banking conventions up at Mackinac Island. Obviously we wanted to beat each other, but it was done in a dignified manner. It wasn't really dog eat dog. One little story about competition, Randy Decker, who's an attorney still living in Zeeland, was chairman of the board of First Michigan Bank and John Nordstrom who then was in the development office at Hope College - this was in the Hope campaign of about 1978 or something, Hope in the Future. John Nordstrom did in my judgement a wonderful thing. He asked Randy Decker, who was chairman of the board of First Michigan Bank and I, who was chairman of the board of Old Kent in Holland, if we would co-chair the Hope campaign for the Holland-Zeeland area. I go to know Randy Decker and he got to know me, I mean we knew each other, but here we are formidable competitors and here we are working together on the same cause for Hope College. I
remember quipping at one time at one of our reporting meetings to the board of
trustees of Hope, my name is Redeker and Randy’s was Decker. I said, "We’ve got
a great team, Decker and Re-Deker." [laughter] That kind of broke the ice. We had
a lot of fun as competitors working on that together.

AH: Tell me a little bit about the decision to keep the main office here on Eighth Street.

JR: That was a closer call then I like to admit now. Personally, I was really thinking at
that time, we’ve got this big old building only two to four percent of the customers
come to your office because of how it’s decorated and the paintings you have and the
ambience and so forth. At that time there was a piece of property located on the
service road where Cunningham and Dalman Law office is just off of the east side of
31 between Eighth and Sixteenth Street. That piece of property was for sale and I
had approached Old Kent Bank and I said, "I think we should build a whole new
office out there, easy access - on and off the highway." At that time we had
established some branch offices. That would have been absolutely, devastating,
wrong decision. It took us as least two years, when I say us, my supervisor George
Lathrop in Grand Rapids working with the officers there and myself, to determine
that in fact we were going to stay in downtown Holland. Now, the success story,
back in...’78 somewhere in there, we made the decision to remain downtown. At
that time, remember this is about twenty years ago, we spent I think it was close to a
million and a half dollars - which was just made me very, very nervous - to renovate
the main office. At that time we needed more room, now we’re getting less and less
because everything’s consolidated, gone to Grand Rapids, a lot of the service. At that
time they weren’t; we were expanding. I was so frustrated at one point I said,
"That’s it." I told my supervisor, "You know what we’re going to do?" He said,
"No." I said, "we’re going to build a floor over the lobby" which would have been
absolutely wrong. If you’ve been in the main office, it’s beautiful, built in ’28 so the
same artisans worked on that building as worked on the Dimnent Chapel. I talked to
one of the electricians who worked on both buildings. We were going to put a floor
over that, I can’t adequately describe it to you unless you’ve seen it. I said, "Put an
escalator in the front and people who want to go up and see all the nice ceiling and
these hand spun oak rungs lining the balcony they can take the escalator up and go
there, but we need more space in the lobby. The people who want to go to the tellers
and see the nice terracotta floor they can see that but they can’t see both at the same
time." My supervisor said, "Do you know what you’ve just described?" I said, "I
don’t have the foggiest idea, all I know is we need more room." He said, "You’ve
just described the new office at one Vandenburg Center in downtown Grand Rapids."
[It was] very, very nice, but had the big city air to it. I said, "Well, I guess we don’t
want to do that. We’ll have to find some other space." We did, we knocked out a
wall and acquired a couple buildings to the west of the main office and expanded,
installed a loan department, personnel, on the first floor rather than decimating the
nice architecture of the main office. You make some of these decisions and you go
back and say, "That was the start of something big. Isn’t this wonderful?" I’ve
always been given a lot of credit for things that I really can’t take credit for. In my
frustration we decided we wouldn’t do this, we’d spend a million and a half in
downtown Holland. That really, looking back was the first major decision, then enter Ed Prince and buying up property in downtown Holland. About that time we worried about the malling of Holland. There were headlines in the Holland Sentinel, I really didn't think that mall was going to come out there on 31, shows how much foresight I've got, let alone two malls, let alone now everything else that has happened. It just blows my mind. The decision was made after a long gut-wrenching period - two years.

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[start of side B]

JR: I can honestly not take a lot of credit, even though I am given credit. Looking back I do take a lot of pride in the fact that we remained in downtown Holland and stayed there and are given credit, and I think rightly so - I think Old Kent Bank is given credit for - remaining in downtown Holland and for starting the renovation revolution in downtown Holland. That was the start of it. I don't want to take anything away from Mr. Prince and Elsa, they have done wonders and without them our renovation alone would not have been anything. At least it gave a lot of other property owners, they could see that the major financial institution, who was supposed to be a leader in downtown Holland, was staying there. That sort of gave them confidence. Ruth Keppel, she wrote From Trees to Tulips, her home now sits across from Lubbers Hall, she gave her home to Hope College. There was a Keppel who, I think it was her grandfather, was on the original board back in 1905 when the bank was first chartered. She always spoke with pride and had her accounts at People's, Old Kent,
so Ruth was probably in her mid, late 80's at that time and when we completed our
renovations I invited Ruth Keppel to cut the ribbon. She was in a wheelchair as I
recall. About the time that the ribbon was supposed to be cut in mid-morning, there
was a horrendous looking dark sky, thunder clouds. We just wheeled Ruth out to the
door, didn’t want her to get hit by lightening. [laughter] She cut the ribbon, we
quickly got her back inside. That was one of my happiest moments that we could still
do that with her. She had a picture of that and she’d invite me over to her home, it
was still in the old location on Tenth Street before Hope College moved it and we’d
have tea together, wonderful time. Ruth Keppel cut the ribbon for that. That was
kind of a historic start for downtown Holland, for the renovation as I see it, without
taking undo credit.

AH: Old Kent obviously had a concern with the community. I read a little bit about the
Savings and Learn Bank Washington Elementary, can you tell me a little bit about
that?

JR: I was approached by Deanna DePree and Deb Sterken and Marilyn Schmidt, at least a
couple of them, to be on the board of this new thing that they were starting with co-
partnerships, with schools. I was greatly involved in the community, there are a lot
of things that I’d love to be involved with, but I can’t do everything. I said, “Sounds
like a great idea to me. I don’t have the time or the inclination to be on your board,
but I will go back to our personnel and see how many of them might be interested.
This involved counseling with the kids at one of these school and so forth.” I went
back and surprisingly out of our staff then of maybe eighty to eight-five, there was at
least thirty to thirty-five who expressed an interest. I knew that we were on to something more than just passing. We had a local carpenter literally build us a little hands-on bank, we had the kids name it, the students at Washington School. I said, "We really want to get some kind of inner-city school." I think we were given a choice of Washington, Lincoln and Longfellow. I went to our personnel, I let them decide, along with the other three people that I mentioned who were starting this and for what ever reason, they thought that probably Washington would be the school that would need it. We had fund-raising dinners. It's an inner-city school. We had pizza parties, that type of thing. These kids were all excited. I would go there on occasion, once or twice a year, talk to the children, tell them a little bit about the bank. We had a lot of our personnel involved hands-on at least once a week for an hour, be right there in the class, teaching the kids and working with them and showing them how to save their money and all the things about interest and borrowing and saving. They elected their own officers and that type of thing. This was started...probably the mid-80's and I learned just a year or two ago that one of the bank personnel who was with us at that time and is still there at Old Kent, went to California to the national convention of these schools, co-partnerships. Old Kent Bank and Washington School with it's Savings and Learn Bank has been a model, nationwide and got recognition I believe in California. This was something that again, I got credit for. I said, "No, I don't want to personally become involved," but we got our people involved and they did it type of thing. It's something that I can look back with now with a great deal of satisfaction. So many of the students have
benefitted, not only the students but I think a lot of the parents in low-income and Hispanic families in that Washington area. It was an eye opener for our people. One of our vice presidents who knows his community well, served on the local school board for a number of years, went there with me one day and he said, "Just look."

The little Dutch kids, very light blond are called tow-heads, for whatever reason. This vice president said to me, "Look at this, there's only two tow-heads here in this whole group." Here all this group of young elementary school students, a couple hundred of them, all very dark hair and the vast majority of them had dark-skin. To think that we came very close to blowing an opportunity, just to be involved and never realizing the extent of that involvement. The school would load these children up on the school bus and we'd have them come at Christmas time, have a big Christmas tree there in the lobby of the bank. This was their bank. We'd take them into the vault, this was a big deal for them to see this huge, huge, huge door. [We] showed them how that worked and let them go in there and look at all that money. It's pretty impressive for anyone, but it was mind-boggling for these kids, something they never forgot. I was told by the teachers that if they would be taking trips downtown, going by the bank, several of the kids would say, "There's my bank, there's my bank!" It was a neat relationship that we developed with the teachers, with the students, with the officers. And it's ongoing. It was a good, good experience. I thought that was pretty dog-gone good. Here we have Ottawa Savings and Loan, which was one of our competitors and then one of the students came up with the Savings and Learn Bank. We talked about that, we said is that too close to
our competitors name. We said, "No, this is very insightful; savings which is we wanted to do and learn. We'll go with this." It's still there to this day.

AH: So you retired in '94?

JR: Yes. That date I remember, 1994. I loved the banking business, I had intended to stay there forever; I really enjoyed it. Banking has changed a great deal as everything has, it's become less personal, more competitive. We no longer have our own board of directors, none of the affiliate banks do, it's all consolidated. Old Kent started talking to me probably when I was around fifty-seven, fifty-eight. I said, "You're asking me then to retire or think about retiring when I'm sixty years of age." They said, "No, we're not telling you anything, but you'll know and we'll help you to know." I was sixty in October of '94 and I just decided that I would get out the month following my sixtieth birthday. It was a good decision. I never looked back, I rarely do on any of the decisions that I make. Putting a positive spin on it, and it's not difficult for me to do that, here I had the privilege of being president and CEO for twenty-one years and chairman of the board in addition to that for around fifteen years, of then the largest financial institution in this growing community. We could act and interact with customers, had our own board of directors, I could be greatly involved in the community, for twenty-one years. Nobody will ever have that opportunity again and I just sit here, so grateful, I can't think of anything I would have rather done, done successfully. Old Kent Financial was one of the, and still is, one of the most successful by terms of return on profits to the stockholders. They've been one of the most successful in the nation. You can look at any statistical records.
For a number of months Old Kent of Holland was leading even the lead bank Grand
Rapids in those statistics. We couldn’t maintain that pace, but are still up in the top.
So I always say we were given the opportunity to be the cream of the cream of
financial institutions. To me, I guess that’s the greatest satisfaction that I have, that
we had the opportunity to make that happen. Today my son is in financial business,
lending and so forth. Even though he is successful, he does not have the opportunity
that I had to be involved intimately and knowledgeably with the community. I think
that’s what gives me the biggest satisfaction of all, to still have customers after all
these years saying - it doesn’t happen that often - "If it hadn’t been for you making
that loan or giving me that start or having faith in me." I say, "Well, you had the
character, you had the figures, there were reasons why we could do it. We’re
grateful that we could." That is probably the most satisfying thing to me in
retirement. I still, putting in a little plug I suppose for Old Kent, but I have told their
top management - my retirement is still dependent on a lot of Old Kent shares that I
saved up and had during the years, financial security if you will - I said, "Please,
please don’t sell out to a larger financial institution in Columbus or Los Angeles as
everyone else has done," including what used to be the state’s largest bank and largest
holding company, NBD. National Bank of Detroit, NBD merged with First Chicago
and now they are Bank One, they don’t even have the name, NBD or National Bank
of Detroit anymore. I said, "Old Kent now for a hundred and thirty some years, has
had a great name of integrity of financial value. Why can’t Grand Rapids and
western Michigan have a lead financial institution with people of integrity? Why
can't you go out and buy up other institutions and be a real star, a real showplace, in
the right way, involved with the community and so forth? Or the whole state? The
whole region? The whole nation? And show on a much larger scale these areas of
value that we were trying to incorporate here in Holland." I firmly believe it can be
done, I think they are doing it. I hope they continue. That would give me a great
deal of joy and satisfaction continuing in my retirement.

AH: Wonderful. Thank you so much Mr. Redeker.