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Berkeley, California

John Thomason
THE DREYER'S GRAND ICE CREAM ORAL HISTORY PROJECT

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Interviews conducted by
Victor Geraci
in 2010

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[End of Interview]

Interview #1: January 13, 2011

[Begin Audio File 1]

Geraci: I am Vic Geraci, food and wine historian from the University of California Berkeley Regional Oral History Office. Today's date is Thursday, January 13, 2011, and seated with me is John Thomason. Mr. Thomason served as vice president of manufacturing and general manager of Dreyer's Ice Cream, Incorporated. John, thank you very much for doing this. What I like to do with the interviews is, let's get some background on you, start at the beginning of your story and go through; talk about your parents, growing up. Why don't you launch into it?

01-00:00:46

Thomason: Well, I look at myself today as an old man of eighty-two years of age. I was born in 1928, in the little town of Davis, California. My father had immigrated from Russia as a young fourteen-year-old, on a German sailing ship, and after seven years at sea, they went on the rocks between San Francisco and Oregon, and the captain told them to just take off. So we never were able to prove whether he had his citizenship or not. But he met my mother, who was born in Northern California, in the little town of Burney California, where her father ranched and farmed. My dad, at that time, had gone to work for the Pacific Gas and Electric Company and was a climber, building the big metal towers for the power lines coming out of pit one.

Geraci: So he was doing the high work.

01-00:01:44

Thomason: He was doing the high work. He injured a leg and had to quit doing that. He attempted to farm in Burney, California for two years and was unsuccessful. Had an opportunity to move to Davis and return to work with PG&E in their warehouse, which handled the crews for all construction out of Northern California, and he worked there for the next forty years.

Geraci: What was your father's name?

01-00:02:14

Thomason: Boris John Thomason.

Geraci: And your mother?

01-00:02:19

Thomason: My mother's name was Ellen Carolina Greer.

Geraci: Now, her family had been in this area for a while.

01-00:02:26

Thomason: My mother, yeah. She was born in California. So they met up in Burney, California. They were married, moved after two years up there, into Davis, and I was the youngest of four sons born over a period of five years.

Geraci: Oh. What were your brothers' names?

01-00:02:46

Thomason: My oldest brother was Eugene, my second brother was Ivan, third brother was Jerry, and then myself. Little town of Davis was very small, 2500 people, university town, very typically, as I called it, a university town, with university folks on one side of the railroad tracks and the working class on the wrong side of the tracks. There was the Thomasons, the Garcias, Zunigas. And at times, we would go across town with a BB gun and shoot the kids.

Geraci: [laughs] There was a definite ethnic divide within the town?

01-00:03:24

Thomason: Very much so, in the town. So being raised in the town, my father's job— During the Depression, we lost our home. Had to move into another rental. I think we probably lived in six houses on the wrong side of the tracks in Davis, till finally, they were able to buy a home, a little house on I Street in Davis, and later moved out into the country. But we saw tough times. Living conditions were not easy for all. All the boys had to work, and we all progressed up into various jobs, working in town, doing whatever work we could find in the way of yard work or, as we got older, working out in the country for farms.

Geraci: Because Davis is very agricultural.

01-00:04:24

Thomason: Very much so. My dad worked a ten-hour shift with PG&E, came home, and then would work four to six hours at the granary. We lived half a block off the railroad tracks, and the granary there— They would load sacks, hundred-pound sacks of grain into these train cars, and he would do that work. So his life was to make enough money just to put food on the table. My mother did domestic housework for several of the doctors in town.

Geraci: So this is the lower socioeconomic Depression era, typical type story. All hands on deck, working to make sure that this family could survive.

01-00:05:11

Thomason: Little did I know that one of my jobs—which did not necessarily get me into the ice cream business—but one of the jobs— The family that had the lumberyard in Davis, in the summertime, every Saturday, had homemade ice cream. So for either five cents or ten cents, you got to turn the ice cream freezer. [chuckles] Good start in the ice cream business.

Geraci: [laughs] There was your start.

01-00:05:38

Thomason: Right. But more important than the ten cents was to get to lick the dasher. [Geraci laughs] So anyway, life in Davis— As the war came on, my three older brothers all went into the service. The oldest was in the Army, fought in the Battle of the Bulge, survived; my number two brother, Ivan, was with the

engineers in the South Pacific; and my third brother went in the Merchant Marine, after he couldn't get in the Marine Corps, and was on a couple of vessels that just zigzagged—the right way to miss torpedoes out in the Pacific. The war came to an end, for me, at the end of '46. My brother Ivan was coming home. I had just graduated from high school. I guess one of the most important people in my life was coach Dewey Halden, at the high school, who, in the small town, was sort of the guy that guided most of the boys. You wanted to be on his basketball or football team. You got good grades, you didn't smoke, you didn't drink, you didn't swear; and if you didn't behave yourself, you got thrown right off the team, no matter how good you were. I think we all worshipped him and he really set us straight in life.

Geraci: Isn't it strange how some teachers can be almost as influential as our parents are?

01-00:07:10

Thomason: He was more so. He was more so, because my folks didn't really encourage me to think about going to college. I don't think they thought we could afford it, even in a university town. But because of the coach, I got good enough grades that I qualified to enter the University of California at Davis. I guess if it weren't for my number two brother, Ivan, who had just come home and was going to go on to college at Davis—He grabbed me by the seat of the pants, and for four years, we sat side by side in our upstairs room, working together, studying together, getting through the university for four years.

Geraci: I take it he was under the GI Bill.

01-00:07:57

Thomason: He was under the GI Bill and had elected to stay at home. He did join a fraternity, but didn't live there. He graduated with honors, went on to Wisconsin, got his doctorate as a plant pathologist, and returned to the University of California at Riverside and became one of the world-renowned nematologists.

Geraci: So he's at UC Riverside.

01-00:08:26

Thomason: Right. He spent forty years there before he retired.

Geraci: One of the projects that I had done is on the agricultural and natural resources—

01-00:08:34

Thomason: Okay.

Geraci: —for the University of California. Riverside is one of the key campuses for the University's agricultural programs.

01-00:08:46

Thomason: Right.

Geraci:

Now, in high school, did you have any idea what you wanted to do? Were you taking any specific courses?

01-00:08:54

Thomason:

I had no idea. Really did not even believe I would be going to college, although as you develop new friends from across the tracks, in a sense— Most all of them were from the university families and their direction was to go on to college. So being part of the team in basketball or football, which I loved in high school, I took the same classes in chemistry and advanced chemistry and algebra and geometry and that. It qualified me for the University of California. It was two things, I would say; it was the coach and surrounding myself with people that were from the university environment. So I got myself prepared, but I didn't know when I entered UC Davis, what I wanted to take. Ultimately, got into dairy husbandry, thinking, well, this is probably the easiest thing there is out here, not realizing that as I entered UC Davis in 1946, this was the first group that was going to go into the vet school, four years later. The returning GI's that were three to four, six years older, I'd say fifty percent of them were all attempting to get grades to qualify to get into the veterinary school of medicine, which I had no interest in doing. I had an attack of appendicitis my first semester. I was flunking or almost flunking out of zoology.

Geraci:

That's not good for animal husbandry. [laughs]

01-00:10:45

Thomason:

Yeah, it wasn't very good. And I was going to use that as a cop out to drop out. My brother wouldn't let me.

Geraci:

So it seems that your brother played a big role in your life.

01-00:10:59

Thomason:

Yeah, he was my mentor.

Geraci:

That's kind of nice.

01-00:11:04

Thomason:

Yeah. He was very good and we were very, very close through all the years. My oldest brother elected to drive a truck and just work as a laborer. Good guy. He had a lovely family. And my number three brother did not want to go to the university. Both of them were smart enough; they could've done it, but their interests were elsewhere.

Geraci:

Were elsewhere, yeah.

01-00:11:35

Thomason:

So anyway, as I got into the university and then got more involved in the classes on dairy manufacturing, that piqued my interest. I got, at that point, good grades. I probably could've gone on and got an advanced degree, but didn't do that. UC Davis was a land-grant college and required two years of ROTC. My brother Ivan, who served in the South Pacific, got out as a staff sergeant, and said to me, "Why don't you take the advanced ROTC? It's a lot better to be an officer than it would be to be one of these buck privates, if anything happens." So I elected to take advanced ROTC. Enjoyed it. Graduated with the highest rank ever held at UC Davis, was offered a regular Army commission. Turned that down, realizing that if you weren't wearing a West Point ring, it probably wasn't going to be the place to go, even with a regular commission.

Geraci:

That's something you and Gary Rogers have in common.

01-00:12:55

Thomason:

Yeah.

Geraci:

Gary, at Cal achieved the highest rank he could in ROTC.

01-00:13:00

Thomason:

Yeah? I didn't realize that. I had the rank of lieutenant colonel. I still get mail to this day addressed to Lieutenant Colonel Thomason. [they laugh] I kind of laugh at that. Anyway. So I graduated.

Geraci:

What was your degree in?

01-00:13:19

Thomason:

In dairy husbandry, actually. It was sort of a title that they didn't really have, but it was dairy manufacturing. One of the things I found, and it certainly affected me in my career in the dairy industry, was that it was all scientific directed—the bacteriology and the chemistry and that. There weren't any business classes offered. Therefore, when you finally graduated, you were qualified to go and go to work and be a bacteriologist or work in dairy manufacturing; but from the business standpoint, you had no background or training in business. In later years, I certainly realized that was one of my biggest weaknesses in trying to keep up with later years in Dreyer's—and I'll get into that later a little bit.

Geraci:

So you're out of college and obviously, you're on the job market now.

01-00:14:27

Thomason:

Right. As is typical there, they had several of the major dairy companies come to the campus and were recruiting students to go to work for them. I was recruited by the West Coast general manager of Borden Ice Cream Company to go to work in their production facility in Oakland, California, in 1950. It was a combination milk and ice cream plant. I started out in the ice cream department of it, which was poorly organized, in a training program, but

working in production in several different jobs, and was there about a year, until I was called up for active duty in the Korean War.

Geraci: Now, in your experience at Borden's— my understanding, especially for the ice cream industry, this is very small. It's regional at this point. It's using up local product. In fact, dairies have their own ice cream that they're producing. How big was Borden's? What were your responsibilities?

01-00:15:41

Thomason: Well, back in 1950, the major dairy companies were the controlling factor in milk, ice cream, and cheese [production]. There were lots of regional companies in almost every small- or medium-sized city or town. But the major players were the national companies. In 1950, there still wasn't a lot of ice cream freezer space in the stores; and those cabinets that were in those stores were virtually owned by the major dairy companies. And for the small regional people to get into those stores was next to impossible. Then, in sort of a progression, the stores, they realized there was good profit in the dairy products and started to have their own production facilities. Safeway and other major— Kroger and those people put in their own dairy plants. This, in my mind, sort of led to the demise of Borden's and Carnation's and the major dairy companies, Foremost Dairies, over a number of years.

Geraci: Even I, as a small child growing up in California, Borden's, Carnation—these were the brands that we thought of.

01-00:17:20

Thomason: Yes, right. In college, we make a little two-pound loaf of cheese or you could run a little hand-cranked ice cream freezer. You didn't really have a very good understanding of a dairy production facility of any size. So it was a major learning process to go through getting yourself qualified to even think you could become any kind of a manager within one of their facilities.

Geraci: You knew the science, but you didn't know the process.

01-00:18:06

Thomason: Yes. That's true, very true. So it was coming along. I was enjoying it. Got called off to Korean service and was gone for twenty-one months. And when I came back, I guess by law, they had to give me a job back. They really didn't have anyplace for me to go at that point, so they put me on the night clean-up shift.

Geraci: [laughs] Now, this is 1953, then. '51 to '53, you were in the—

01-00:18:46

Thomason: Yeah, '53, right.

Geraci: —service. So that's kind of a demotion.

01-00:18:53

Thomason:

Well, yeah. It was depressing. I had gone from a simple life in Davis into the military, officer and a gentleman. I'd never eaten such wonderful foods in my life as I got in the officers' mess. My daughter or granddaughter asked me about that the other day. I can remember my ordinary meal as a kid was a bowl of beans. And the next night, we got beans with some hamburger in it, and that was a *treat*. To get twenty-five cents worth of hamburger in a bowl of beans, and six of us sitting around the table— Now, things were quite different, going into the military—all of a sudden you could order bacon and eggs or steak and eggs, whatever you wanted for breakfast, and it was quite different. So then I come out of the military. I'm single, living in a crappy little apartment in Oakland; we're on the night shift; come home at six, seven in the morning, go to bed. Getting very depressed about, maybe I made a mistake not accepting the commission. I was offered, a regular commission in Korea. It was a choice of, well, you either accept a regular Army commission, stay in as a regular, or they're going to send you home. And I sort of laughed and said, "Well, there's not a decision there."

Geraci:

[laughs] I'm going home.

01-00:20:16

Thomason:

I'm going home. Well, after a few months with Borden's and being on this clean-up shift, I got moved onto the day shift, in one of the novelty rooms. But I got to thinking, "Gee, I thought I was supposed to be trained."

Geraci:

You had a degree.

01-00:20:36

Thomason:

Well, I thought they really needed people. So after three or four months—and I'd have to admit, I suppose, I was quite a hothead—I told the guy running the department I was in, "If I'm doing this tomorrow at eleven o'clock, I'm out of here. I quit." He said, "You've got to be kidding." I said, "You watch." The next day at eleven o'clock, I just punched out and went home. I got a call from the fellow that had recruited me, the West Coast regional manager of Borden's, and he wanted to know what's wrong. And I said, "It's obvious you have no need for me. I thought I was going to be developed into a potential production manager. You would think I'd be going through a training program, something. I'm doing the kind of work that the average person off the street can do, and I'm wasting my time." And he said, "Well, I thought you were on a program." I said, "Well, you don't know what's going on."

Geraci:

There's not very good communication going on.

01-00:21:49

Thomason:

Well, right. So he said, "Why don't you write a training program that you think would help improve your qualification to ultimately move up into management in a facility? Send it to me and I'll be back to you in twenty-four hours." Well, I did that. Was called up then by the plant manager of the

facility that I'd left and he said he'd like to see me. He said he had a training program that he'd like me to come back and review. And I went in and he showed me this new training program. Little did he know that I had written it. [Geraci laughs] So I went back to work for him. I don't remember exactly the years, but six months or nine months in training in ice cream, then I asked to be transferred over to the milk department and worked in their milk department for a while.

Geraci: So you're getting some good cross training.

01-00:22:52

Thomason: Yes, right. It was interesting. During that time in Borden's, in their ice cream plants, two things that really stick in my craw. One, on Friday afternoon each week, all of the route return products from the trucks that had accumulated in the freezer over the week—this is stuff that'd been damaged or not saleable—was wheeled out, dumped onto the floor. They took a hose to it, soaked it down, squeezed all the ice cream, popsicles, whatever was ever brought back, into fifty-gallon drums; and then they strained out any other miscellaneous stuff, and then that was made in chocolate ice cream. So one of the products that I never really wanted to eat from a major dairy company was chocolate ice cream, because you weren't sure whether it was going to be chocolate peppermint or chocolate strawberry. But it was really disgusting to see the quality of products that they actually—

Geraci: Now, was this because they felt that the chocolate taste would—

01-00:24:17

Thomason: That would mask the other flavors.

Geraci: It would mask.

01-00:24:20

Thomason: The feeling was, chocolate covers everything. Well, in fact, in the real world, it does not at all.

Geraci: Was there regulation at that time?

01-00:24:28

Thomason: It was still pasteurized and legal. So it was not illegal. And the other part of being at Borden's which was interesting—I guess two other things that stick in my mind—was we had an old gentleman at that time—had to be up in his sixties—Mr. Ford, who] made the ice cream novelties, the molded novelties. They make fruit baskets and things, and he was one of the last of the people doing that. He also would refer to Bill Dreyer doing the same type of work. And Borden had a great reputation for Lady Borden, their premium ice cream. And one of the things that in working in the ice cream part of it, one of the things they tried to do was to—and they talked about it—they were trying to

make their vanilla as good as Dreyer's vanilla—I didn't realize at the time how important that was, but in fact—

Geraci: So even at that time, Dreyer's, it's kind of the target. That's the benchmark that other people were aiming for.

01-00:25:47

Thomason: Well, it was. And the only reason it existed, because it was Oakland. So Borden's was there, Carnation was there, Bill Dreyer's little ice cream plant was there. But he had a reputation at that time of making a very fine premium ice cream.

Geraci: Know your competition.

01-00:26:14

Thomason: Yeah. So I need to take a break, get a glass of water.

Geraci: Sure. Okay, let's continue.

01-00:26:29

Thomason: I worked for Borden's in their San Francisco milk plant for about six months or nine months, and had an opportunity to go to work for a novelty plant in Sacramento. Contact made by them. Sounded like a good opportunity. They were looking for an entry-level supervisor. I wasn't sure that I was getting very far with Borden at that time, so I made the move to go to Vitafreze novelty company in Sacramento. Mr. Rassumssen was one of the inventors of some of the early novelty equipment. They had a new production plant across from the manufacturing facility that made the equipment for automated novelties—popsicles and stick bars of that type. The business ultimately sold to FMC Corporation. I was there about a year. Not getting very far. I thought I was God's gift to the world, I guess. But the gentleman who I was supposed to have taken his job, because he was an alcoholic and not a very responsible manager, they didn't appear that they were going to want to get rid of him very soon. So I just felt that I was being undermined by him and there was no place to go, and I quit and then went to work for Foremost Dairies.

Geraci: Okay. Before we get into the Foremost part of the story, I think it's really important knowing the Dreyer's story. You didn't seem to be very happy working at these places. What was the work culture like in these places?

01-00:28:43

Thomason: Well, a typical work culture in any facility, pretty much, was— Well, let's see. The facilities in Oakland and San Francisco were all unionized. The plant in Sacramento was a union operation. It was, come in, do your job, keep your mouth shut and go home.

Geraci: There's not a lot of personal satisfaction going on.

01-00:29:16

Thomason: There was nothing like that. It's hard to go back and relate to that, knowing what I [learned] many years after that. But typically, some of the terms I would use would be, come in, hang up your brain, come out and go to work, and we'll tell you what to do. We don't need you to tell us how to run your business; you're just there to do your job and—

Geraci: Go into an autopilot mode.

01-00:29:44

Thomason: Yes, right. So I saw a lot of that. I actually left after a year, went to Foremost Dairies in San Francisco. Again, more of a production type of a job. But being watched fairly closely by management, as I was moving through their milk operations. But after about a year, I was again approached by Vitafreze novelty plant and assured that I would be coming into a management position. The other person that had been my problem was gone; and therefore, I moved into a management role, to run the production facility.

Geraci: This is around 1955.

01-00:30:44

Thomason: Yeah, right. So it was an interesting position. One of the real difficulties was that we were a facility being used by the engineers for developing equipment, so we were never quite sure what we would find from day to day, in the way of changes. But it was interesting. You were able to participate in some of the training of people on new equipment. But the one thing that I did there that probably made me realize one of the real problems with management is that you think you're God. I had a production office with a window looking out over the production field, and I had a foreman by the name of Scott. Hard-working, built like a bear. Every time a piece of equipment would break down or stop, big pompous ass that I was, I would open the door and yelled out, "Scott, get that goddamned machinery running. What the hell is wrong with you?" After about three or four months of this—and he had been there quite a while—I let loose with one of my verbal—sounding off. He came to me and he said, "Hey, boss, let's go out back. I want to talk to you." So we went out behind the warehouse and he said, "You are a real son-of-a-bitch." He said, "I don't make these machines, I don't break these machines. You treat me like dirt, yelling at me in front of the rest of the people. You are a freaking ass." Probably the greatest lesson I've ever had in my life, to realize what it is to treat people like dirt.

Geraci: And it's one of the things you had resisted in your life with Borden's, when they brought you in just to do, basically, janitorial work.

01-00:32:59

Thomason: Right. To this day, I think had he not called me like he did, I probably would've never reached the levels of success that I did, I think, in my life. But many years after that, when I'd run into him, I'd always thank him for what he

had to say to me. Luckily, he didn't pick me up and break me in half. [Geraci laughs] He could have.

Geraci: He was a big man.

01-00:33:29

Thomason: Yeah.

Geraci: It's interesting that he felt comfortable enough, though, to have that conversation with you.

01-00:33:38

Thomason: Yeah. I think we had a good relationship, but it was just not fair to treat anybody like that. And the other thing that I began to realize is that watching and working with some of the—most of them were ladies, in the novelty plant, except on some of the hard physical work—that these ladies could take a popsicle stick and tweak and fix a machine to work. But they wouldn't dare tell anybody about it. The engineers would come in and they'd pull all the equipment out and—"Thing's not working right." The ladies were not asked about their experience—the engineers [would not] even think it was okay to speak to these people—they didn't realize how much more successful they could've been, had they asked people, let them make decisions, asked them to show them what's wrong or what's working. These people could make a machine go all day long without breaking down. They could pull out their little tricks and the thing would be working again. So probably, again, one of the great learning things that you'd see happen there, working with people—if you would just listen to people.

But things went on and—probably a mistake on my part—I'd been there one day, been in there five, six in the morning, got the equipment going. We were making three-flavor popsicles—what they call them, a rainbow popsicle—and the thing would dispense a third, a third, a third, across this long freezing tank, and it was working fine, And I had gone out to lunch and came back, and here on the end of the equipment, it was coming out two-color popsicles. One of the units had jammed. Nobody saw it or realized it. Or if they did, they'd just keep their mouth shut. So the owner happened to come in at that time and climbed all over me about, "Where in the hell have you been and and don't you know how to run the equipment?" I said, "Well, I do my very best, but apparently it's not good enough for you and maybe we don't need me in business with you any longer," and I was hot-headed and quit. At that point, I had really given serious thought about going to work with the State of California, to be a dairy inspector, maybe take life a little easier. So I quit. As I look back at it, a pretty lousy pattern, to be quitting, to be quitting, to be quitting.

Geraci: It seems there was a consistent reason why you were quitting. It was the way that people treated people.

01-00:37:02

Thomason:

Yeah, it was a people issue. During college, I had worked two summers for Crystal Creamery in Sacramento. One summer cooking cottage cheese at night, and the second summer I was unloading tankers and doing lab work. So I was hired by Crystal, knowing that I was going to take the state examination and probably be available for six months or so, and I worked in their lab for about six months. Did take the examination, passed it, was number one on the state list to take a job, but—

Geraci:

So you were serious about this dairy inspector—

01-00:37:51

Thomason:

Yeah. So I just happened to be recruited by a fellow by the name of Carl Neilsen, who had Alta California Dairies and had a connection with the Hagstrom food stores in the Oakland-San Francisco area, where they had forty fairly high-end supermarkets called Hagstrom Food Stores. Actually, Mr. Hagstrom, in earlier years, had started what ultimately became Safeway; and then sold that and then started up his own group of stores again. And he had a small milk and ice cream plant, serving just the forty supermarkets. Their production manager had dropped dead, and so they needed somebody to go in and manage the facility. It was just at the time when I got married. So I got married in the morning and stopped on my way to Carmel for a honeymoon, interviewed for the job and [they laugh] went on down to Carmel; and called them back after a few hours and said I would take the job.

Geraci:

Well, before move further, then, on the business part, let's talk a little bit about your wife then. You got married.

01-00:39:28

Thomason:

My wife Claire [Brown], surgical nurse out of Long Island, trained in New York City, and worked out on the end of Long Island for a year or two. Wanted to see the world a little bit more, or at least the United States, took a job with the coal miners in Kentucky, in one of their hospitals. Was not long there before she realized that that perhaps the folks in that area and her were not compatible.

Geraci:

She's a big-city girl. There's a difference.

01-00:40:07

Thomason:

Quite a difference. So she then took a job at Sutter Hospital in Sacramento, and that's where [I happened to be working] with Crystal Creamery, in their lab, waiting to go work for the State of California, actually. We decided to get married and I} got recruited for the job at Hagstrom's and we moved to Oakland and spent most of our time in the Oakland Bay Area after that.

Geraci:

Okay. Did she continue nursing?

01-00:40:46

Thomason:

She continued nursing for three years, till we had our first son, and then we made a decision that she would stay home, be a stay-at-home mother, and we would survive on what money I could make. Thought it was more important to raise, ultimately, the three boys, with her at home, than it was to have two incomes.

Geraci:

So you had three boys. Names?

01-00:41:15

Thomason:

Yeah, three boys. The oldest, Andrew, who's a lawyer now; second son, Kirt, who's a San Francisco fireman, paramedic; and then the third boy, Scott, is now with the State of California as a dairy inspector. He graduated from Cal Poly, spent ten years in dairy production.

Geraci:

Followed in Dad's footsteps.

01-00:41:45

Thomason:

Yeah, he did. He was running the Petaluma Co-op facility in Petaluma, California. It had been purchased twice by two bigger organizations, and the only interest there, it seemed, was the bottom line. He was on call seven days a week, twenty-four hours a day. Maybe a little more gentle than I was, and so pressures tended to get to him. I encouraged him that life was too short to work under those conditions, if you can't stand the heat. So he took the examination and has been working for the state now for ten years or more. And we've got two granddaughters by the youngest, who's the only one that married. They're in Napa, California. One of them's nine—that's Shelby—and Camille is five.

Geraci:

Oh, that's great. Okay, now that we've diverged there to get that down, we can get back to the business part.

01-00:43:04

Thomason:

And I must say that during the time that I started working in dairy production, in 1950, there was times when there was, through the dairy association, a group called the Yellow Dogs, which actually was sort of a fraternal organization for dairy folks and was even at the University at Davis—Terrible name, but it was a society in those days. Not acceptable today, I suppose. But there was a connection with the Dreyer's name, people at Dreyer's. So there was not a close relationship, but more on a social type of thing once in a while, a connection with Dreyer's and understanding who they were.

Geraci:

Well, you're selling milk and fat product to them.

01-00:44:03

Thomason:

Right. So Alta California Dairies, at the time I went to work at Hagstrom's, was the facility up in Willows, California, supplying Dreyer's with their ice cream mix, and also supplying us with our milk and cream for the Hagstrom

operation. Dreyer's, at that time—and whether you want this kind of information published or not is optional here—but they owed Alta California Dairies \$60,000. That was a lot of money in those days. They were financially struggling. I'd have to really look at the records, whether Ken Cook was involved with them at that time or it was before Ken became involved with Dreyer's. But they were having some tough times, under the leadership of Bill Dreyer, Senior, and his son. And I was aware of this only because of our association with Hagstrom and with the Alta connection. So again, this little ice cream company was having a difficult time. Business for them had to be the institutional ice cream, the three-gallon packaged stuff. There weren't a lot of pints and quarts being sold, or half gallons, by companies like Dreyer's.

Geraci: Well, as you've mentioned earlier, the grocery chains and the supermarkets didn't have the freezer space for that type of product.

01-00:45:47

Thomason: Yeah, yeah. I'll get into that a little bit more. If you think of what we struggled at, trying to get a row of ice cream in a cabinet. That was after 1970, when I got there. But anyway, at Hagstrom's, we were doing quite well. The supermarket business was becoming much more competitive for the Hagstrom chain. There were two sons; neither of them seemed to be very interested in taking over the business. One of them, the older one, was under his dad, who was a very strong businessman but was not willing to turn over the business to his son; and the younger one didn't want to be involved with it. So after, well, 1957, up to 1960, I was having a good time. I had a pretty free hand to make changes. We were improving the product line, a packaged line, and had just converted over to a whole new line of half-gallon ice cream for their stores. And out of the blue, I got a phone call saying, "The company's been sold, the plant's being shut down, and work off the inventory."

Geraci: Oh, my goodness, that's pretty abrupt.

01-00:47:49

Thomason: Yeah, very much so, and a bit shocking to me. I happened to have a relationship with Mr. Donald McFarlane, president and major stockholder of McFarlane's Candies, who'd been in business in Northern and Southern California since 1928. I'd actually met his daughter while I was in the military and was supposedly going to marry her.

Geraci: [laughs] And that didn't happen.

01-00:48:19

Thomason: That didn't happen. But I got along very well with Mr. McFarlane. I designed and started up his ice cream operation that he had. McFarlane's Candies, at that time, had forty-six retail candy stores in Northern California. They were second to See's Candies. They also were big in Southern California. Their stores were much larger in physical size. And one of the things that happened in stores like that, sales of chocolates drop way off in the summer months. So

what he wanted to do was to put in ice cream units in the stores. So I designed and formulated and started their ice cream operation for him, even though I was not working for him. So I got the word that I was going to be out of a job. And it just so happened they were—he was somewhat retired from day-to-day management, had his brother-in-law running the business, decided to come back and take back charge of the operation, get rid of his brother-in-law, and needed someone else to come in and help with the retail operation. So I was hired to go to work for McFarlane's Candies and Ice Cream in 1960. So I spent ten years there as vice president of McFarlane's Candies and Ice Cream.

Geraci: So this is a major step up for you.

01-00:50:12

Thomason: Yeah, this was a big step. The fellow I worked directly with, Bob Birtel, who was the vice president—we became the closest of friends, as we worked together for ten years. But I think initially, when I was brought in as a vice president, this was a little difficult on Bob—to think, “How can they bring this young kid in—I've been here twenty years!—and put him on an equal footing.”

So I got a hell of a perk from being closely associated with Mr. McFarlane. And I had to work hard to earn the respect of Bob Birtel, who in later years, became one of my closest friends. And ultimately, I hired him at Dreyer's Ice Cream.

Geraci: Now, there's one thing that I've noticed, just in the tone and in your telling the story. Once you stop working for Hagstrom, it seems that they're starting—You're much happier, because they're listening to you. You're given more freedom. You're given some flexibility.

01-00:51:42

Thomason: Well, it was a very small operation. And for the supermarket people, it was one of these things that existed. The store supervisors, the store managers, their only concern was to have the product they wanted on their shelves when they wanted it.

Geraci: There really wasn't a quality emphasis.

01-00:52:07

Thomason: Yeah. Therefore, it was up to you to provide that service to them. The only way you could rate yourself was their satisfaction on having what they needed, when they needed it. There wasn't any inventory control system in those days that could give you any kind of advanced inventory needs. It was every day you loaded the trucks with loads of ice cream and loads of milk, and they went out and hoped that stores needed it. But you hoped that you had plenty on the trucks. I was on my own. Once a month, Mr. Hagstrom, who was up in his seventies at that time and loved the dairy end of the business—He had a bakery, his own bakery, had his own ice cream and milk plant. So

one day a month, you went over and sat in his office while he ate his lunch. He was very frugal. He ate his lunch, had his warm beer, and you talked to him about what you were doing; and got his blessing to go ahead and order some new equipment or change the package design or bring out a new flavor of ice cream, or you did not. But that was the closest contact you had from anybody telling you what you had to do. You were on your own. You went to work, you did your job and hoped you were doing the very best you could.

Geraci: But it seems there was more job satisfaction.

01-00:53:47

Thomason: Yeah. Well, it was very good that way.

Geraci: Now, how long were you with McFarlane's Candies?

01-00:54:01

Thomason: I spent ten years there.

Geraci: Now, this is a long time for you, then.

01-00:54:04

Thomason: Yeah. We were doing very well. We had a Southern California division that was operated independently, by a fellow by the name of Russ Albers; and Northern California was headquarters for the corporation. Mr. McFarlane was there. But basically, it was Bob Birtel, I would say, who was the senior vice president, was really the general manager of Northern California. It was an interesting business. It's Christmas, but you're already making Easter eggs, buying for Thanksgiving. The long-term projections on various holidays was three to six months out, and you were buying and planning, producing, so there was a lot of logistics. Holidays rotated, different days in the week, and you had to have the right number of clerks on duty to handle the volume of business. If you were to do this today on a computer, it'd be nothing; but back in those days, this was all manual. So there was a lot of work that we did side by side, planning, organizing, buying.

At the end of Easter, you didn't want to have very many Easter eggs left because there was no market for them. So planning and having the right types of products available was very important. My kids can remind me that on Christmas Eve, when I finally got home at six or seven o'clock in the evening, by nine o'clock, when the stores—some of them were open on Christmas Day—nine o'clock, when they closed up on Christmas Eve, the stores would call me at home, give me an inventory of what holiday item they had left, so that you could go out as soon as you got your kids' toys presented on Christmas morning, go back to work on Christmas Day, and start moving merchandise around, try to sell it. And for ten years, we did this. Enjoyed it. There was a good bunch of people. Did some innovative work with Mr. McFarlane, automated a marshmallow line. It was an opportunity in the ice cream business, to develop new flavors. I was fully responsible for developing

new flavors, enlarging the capacity of the plant. Actually, for several years, when the ice cream maker was gone for a week, I made the ice cream.

Geraci: Kind of a Jack of all trades.

01-00:57:16

Thomason: Yes. You did a lot of different things. So it was enjoyable. Mr. McFarlane got ill, offered to sell the business to three vice presidents—one from Southern California, and myself and Bob {Burtell?}. As I look back at it now, it could've been a great opportunity, except that Bob and I realized that we didn't think we could work with or trust the third partner we would have, the one from Southern California, and we elected not to purchase the candy business. It was a good, profitable, going business. Mistake? Who knows? Two young fellows from Foremost Dairies, who were involved with acquisitions for Foremost Dairies at that time, looked at the possibility of taking over the candy and ice cream business for Foremost Dairies, and elected to buy it themselves.

Geraci: Just bring it into their business.

01-00:58:30

Thomason: And they would come in, and they would leave Foremost and take over this business themselves.

Geraci: Now this is 1970, then.

01-00:58:39

Thomason: Yeah, 1969 going into— Well, '69, because I stayed there two years with them. So they came in, Mr. Know-it-all. We had, as I said, fantastic purchase records on all the various holidays. You couldn't live without them; couldn't plan your production without them; you couldn't purchase without them. I can remember to this very day, Paul Smith, who came in as president, saw me working on one of the holiday systems. Prior to that, they fired Bob Birtel as soon as they came in, because they didn't want anybody that knew more than them. Got rid of their number-one guy immediately. I used to work with Bob, side by side. He was a numbers guy. I could go down with a calculator and three columns—run down a list of forty-six stores, and maybe there was three numbers there on each one of them; I'd get down to the bottom and then he'd tell me what the number was, because he'd do this in his head. A brilliant math guy. Could figure a percentage right out of his head. The dumbest thing anybody could do was to get rid of him. And they got rid of him because the fellow from Southern California wanted him gone.

Geraci: So your fears about the working relationship were true.

01-01:00:17

Thomason: Yes. So anyway, I was working. I was not happy. I know that. But Paul [Smith] came in one day with big ledgers that ooked like a lot of work.

“What’s that?” And I said “Well, let me show you.” “Oh,” he said, “That’s just a can of worms.” I said, “You don’t want this?” And he said, “No. Throw the goddamned stuff away.” Sorry to say, I was so bitter at that point that I *threw* it all away. All the records. He asked for it; he’s the boss.

Geraci: You did it.

01-01:01:00

Thomason: I knew I was on my way out. By that time, I had known Ken Cook for a number of years.

Geraci: Okay. Let’s stop here for a second—we know you’re on your way out—because this tape is just ending, and we can take a little break. Perfect place to stop.

[End Audio File 1]

[Begin Audio File 2]

Geraci: Thursday, January 13, 2011. Seated with me is John Thomason. This is interview number one, tape number two. When we left off, we were talking about McFarlane’s Candy, that ’69, ’70, it sold. You realized that the handwriting was somewhat on the wall.

02-00:00:24

Thomason: Right. I knew that I couldn’t work there any longer. When you get up in the morning and look in the mirror and break out in a sweat—

Geraci: That’s not a good sign.

02-00:00:39

Thomason: Not a very good sign that you’re going to last physically or emotionally there. So once again, what’s my out? Take the state examination, to hell with the corporate world, take a big cut in pay, but go to work for the state and do the best job you can for them. I, while still working, took the state exam, passed it, was on their list. But during that ’69-70 period, one of the other things that the new owners wanted to do was shut down the ice cream plant. We can buy cheaper ice cream from Carnation. They had already got prices. Well, I had known Ken Cook at Dreyer’s quite well over the last four or five years, and I was finally able to convince the new owners that, my God, if you want to shut down the ice cream plant, at least what you ought to do is buy quality ice cream to put in place of the ice cream we have in the store, which as far as I was concerned, was of equal quality to Dreyer’s ice cream. One of two reasons. One is we were both buying mix from the same company. They flavored theirs their way, we flavored ours our way. We had special flavors, they had their flavors. But we were making a very good product; and therefore, why buy an inferior product and put it into the stores, if you expect to stay in the business? So I was finally able to convince them to be supplied

by Dreyer's Ice Cream. This was a pretty nice boost of business for Dreyer's Ice Cream.

Geraci: Yeah, because this is a huge infrastructure.

02-00:02:59

Thomason: Yeah. During that period of time, I'd had lunch with Ken a number of times. Crying on his shoulder, I suppose, or whatever, but I was just letting him know what was going on, as far as the opportunity for the ice cream. I wasn't privileged to negotiations on price, but at least I was in his camp trying to, for the benefit of our customer. I didn't want to see them—Carnation made a good product. Nothing wrong with it, but it's not the same as the premium ice cream that—We were getting a premium price in the stores. So that happened. I had taken the state exam, passed the exam, had accepted a job up in Marysville, California, moving out of—

Geraci: Boy, that's a little bit rural compared to where you'd been.

02-00:04:03

Thomason: Yeah. And so my wife, kids had been up there. It was going to be a major, major change, but my wife was supportive of it. But not Ken Cook. [laughs] Ken Cook and I, over several dinners and maybe a couple too many drinks, Ken convinced me that I couldn't afford to take a job with the State of California. And I had too much to offer to leave the industry. Very flattering, of course. He was in the throes of buying out his two partners, Al Wolf and Bob Boone. They were the three partners that had—I don't know all the detailed background, I'm sure, but history shows that when, the years that they bought out the Dreyer's family—Bill Dreyer was still around at that time, still came into the office, but a figurehead. But it was owned by those three. Bob Boone originally had the route dealership in, I believe, the San Jose area, and so he was in charge of the routes. Al Wolf was in charge of production, and Ken was president, sales manager, and the leading advocate of the supermarket business.

Geraci: So this would've really been a big boost for Dreyer's at that point, to be able to get this.

02-00:05:56

Thomason: Right. So anyway, we finally agreed that I would go to work for them as, as I call it, vice president, general manager, ice cream maker, truck driver, fountain manager and dish washer. Dreyer's Ice Cream in 1970, when I went there, I think there was more dollar volume in the fountain business than there was in wholesale ice cream. The factory was a little—I hate to say it—a whole in the wall behind the fountain business on College Avenue, 5929 College Avenue. There was no mix operation; we were buying an ice cream mix from Alta California Dairies or Crystal Creamery in Sacramento. They were delivering small tank loads of mix, 600 gallons at the most, or ten-gallon cans at that time.

Geraci: Now, when you say the mix—

02-00:07:06

Thomason: That's the ice cream. That's the basic product you buy that's made up of your milk, your cream, your sugars. Unflavored.

Geraci: And you tell them how you want it mixed?

02-00:07:17

Thomason: Yeah. You have a formula of your product, and so they make it to your formulation. At that time, Dreyer's had an 18 percent mix; they were making ice cream for Trader Vic's— or Trader Joe— Yeah, Trader Vic's in those days. Then we had a 16-percent vanilla mix and a 14.1 chocolate mix, and a 12 percent for classic ice cream flavors, and then ice milk. There was no yogurt at that time. So anyway, the mixes came to you unflavored, depending on the size containers, which were quite small in those days, compared to what we talk about today. So I was brought in, sort of doing just about everything there was. Hard to go back and imagine that we had more employees in the fountain than we had in the ice cream plant. We had six ice cream makers in the ice cream plant. I can name them. Six people that made the ice cream, worked in the freezer, loaded the trucks. There were three route trucks.

Geraci: So this is a very small, local operation.

02-00:08:47

Thomason: This is a very small operation, within a fifty-mile radius of Oakland; that's as far as the tentacles reached out. In those days, the plant operated seven to three o'clock, five days a week. The fountain operated ten in the morning— actually, for a long time, we operated from six in the morning till midnight. We actually served breakfast there, as well as hamburgers and grilled—

Geraci: A café.

02-00:09:29

Thomason: Yeah, right. And so the ice cream manufacturing facility didn't have the capability to make mix, didn't have the room. It was one of the things that, when I was recruited by Ken, was going to be one of the first priorities, was to get in on our own mix plant. There was a pretty good cost savings by making your own mix.

Geraci: So Ken has plans to expand this business.

02-00:10:01

Thomason: Without a doubt. And I'm sure Gary and Rick and all the folk will give Ken credit for the vision of putting a premium ice cream into the stores. By 1970, ice cream was a general commodity in the stores, but not a premium ice cream. They had gone through the Carnation types of business, the major dairies, and the stores themselves putting their own brand into the stores but

trying to get a premium ice cream into the store was *very*, very difficult. And going out and trying to convince a Lucky or Safeway to put in a brand like Dreyer's was *very* difficult. If you put ice cream into the store, the store manager and the corporation thought you were taking business away from them. They didn't look at it as additional business with a bigger margin.

Geraci: Because they had own plants.

02-00:11:19

Thomason:

They had their own plants to operate. So we made 1500 gallons of ice cream in a week. Some places make that in an hour—1500 gallons. How do make it? The cartons were made in Los Angeles, shipped to us readymade, with the lids on them, already priced. I can't honestly remember— when I went there in 1970, it was seventy-nine cents a half gallon. But they were pre-priced and then we would have to stamp a flavor on them. So all the cartons came in fully formed. You had to pull the lid off, put it in the machine that filled it; and then the lid got put back on, it went into a wire basket, and six of those in a wire basket, into your freezer, where it got hard. When you make ice cream, you draw it off a freezer. It's twenty-one, twenty-two degrees, soft like a soft ice cream; it goes into the storage freezer. And the most desirable thing, as life went on, was to be able to get a core temperature of zero in five hours. Well, we'd put ice cream into the freezer and you hoped it was hard the next day. [Geraci laughs] But it was in wire baskets, no shrink wrap around it, so you had plenty of air circulation; you could harden the ice cream. These wire baskets were what went onto the route trucks. So a driver would say, well, I want eight baskets of vanilla. They didn't have any orders for the stores, they just had a load of ice cream and they would go out. So the truck would be loaded, so he'd go out to a store and he'd go in and look. I'm talking they had one row! [chuckles] Maybe two high, so maybe you had room for twelve or sixteen half gallons. So then, well, I've got room for seven or eight half gallons. The driver would go out to the truck, pick one vanilla, two rocky-road. That's what they were delivering back in 1970. So the real part of the plan was, one, to put in a premium ice cream at a premium price, and as Ken called it, to put an umbrella price structure over ice cream that gave you a better margin on the premium ice cream, and also allowed you to possibly raise the price of your own brands up.

Geraci: So that everyone benefited from this.

02-00:14:10

Thomason:

Right. And that Dreyer's Ice Cream was not thought of as your everyday ice cream to eat. It was a special occasion. It was a premium ice cream. I can remember some of my good friends working at Borden's or Safeway or wherever would say, well, we eat our own ice cream, but on a holiday, we get Dreyer's. And that's part of the image that was created and existed for years and years, is the premium quality of the product. So as the route salesmen, it

was their job—and it was a personal contact in the store, with a frozen food clerk—how can I squeeze—

Geraci: One or two more in.

02-00:15:11

Thomason: —one more row? Or how about putting a little in the back room? Can I put some in the back room? Then all of a sudden you had two rows, and the store supervisor would come around and either throw you out of the store totally or put you back to one row. It's hard to believe, when you walk into a store today and see *windows* of ice cream, that in 1970, '71, '72, we were lucky to have two rows in any major supermarket anywhere in the country, and had to go out virtually, picking one of this flavor, two of this flavor, and put it into these cases and deliver it.

Geraci: How do you maintain the quality of that product, when it's— Refrigeration wasn't as good then.

02-00:16:11

Thomason: Right.

Geraci: It seems that it was very hard to manage.

02-00:16:14

Thomason: It was. It was difficult. One of the things that Dreyer's developed was the peek-a-boo lid, the see-through lid. Now, that becomes a real disadvantage, because the type of film they used on that was very easily punctured at cold temperatures. So either the store clerk or competitors would punch a hole in it. Well, luckily, after several years, they developed a very strong material that was very hard to puncture— But that lid was one of our safety gauges. If we went into a store and we saw that the ice cream had been mishandled, poor refrigeration— When that happens, ice cream shrinks, so it pulls away from the lid. Well, competitors had window lids, too. Their mentality was, "I hope to hell we can sell it." Our mentality was, "Out of the store." That was the responsibility of the route salesman. They weren't a route salesman; they would call them drivers. But that ice cream was gone. We would not sell it, we didn't *want* to sell it.

Geraci: Especially if you're going to maintain that premium image of brand.

02-00:17:46

Thomason: That was part of the quality check that we had, and the responsibility of the route salesman. And a route supervisor, they went around checking stores and trying to work with the store clerk or the store manager to get more room, or an area supervisor. This was at level, trying to grow the business. Ken Cook was the head salesman, called on the head buyer for Safeway or Lucky's and that. One of the favorite stores he'd go back to, a fellow by the name of Jan Lee at Lucky's. He was one of the most miserable guys in the world to deal

with. But he and Ken got along well. So that was the level of the store. But the real work of getting the product into the store was at the store level, with the route salesman and the supervisors, working with them and attending a lot of the grocers' meetings and stuff, associations, and being the good host where they could be. But the quality of the product was controlled there, and we were very determined that we did not want anybody to buy a bad product. A consumer would either call to complain or let us know or write a letter. Our feeling was, thank you very much for doing that. You are helping us, by letting us know that we've made a mistake or we've got a bad product. For all the years that I was there—and boy, believe me, they got bigger and bigger—I read every single letter that ever came in. You could find out where you had a problem. Maybe you didn't recognize it until you started looking, and all of a sudden you'd get five or six letters saying, Jesus, there's no marshmallows on the bottom half of the package, or something would tell you, we've got a problem, or I found a piece of glass in rocky road. Oh, that's can't be, can it? Yeah, it can be. Go out and watch them harvest almonds. See them suck them off the ground. And I'll get into more of this quality later, but we paid a premium to have our almonds double picked, we call it.

Well, later we got smart, because we hired smarter people than us. We didn't care how many times they had to pick; there could only be so many foreign objects in a 10,000-pound batch. If you had to pick a hundred times, too damn bad. Pick once and you got that standard, hey, that's great. But anyway, we wanted to know if there was a problem. So the route salesman was responsible for the quality in the store. We didn't have a lab. All of our product that came in, we had sample bottles, and that product was sent out to a dairy products lab, and they did the testing. We had hoped that we could hold a product long enough to get the results back before it was sold, but that wasn't always the case. It was later, as we were doing in-house testing, so that we could release product.

Geraci: You were outsourcing a lot of your production process, then.

02-00:22:00

Thomason: Outsourcing?

Geraci: Other people were doing it for you. It wasn't even done in-house?

02-00:22:06

Thomason: We didn't outsource any product, except mix. We made all of our ice cream. Now, we outsourced flavoring, we outsourced all the ingredients—the almonds, the marshmallows, the candy; these were all products that were coming from various suppliers, who we were very loyal too, as long as they met our quality standards. But no, we absolutely refused to outsource any ice cream products.

Geraci: Well, which is important, because that's the only way you can maintain quality consistency.

02-00:22:47

Thomason: Right. So our production, the plant, it only had two small ice cream freezers and a batch freezer. When I went there in 1970, we filled the half gallons on a machine that we had to take the lid off and then put it in there; and it would fill and kick the half gallon out and we'd put the lid on by hand. Pints were filled all by hand.

Geraci: That had to be slow.

02-00:23:20

Thomason: Sixty a minute. Sixty a minute by hand. Now, I used to take pride there wasn't a job in the facility that I couldn't do. If I was going to be able to tell somebody how to do something, I wanted to be able to do it. Maybe not as good as them, but at least know how to do it. How can I tell them how to do their job or make improvements if I can't do it? Well, so it was always a challenge to see if I could do filling pints off the end of a pipe, just like a water hose coming down with a free-flowing ice cream, sixty a minute.

Geraci: That's one a second; that's pretty fast.

02-00:24:01

Thomason: Well, I'll tell you, it's a trick. Don Hanson and Rico Tanzillo and Rick Milene, those three guys could do it; but John Thomason couldn't do it. They used to laugh like hell. I tried and I tried, but by the time I'd fill the table up with ice cream and a mess, they wanted me out of the way. But luckily, all that meant is we need to get some equipment here [they laugh] to do this job better. So these were all the challenges I was faced with. Having been into bigger facilities with more modern equipment, Dreyer's was— they were in the dark ages, really. This is very small, very slow equipment. So one of the first challenges was to put in a mix operation. Now, the building was so small that we had to add on. We had to buy property on each— well, both sides and back of us, different buildings as time went on, to be able to take a facility— When I went there in 1970, the ice cream plant did half a million gallons. 1970. When we finally tore it down, we were doing twelve-million gallons out of that plant. Right on College Avenue. A lot had happened over that time, but College Avenue had been rejuvenated. Everybody wanted Dreyer's out of there. We had trucks coming twenty-four hours a day. We were operating around the clock, seven days a week.

Geraci: And there is a lot of homes right around there.

02-00:26:02

Thomason:

Oh, yeah. Alongside Chabot, and people go nuts. We'd park a cream truck out there with the diesel running and my phone would ring at one o'clock in the morning. So as we started to grow, in 1970, with that small volume, things were starting to pick up in the stores. It was catching on, getting a little more room, a little more space here, a little more business here. Ken Cook, Joe Avila were out there selling; the route salesmen, boy, they were happy to get more business. So we were expanding. We went from half a million gallons in '70 to, I think, two-million gallons by '73.

Geraci:

That's quadrupling.

02-00:27:08

Thomason:

So we were having to expand the factory, and we had no time to shut down. This seems impossible, but if my memory's correct, taking that plant from half a million to twelve-million, the most length of time we shut down was three days, once. I'm talking major building construction, major equipment. tearing through buildings behind us, alongside of us, to expand, to expand, keep this thing going, keep it growing, keep it growing. We were maintaining the quality of the product, but we were upgrading the quality of the equipment we used, that gave us more consistent product day in and day out. We did a lot of things. We couldn't understand, as we were weighing the product— A half-gallon weighs so much. When I went there, we put it on the scale, we looked at ounces. Well, okay, so it would move up one ounce or down two ounces. Well, we finally got smart and went to grams so we had a little better numbers to work with. Well, then what we found out—after a number of years, of course—that the ice cream freezer we were using, made by one of the two major equipment manufacturers in the world, that you could never touch the equipment, and the weight would vary clear out of our acceptable limits, up and down.

So here we are, the guy running the machine takes the carton by hand, puts it on the scale. My God, it's forty-grams too heavy. So he turns the air the other way. So another five minutes, he puts one on the scale and it's the other way. Well, finally, in doing some experimental work, never touch the machine and just watch it, watch it. And then we found out it went like this. So then we had to try to engineer systems on the equipment that was sold to us that would give us more consistent product. And over the years, we did that. But of course, we went from putting it on by hand to in-line scales that automatically recorded every single carton across there that was out of the spec, which was very, very tight; just kicked it off the line and was rejected, because it was under our acceptable standard. So again, not changing the quality of anything, just making it more consistent day in and day out. That's what we strive for.

Geraci:

You said you were engineering this equipment. Who's doing this?

02-00:30:29

Thomason:

Well, that's interesting because when I went there in 1970, we had six ice cream makers. We didn't have an engineer in house. Anything that was a major requirement, we would hire somebody from the outside. We had a fellow, Shorty Francis, who was a retired chief engineer from one of the major dairy companies, Challenge, that had worked for another little independent and was working for them one day a week. So Ken was able to convince Shorty to go to work for us one day a week. Shorty would drive up in his Cadillac, take his toolbox out of the back of his Cadillac, go in. His major job was— In those days, every piece of equipment in the house had to be taken apart totally and washed and sanitized every day. Now, that evolved to fully automated clean-and-play systems. But Shorty was the guy that sharpened the blades once a week and did some maintenance work.

In the engineering room, were the compressors. We had ammonia compressors, and he's the only guy I know that could ever eat ammonia [Geraci laughs] and keep his breath. So we didn't have engineers, per se; we had to go to outside engineering. And one of the people that we used, who happened to be the chief engineer at Borden's in 1950 when I went there, was a fellow by the name of Fred Band. Fred had gone out on his own and became an independent engineering consultant and one of those guys that was hands on, as well as a very smart technician, and ultimately brought his son into the business. So they were our number one source of help, as well as the equipment company themselves. They were wanting to sell you equipment. So they were very helpful in helping you design systems. It all evolves over a lot of years, but upgrading fillers that we were hand filling to fully automated systems. We went from putting cartons into a wire basket to shrink wrapping them, six to a bundle. But the salespeople, or the route salesmen didn't like that because they couldn't sell six of rocky road, so they had to split them open and put two flavor of this, two of that flavor into—

One the things that Gary Rogers was adamant about, or Tom Delaplane, I'm not sure who was most, but they wanted three-packs. But our whole system was dedicated on the six-pack. It's a stable unit to run through conveyors and stackers, but a three-pack will tip over. So we had to develop equipment that would shrink wrap but split two three-packs together; and over the years, we developed that. One of the things that sticks in my mind the most, that's interesting, in the early days, the cartons came in from Los Angeles, seventy-five to a case. This is half gallons with lids on them. These were stored in a warehouse; and when you were filling them, you brought the cartons in onto the production floor, with probably room to have three cases of them in the room, it's so small. So you put them in there, the water's on the floor, the bottoms fall out. The carton on the floor, you've got to throw away; you don't want to use it. We went from the cartons being readymade in Los Angeles, by Sealright Company, to— They had the machines down there. We were the first company in the United States that brought in the Sealright half-gallon carton formers into our plant. We had machine number one. Put it on the

second floor of the warehouse, behind the factory, and we started then being the first one making the carton in our plant. Then the lids came in a separate box. So the cartons were made on the second floor, conveyed down then to what was an automatic filler, which we had to reengineer to make it more reliable. One of the problems we had, we had to bring the lids in onto the production floor. These lids were—I can't even remember the number in a carton. But you dumped them into a hopper, a machine that would take them up, and then feed the filler in the hopper. Because of the offset of the weight of the lid, all those facing the wrong way would fall off and just the ones facing the right direction went down into the filler. Well, the lids being brought in on the production floor was a pain in the butt. I'm going to ruin your tape here.

Geraci: No, no, that's not ruining it.

02-00:36:06

Thomason:

Well, young Rick Molini one day said, "We're rolling the cartons down from the second floor; why don't we roll the lids down? That way, the operator upstairs can feed the lids." And I said, "Rick, how in the hell can you roll lids down a conveyor? That's the dumbest thing I've ever heard." Well, Rick was one of these young guys. Next thing you know, he's got Fred Band and they're penciling out—within a few weeks, we're rolling lids down. [Geraci laughs] Well, give the guys a chance. This was the case where I should've kept my mouth shut. I've told that a hundred times to different people in different plants later. Boy, don't ever underestimate the ability of the people doing the job. And we preach this. The person doing the job knows it better than anybody else, and you better listen to them. We tried to do that very completely, later on. If you talk about the plant in Fort Wayne, Indiana, it's a fully-empowered work force. All the decisions are made by the people in the facility. They have some management staff there, but if there's something wrong with the line, they'll not even shut it down. The people on the line, they solve the problem. It's amazing, the power of the people. Give them a chance. When we first started this operation, it was 1985. We brought in—I'm jumping too far ahead here—but we brought in Ken Payjack out of S.B. Thomas, of Thomas's English Muffins. He was vice president for them. And Ken Hogarty, who had been brought in as the president of Edy's Ice Cream—they had this empowered workforce, and he brought him in. I was still sort of the old school; you see a problem, go try to correct it. Get somebody and say, "Hey, fix that." Well, they used to have to say, hey, J.T., if you see a problem, just go out in the other room and tell us about it and then we'll let the team fix it. And sure enough, they could correct the problem a heck of a lot better than some old man walking through with a yellow clipboard and thought he knew all the answers. You don't know the answers. The people that know the answers are the ones doing the job. And they could solve the problem, make it work better, or direct people that had the technical ability to correct it.

So it's all part of what evolved in this Dreyer's empowered workforce that developed over the years. We didn't have that in 1970, or even in '75. It was clear up into the eighties that we really got truly into the empowered workforce. But even in my first years there, you're still depending on the people working on the various jobs, making decisions. One of the things that people had a hard time understanding was that we had our ice cream makers inspect the product they made. We called it cutting. We would take a half gallon, the next day—randomly take some half gallons or pints—and take them and put them on a cutting board, take a big butcher knife and whack them in half.

We wanted to see if we had good distribution of the ingredients inside, the fudge was properly distributed. In fact, if it was not acceptable, the product was put on hold. Then you'd have to go through pallet after pallet and see where something happened to the machine that's malfunctioning. Now, guys would say to me, how in the hell can you trust these ice cream makers to condemn their own product? They were more critical of their own product than if you had quality control people. Had quality control people in plants I worked at; it was the cops and robbers. You made the stuff and if the quality guys weren't looking, maybe you'd do something to tweak it or change it so you get more production out of it or whatever. Or the quality control people come in and they'd find out you made a mistake and they'd come and say, hey, gotcha! Aw, you screwed up. [Geraci laughs] It's a war back and forth. It doesn't work, really.

Geraci: It's a war back and forth with a zero gain.

02-00:41:18

Thomason: Yeah, right.

Geraci: It's the product you're worried about.

02-00:41:20

Thomason: Yeah. So people never could understand how we could allow our ice cream makers—and this went on from the day I got there and it was going on before that—to trust them to score and certify that their product is acceptable. The people took *great pride* in how good they could make their product.

Geraci: Let's move back just a little bit. You're coming into this in '70. It seems that Ken Cook is really expanding his operation. Yet he has to sell it.

02-00:42:08

Thomason: Yeah. Okay. As we started to expand in '70, '71, '72, of course, the first thing we did was to put in a mix room that tied the old factory to a warehouse that set at a slight angle—three-story warehouse, to the back of the factory—with a mix room. So that expansion took some pretty good money. I didn't really get into the nuts and bolts of the financial end of the business. Ken had that.

Geraci: That was his job.

02-00:42:54

Thomason: That was his job, with Fred Smith, the CPA that handled the accounting for Ken. Ken, that was his thing. At that same time, we were having a major decision of, what should we do? What's our business? We want to be wholesale ice cream to the supermarkets; but look at Baskin-Robbins. Look at the opportunity in food service. See, the three-gallon cans were food service. That was Dreyer's originally, clear back in the thirties. That was their business. Well, and a little bit of packaged stuff, but most of it— Well, so now, geez, we're missing out on that business. We're focusing on that. Shouldn't we franchising, too? So we thought, well, we have to explore this. McFarlane's Candies had franchised some stores, and what you thought was going to be a honeymoon for this couple that had saved their \$50,000 and bought a candy store, all of a sudden, within a year, they're divorced. Seven days a week; it's no honeymoon. So I was not very positive about franchising, along with the wholesale grocery business. How do you justify putting a franchise alongside of a supermarket who you're trying to build a business with? Well, that was my part of the argument a little bit. Ken thought there was maybe more opportunity, like a Baskin-Robbins store. So we were also spending money redoing the fountain. Split it in half, put in a separate operation, designed by Walter Landor and Associates, as a test sort of store that would sell ice cream and some candy. So we were spending more money. And probably the one time that Ken Cook and Bill Dreyer really had words was one day Bill Dreyer said to Ken, "You're spending money like a drunken sailor." Well, that put Ken into orbit. They were like father and son. They were as close as any two guys could possibly be. But it really ticked Ken off.

Geraci: That was the straw that broke the camel's back.

02-00:45:47

Thomason: Well, yes. Even though it wasn't Mr. Dreyer's business. So anyway, there was a drain on our finances. We ended up having one franchise operation out in San Leandro, California, a pretty good operation; but there was no one there to oversee it. If you're going to have a franchise, you've got to control them. It was fun to go out there the first month or two they were open, see what they were doing, but after that— We finally made the decision, hey, we're in the wholesale ice cream business for the supermarkets; that's our business. So we were growing, business was picking up. But the noise on College Avenue was getting louder and louder. We ended up with six or seven route trucks in the backyard, which had to come down a driveway alongside of a house with people living in it. We had sugar tankers coming in at night. I can remember one day, out front of the ice cream parlor, upstairs with offices, you hear the sirens going and fire trucks, and they're out in front of our place. You look out the window, we had a sugar tanker, forty-footer, trying to back in off College, in to deliver sugar, and the driver was having a heck of a time getting in. He had College Avenue blocked and fire trucks stopped. Well, we heard about

that. It just was getting kind of more nasty all the time. We couldn't harden the ice cream fast enough. Ken Cook almost— Terrible. Poor old Ken, up in heaven. He said, "We slow-harden our ice cream to make it better." [laughs] We used to say to Ken, "You're terrible, Ken." But in fact, we were selling enough additional volume at that time, with the small ice cream freezer we had. We didn't have a hardening system like the blast tunnels. It was just inside of a freezer box with as much refrigeration as we could put in there. And we *weren't* getting the ice cream hard. We had gone from the wire basket, which helped the air circulate—

Geraci: The air flow, yeah.

02-00:48:34

Thomason: —to putting them into a sealed bag. So we were going up against ourselves.

Geraci: Now, it would seem, with the sealed bag, that you had to have more cold.

02-00:48:49

Thomason: Yes.

Geraci: Because you're not letting the air flow.

02-00:48:50

Thomason: Well, you couldn't penetrate. It was getting more difficult to think, how can we keep expanding? Things were really starting to go pretty good. So Ken and we looked at a facility out in San Leandro, the old Arden ice cream plant. Had quite a bit of land around it. So Ken, who owned the company 100 percent— We went to the bank, we took a pro forma to the bank, showing what we could do with the existing facility, as far as selling it or keeping it, and then buying this facility out in San Leandro. You've heard this, I'm sure, from Gary, but Gary Rogers happened to be sitting alongside of Ken Cook when the president of the bank, who the month before was pictured with his arm around Ken's shoulder saying, "We help the small business guy," he called Ken, tell him that we could not get the million-dollar loan, that we needed to make the move. And I was absolutely convinced that we could not expand this facility. It didn't make sense to me; that without hardening, without storage, we didn't have space to hold the ice cream we needed. We had to have an off-site storage facility for the ice cream, after we made it. This was getting to be an expense that was prohibitive. So Ken gets the call. Gary Rogers is in there; he and Rick are having really financial problems with their restaurant business. Really, the idea, as I recall it, was to see what ideas Ken might have or Dreyer's would have, to help add an additional item onto the end of a meal that's a profitable dessert.

So of course, Ken was an extremely emotional guy; and when he got the call, I'm sure he virtually turned gray. Ken had a bit of a shake to his hands when he was upset. He turned to Gary and told him just what happened. Ken was a very honest guy. And of course, Gary Rogers' wheels apparently started

spinning, and within a very short period of time, had put a group of investors together—the Charter House Group, out of England—to come in and buy Dreyer’s Ice Cream. Again, there’s a lot of stories about that. But Gary being a very, very astute business guy, set up a cash deal. They leased a lot of the equipment, building, played some financial games, plus getting the investors. Gary Rogers had a Porsche automobile. Our trucks were leased from Brunk Leasing, handling equipment and a couple of vehicles that salesmen had. Anyway, Gary was able to sell his Porsche to Brunk Leasing for \$10,000, and that’s what he put in as his part. Rick borrowed \$10,000 from his in-laws, and assured them that if this thing ever was successful, he’d buy them all a new Mercedes. That was the money that Rick and Gary dug out of their own pockets to put into this deal, and Charter House came in, and it ended up being one very, very good financial reward for them. But I never will know— And I don’t know if Gary talked about this at all. But Ken thought what he was getting was financial investment from the group. He did not expect— (And we don’t know why)— Ken never expected that Gary Rogers would move in and sit down at the desk and starting running the business thirty days later. Ken thought that all he would have to do was continue to run his Dreyer’s business.

Geraci: He thought these were just investors.

02-00:54:06

Thomason: Investors. So Ken, with a five-year agreement to stay on, was very, very upset when Gary was physically there to run the business. I’ve always said we were lucky that Ken stayed as long as he did, even though he got became more bitter as the years went on, several years. Ken was still the guiding light, the visionary about direct store delivery, the quality of the product, what it was adding to the supermarket. He was able to instill this business idea quite thoroughly into Rick and Gary and what they were doing.

Geraci: Well, admittedly so, Rick and Gary did not know the ice cream business.

02-00:55:10

Thomason: No. Gary Rogers is an extremely brilliant man. If you know his background and history, you know it. He was just *outstanding*. Once again, you’re right; he didn’t know the ice cream business. As he came in, it was obvious. In fact, when the negotiations were going on, Ken Cook and the attorney and our accountant all advised me to get my résumé out because the first thing they’re going to do is, you’re out. There’s nothing in this agreement for you at all, and they’ll bring their own general managers in. You’re out, so you better get moving. Well, I didn’t feel very good about that. But I didn’t take their words of wisdom and start looking. I figured, well, I’ll see what happens. So when Gary came in, he was very open about not knowing anything about ice cream, but very definitely wanted to learn all about it, all the way down to the formulas; and very, very concerned about losses, overrun, butterfat losses and that. And my friend Bob Birtel, who had been with me, or I’d been with him,

at McFarlane's Candies, had left there; had bought into an awning company, which was then sold; and Bob was retired and painting his house one day, when I called him. This is before Rick and Gary. I said, "I've got some real inventory control programs with our facility off site. We've got some real losses. Can I get you to work for a few weeks and do some number crunching?" Well, Bob did that, and was invaluable to me. He was my right-hand man on the numbers crunching. We were developing new programs; he was it. He's the one that sat down with Gary Rogers, after Gary wanted to learn all about ice cream making, and Bob taught ice cream making 101 and cost accounting to Gary, and stayed with us for a number of years.

Geraci: Seeing that Gary is a numbers man.

02-00:57:57

Thomason:

Yes. Oh, yes. So he and Bob really got along very well. I have to say, it was extremely important that he was there. Now, immediately after Gary came in and I started spending time with him day in and day out—after he first came in, as he was learning what we were doing and what the problems were for making ice cream and getting it hard and getting it to the warehouse—after about thirty days, it was obvious that I had a choice. Gary wasn't going to move. We were going to solve the problems of how to make ice cream in that facility, get it hard and get it delivered, without jeopardizing the quality of the product. And if I wasn't going to be on his team, I might just as well pack it up and go. He was fair enough to say, "If you can show me financially, that it makes sense to purchase the Arden facility and spend the necessary money to bring it up to our standards, and move, close this facility down, versus solving the problem here, we'll move. But until you can prove to me it makes sense, we're going to stay right here and solve the problem." He said, "I'm right here with you." And in fact, Gary, I think, had a great time playing engineer. We got to know him very well and we could kid about it; but in fact, Gary, myself and Fred Band and Fred Band, Jr., spent weeks and weeks noodling. What can we do to put in a system to harden ice cream, that would solve the problem of getting the ice cream made, at the volumes we were making then day to day, hard enough that we could ship it out the next day? There were quite sophisticated, expensive systems available, way beyond the monies that would fit into the budgets that Gary had in mind. So with Gary and Fred, they designed, we designed a hardening system with the structure that we had there, that we decided was going to solve the problem, and in fact, allowed us to remain there for a good number of years after that. Not perfect, but it worked. Ultimately, with lots of more expansions and a lot more heavy equipment, and then the addition of a hardening system, we stayed in that facility long enough to put twelve-million gallons through it. So guess who was right? It wasn't me.

Geraci: This is the perfect place to stop for now.

[End Audio File 2]

Interview #2: February 1, 2011

[Begin Audio File 3]

Geraci: I am Vic Geraci, food and wine historian from the University of California Berkeley's Regional Oral History Office. Today's date is Tuesday, February 1, 2011, and seated with me is John Thomason. Mr. Thomason served as the vice president of manufacturing and general manager of Dreyer's Grand Ice Cream, Inc. John, the last time we talked, we were talking about your life and coming up and getting to Dreyer's and all your experiences. I think a good place to start today is, you're probably one of the few people that knew Bill Dreyer himself. So let's start there, and then we'll work through the Dreyer's experience.

03-00:00:54

Thomason: Very good. Yes, I was privileged to have known Bill. I hesitate there because we never called Mr. Dreyer Bill. Other people did, but we who worked for Mr. Dreyer, he was either Mr. Dreyer or Senior, and most of us called him Senior. So Mr. Dreyer was just a wonderful gentleman. When I joined Dreyer's in 1970, he of course, had sold the business a number of years before that. But he still had his place in the business; he had his desk upstairs, which no one dare take over.

Geraci: That was permanently his desk.

03-00:01:41

Thomason: That was his desk. So he would come around to the factory. He always went upstairs to see the girls. In 1970, when I joined the company, to give you an idea of the size, there were two girls in the office. I used to joke about it, say there were two and a half, because Nancy was a college gal that came in and worked for us half-time. So the complete staff in the office was two and a half girls. Mr. Dreyer would come up, and he was a big flirt. He was just a charming gentleman. But he loved to come up, see what was going on. He had his serious side about it; that was particularly when he would then go down into the factory and see his favorite boys down there making ice cream. At that time, in 1970, in the factory, we had six ice cream makers. That was the total staff in the factory. And we had three route trucks. Mr. Dreyer would go into the factory. He would, on occasion, when we were sampling the products from the previous day's run, be involved with the ice cream, critique the ice cream maker of what he liked or didn't like. But if there was a problem, even though he no longer owned the company, he treated it as if it were his company. If there was a problem, he would help tell the ice cream makers what had happened or what was wrong or how to correct it; but if it were such a problem, he would just say, this product can not be sold. There was no compromise in Bill Dreyer's mind, in dealing with these people, about—

Geraci: So he was very hands-on.

03-00:03:37

Thomason:

Very much so. I recall one time one of the ice cream makers was being a little bit sloppy and had dropped some ice cream on the floor. Mr. Dreyer picked up a carton and slammed it on the floor and everybody looked at him. He said, “Damn you, you don’t care about quality of the product. You’re going to drop it on the floor; let’s throw some more on the floor.” He got a point across. If you make a mess, you clean it up immediately. Quality, to him, was not just in the package; it was everything about the facility. He hammered that into my head. He lived for five years after I joined the company, till 1975, and the other part of the business that he enjoyed was, of course, going out into the ice cream parlor. He was a flirt out there. One of the waitresses there, Dorothy Green, had been there for probably twenty years and she knew Mr. Dreyer just loved strawberry sodas; so she’d always, when he came in, make him his special strawberry soda. But there was a great family relationship with Mr. Dreyer. His relationship with Ken was probably as close as a father-son relationship.

Geraci:

Now, he had sold Dreyer’s to Ken in around 1970, then?

03-00:05:07

Thomason:

Yeah. Prior to 1970—they had sold out, I would guess, five or six years before 1970. There were the three partners, Ken Cook, Bob Boone, and Al Wolff. So Mr. Dreyer was totally, financially, out of the business, but came around and would spend time there. Ken was a little more aggressive than Mr. Dreyer was on improving things, making the office a little more pleasant. If you’re going to spend ten, twelve hours a day at a working facility, make it pleasant, brighten it up. Mr. Dreyer was quite conservative. I remember once Ken had done some major remodeling on the fountain. This is the only time I think I’ve ever seen him get upset, or Ken get upset with Mr. Dreyer. Mr. Dreyer said, “Jesus, Ken, you’re spending money like a drunken sailor.” Ken got very upset. But they were extremely close.

Geraci:

It almost sounds like they were a father-son type relationship. The new generation, with new ideas in what to do.

03-00:06:25

Thomason:

Yes. Much closer, I think, than he was with his own son, Bill, Jr. But Mr. Dreyer would come around and— Oh, it was a pleasure to have the privilege of knowing him. You could pick his brain on some ideas. At that time, we were what you’d call a manufacturing company; we made the decisions on what flavors were going to put out for the next year, what package design was happening. We did not have anything that you’d call marketing people at that time. So we were making decisions, but Mr. Dreyer would still have input on a new flavor. If we were developing one, he was very happy to come in and say, now, this needs a little tweaking here, a little tweaking there. It made him feel important, also. So he was doing fine. The only thing was, when he came into the parking lot, you had to watch out because he didn’t look backwards when he backed out; he just put it in reverse and hopefully, there was nothing

behind him. So Mr. Dreyer was around. About 1975—I'm not even sure of the date—73, a tragic time in his life, he lost his wife, his son Bill, Jr. died of cancer, and a grandson drowned.

Geraci: Oh, my goodness.

03-00:08:03

Thomason: He was devastated. We could see that it really took a toll on him. He ultimately was in a convalescent hospital facility. One day he asked Ken if he could pick him up and bring him down to the factory, and Ken and I went over, brought him into the factory, carried him upstairs; he couldn't walk up to the offices. He sat at his desk, everybody came around, made a fuss over him. We took him, then, down to the factory. Walked in, he greeted all the ice cream makers, and then out into the fountain. Then it was time for lunch. One of the things about those days, they weren't quite power lunches, but drinking or rolling dice for a drink was probably much more acceptable than it is today. Mr. Dreyer loved to go down to Art's on Broadway. So Ken and I went down with him and we rolled for a drink and toasted and had lunch and took him back to the convalescent facility. Shortly after that, he passed on.

Geraci: It almost sounds like he was trying to bring some closure to his life.

03-00:09:27

Thomason: I would say we felt that way. He knew it was just time for him to go. He'd enjoyed his life.

Geraci: Now, one of the things I always find fascinating, can you physically describe him?

03-00:09:46

Thomason: Well, he was a chubby little old man with a happy face, and he had a good head of hair and almost always had a smile on his face. We never saw him in a grumpy mood. He used to call me Smiley because I never smiled. He was a happy man and he brought happiness to the people around him. So we all just truly loved the man. That's probably the only way to put it.

Geraci: But there was a sense of community, a sense of family in working at that Dreyer's plant.

03-00:10:26

Thomason: Yes, it was a very, very close relationships there between the people. Later on, I'll get into this, but you had the office staff there, you had the ice cream parlor folks right there, and you had the ice cream makers and the route sales. This was a family, and very close. In fact, one of the ice cream makers married the fountain manager. They divorced and—it's a little *too* family—But it was a very close relationship. Later on, when the ice cream factory was shut down, we saw some real effects of having them separated, but it was a close relationship at that time.

Geraci: It seems, in just listening to the beginning of this story, he was fanatical about the quality of his ice cream.

03-00:11:36

Thomason: Yes.

Geraci: Where did he learn to make ice cream?

03-00:11:38

Thomason: Well, Mr. Dreyer, the story goes that coming from Germany on a transport ship, worked in the galley and made ice cream for the captain. How true that story is, we don't know, but that's part of the history, the story that was told. He ultimately worked for several different dairy companies making ice cream, and then did work at the University of California Davis, teaching ice cream making there. When I went to the University of California Davis, 1946-1950, the name Bill Dreyer was one that we talked about; and having taught there, he was sort of looked upon as *the* person for making quality product. So he had the reputation for quality. The one thing that he hammered into my head was quality is one thing, but it's got to be consistently the same thing. You can change a product and say you're going to make it better, but that isn't what is important to him, is consistency of the product day in and day out. Make it the same way, use the same ingredients. We will not change the quality of an ingredient because the price goes too high. The only answer there is if we have to, we'll have to raise the retail price on the product. But a lot of ice cream companies, if strawberry prices went too high, they went to a cheaper strawberry; or if almonds went up from a dollar to a dollar fifty, they would substitute walnuts. He absolutely refused to allow such things. Part of what my responsibility was, was to maintain the consistent quality of the product, as formulated by Mr. William Dreyer.

Geraci: So he formulated all these ice creams himself, then. What kind of flavors did you have at that point?

03-00:14:02

Thomason: Well, at that time, we used to talk about in the old days, any flavor you wanted, as long as it's vanilla, strawberry or chocolate. Well, by the time I arrived at Dreyer's in 1970, we had sixteen flavors in the half-gallon line, eight flavors in the quart line, and we have forty-some in the three-gallon package line. So we had vanilla, rocky road, toasted almond, chocolate marble fudge. We had about eight of the flavors that were the bedrock of the flavor line, and the last eight flavors were the ones you rotated in and out, with the featured flavor or the new flavor of the year. It was always difficult knowing which one to drop out of the line because hopefully, somebody liked what was number sixteen on the list. So you'd always hear about that in your consumer complaint letters. That was typically the line that we—

Geraci: Dreyer's was known for the rocky road.

03-00:15:12

Thomason:

Yeah. Well, Mr. Dreyer is credited with inventing rocky road. The story of taking the large Kraft marshmallows and using his wife's scissors, and he'd cut them into four pieces and made the miniature rocky marshmallows, which were much more desirable in the rocky road. True rocky road candy was made with walnuts, with English walnuts; but English walnuts, if you add ice cream, get soft and soggy. So he had determined years ago that the best flavor came out of toasted mission almonds, which are a smaller almond and very hard and crisp, and when roasted and diced, kept their characteristic crunch and gave off a very fine flavor in the ice cream.

Geraci:

So it sounds like he was a man who, in keeping his quality and consistency, he had learned through trial and error.

03-00:16:28

Thomason:

Well, somewhere in my files or stored away, mementos from Dreyer's I have—it was given when I retired—the original little recipe box, like your wife used to have on the kitchen counter, which were the original Bill Dreyer's ice cream formulas.

Geraci:

Oh, my goodness.

03-00:16:52

Thomason:

So I don't know what I'll ever do with them; pass them on to somebody. Hopefully, somebody has some interest in Dreyer's.

Geraci:

Those would be *great* to have as part of this collection.

03-00:17:05

Thomason:

All right.

Geraci:

Even if we could scan just a few of those to have as original recipes from Dreyer's that you were working with. Now, was he also doing all of the marketing?

03-00:17:21

Thomason:

I really don't quite know how to answer that. His business initially started providing and being the ice cream maker for the ice cream that went into the Edy's ice cream parlors, and then they would wholesale three-gallon containers of ice cream to drug stores, which is the typical outlet for ice cream. So I don't know if you'd call it marketing, but the sales standpoint, the way I would look at it, he was primarily the one that was out selling his ice cream products to drug stores and people like that.

Geraci:

So it really is a small operations. He's looking over the quality of the ice cream and he's selling the ice cream and he's formulating the ice cream.

03-00:18:12

Thomason:

Well, we're probably talking about 50,000 gallons a year at one time. It's a very small business. In fact, when I joined Dreyer's in 1970, we produced, the first year I was there, 500,000 gallons, half a million. It seemed like a lot of ice cream for a little-bitty ice cream plant. But in those days, the ultimate side of an ice cream plant—and I'm talking about the giants of the world, Borden's and Carnation—they would look to build a plant up to ten-million gallons. That was sort of what you focused on as we started to expand; how big are we going to make the ice cream plant? But his facility was very, very small and it was easy to control it, making ice cream from seven in the morning till three in the afternoon. It was sold only off of his own trucks. He did not sell it to anybody to put in their warehouse. So he had control of formulating it, having it made, stored, and then put on his own route trucks; then the direct store delivery, in the early days, it's right to the store. Not only, at that point, did he watch what was going on there, but he of course, was out into the store looking to see what was the quality of the product in the store. Anyway, he played a very important role and he was dearly missed when he passed on.

Geraci:

Sounds like an amazing man.

03-00:20:12

Thomason:

He was quite a guy. It's hard to describe him. He meant a lot to everybody that was working with the Dreyer's organization; there's just no doubt about it. One little piece of the history, that when he passed away, people said, let's get rid of Bill Dreyer's desk upstairs. We need room, we're starting to grow a little bit. So I said, "Well, I lay claim to that desk." So I had it refurbished and put it in my office, and I sat behind that desk till I retired and my number one hire took it over after that. I believe it's still in use at the Dreyer's offices.

Geraci:

Well, that's great. A living memento of the past in Dreyer's itself. Now, you said the last few years he was there and he had sold, and then we come into the era of Ken Cook.

03-00:21:14

Thomason:

Right. Ken, as a young man, was actually selling flavorings to ice cream companies, and that's how he got acquainted with Mr. Dreyer and became very close with him. Ken appreciated the quality of the product that Dreyer was making and ultimately, got involved in their sales organization, and then was able to buy into the business, along with Al Wolff, who handled distribution. Pardon me, Bob Boone handled the distribution; Al Wolff was the manufacturing end of it at that time. So the three of them had bought out the Dreyer's interest. Ken was the visionary, looking at how do we put quality ice cream into the supermarkets? Things were changing after the war. We talked about that earlier. Ice cream was no longer just available at drug stores and ice cream parlors. It was beginning to become readily available and was in the supermarkets, in some of the coffin-type of cabinets, most of them with a sliding door on top, and then finally, into the more open cabinets through the frozen food section. But Ken's vision was that we needed to have a product

out in the marketplace, of high quality; that typically, the store, quote, “quality ice cream” was sort of low-end. Ken’s vision was to put in a quality ice cream, the Dreyer’s quality, Dreyer’s package, Dreyer’s image, with the peek-a-boo lid, and at a substantial increase on retail price over the store price; and that there would be a umbrella effect for the grocer, that by having a higher price retail on a half gallon, that this would allow them to maybe bring their price up five cents more or ten cents more and give them a better margin. This was a lot of what Ken preached to the grocers as he was getting started. Ken was the sales force for Dreyer’s, and it started their expansion.

Geraci: But he’s taking it in new directions.

03-00:24:21

Thomason: Yeah.

Geraci: Because the supermarket era really begins in earnest, as we know it today, in the 1950s, although there had been supermarkets way back, thirty, forty years prior to that.

03-00:24:33

Thomason: Right. Right. And then by 1970, when I joined the company, some of the major dairy companies were already failing and the grocers were then going into manufacturing, with their own ice cream in their own factories, giving them a nice margin of manufacturing profit, as well as the retail profit. So they were very protective of the space. And as we went into the stores trying to sell, we were lucky to get one row of ice cream in a store. Now, try to put sixteen flavors of half gallons into one row. So then it started the option of the route salesmen to decide what flavors can he get in there, how fast do we get back to that store to restock it? It became *extremely* important at that time for— You can call them truck drivers, but they were route salesmen because one of their bigger jobs was the relationship with the frozen food clerk or the store manager; to cozy up to them to get maybe two rows or get some back-room stock and get the frozen food clerk to maybe bring some out. At that time, the unions, the retail clerks, were giving the ice cream companies a hard time about direct store delivery. They wanted the product through the warehouse, and then they would store it.

Well, historically the ice cream had to be delivered by direct store delivery, along with bread and several other items, so that we fought continuously, to get and maintain the direct store delivery, with the idea that, look, we’re saving you labor, we’re serving it, we’re responsible for it. You don’t have to touch it. We hoped they would. I’ve seen where we’d have a good relationship with the frozen food clerk in a store, some location, he’d get two or three rows; and then a supervisor for the store, maybe for five or six stores, would happen to come in and all hell broke loose. What are we doing giving Dreyer’s all that space? It’s taking away from our sales. Boom. First, they get thrown out of the store. So it took years and years of working with the stores,

through our route salesmen and our sales manager, one of them being a great guy, Joe Avila, who had great relationships with the supervisors of the stores and that type of relationship. That played out by attending most of their meetings, as a representative from an ice cream company. I can recall often, Joe would grab me and say, “Hey, you’ve got to go important. The vice president’s out there talking.” Didn’t mean diddly to me, but it seemed to impress somebody that a vice president would take the time to go out and meet with the supervisors of these stores. But it was a working relationship, and a very close one. In later years, as you know, Norm Lawsen, V.P., had one of the greatest relationships, right to the very top of all the major supermarkets. So this was slowly developing, slowly developing and growing, and Ken Cook is the one responsible to keep pushing this. He had one of his closest relationships with a really tough-nosed guy at Lucky Stores, Jan Lee. No one could get near Jan Lee. For some reason, Ken Cook and Jan got along extremely well. In fact, after we had finished the remodeling on the old factory, we had sort of an open house, and believe it or not, Jan Lee showed up—which was unheard of, that Jan Lee would put himself down to the level of coming into somebody’s factory. But they had that great relationship. So it was, again, close relationships, guaranteeing the quality of the product. The whole thing just built. It’s interesting that you’d talk to your friends in the industry, and they would say, well, they made their own ice cream, they had their own ice cream factories; but when we had a special occasion, we had Dreyer’s. You’d hear that over and over again. We can’t afford your ice cream; it’s too expensive. It was eighty-nine cents a half gallon or ninety-nine cents a half gallon. But on special occasions, it was Dreyer’s. That image just continued to grow and grow and grow.

Geraci: Now, there’s two factors going on here I want to talk a little bit about. Who were your major competitors? Also a little bit about there’s a shift in the dairy industry, in that dairies are having problems. It used to be the role of the dairies to make their ice cream and butter and things, and the supermarkets are taking over that role. So let’s talk a little bit first, about competition.

03-00:30:49

Thomason:

Well, early on, competition was Carnation or Borden’s, maybe a small independent like Berkeley Farms, or in Sacramento, Crystal Creamery. Crystal Creamery owned 90 percent of the market in Sacramento. They owned all the ice cream cabinets in Sacramento, in all the supermarkets. Well, so trying to get Berkeley Farms to give you any space. They *owned* the case in many supermarkets. So they’d go in and see you have Dreyer’s in there and, hey, this is our case; get it out. Well, finally, as the transition started to happen, the majors were feeling the pressures to have other products in the store, give the consumer a better variety; and the supermarkets are saying, hey, we can make our own ice cream and make that margin of profit in manufacturing, as well as in the stores. So as that happened, the majors were getting pushed out; but the little independent, like Dreyer’s, was maintaining they had to have a *little* variety. Safeway thought for a long time that they

didn't need anything in their stores except Safeway products, whether it was beans or anything else. They found out the consumer did not appreciate that. So we were able to get space in the stores a little bit and it grew a little bit more, grew a little bit more. Finally, we were able to convince them and show them that they were making a very fine margin on the Dreyer's product. The consumers wanted it, the consumers were asking for it. I can recall a couple of situations where we were actually thrown out of one of the different chains. They decided they didn't need it.

Well, the consumer demand was such that they were forced to put us back in. So our business just continued to grow, on that basis. And along with that came the need to take a little funky ice cream factory on College Avenue that was in the back end of an ice cream parlor, initially, and expand it from doing, in 1970, half a million gallons, to supply the market. At that time, 1970, 1971, our market was the fifty-mile radius around Oakland. How far can you send a truck down? What sort of changed our life at that time was one of our route salesmen, Ken Murray, had the route to Monterey and Carmel. Well, it wasn't bad when he first went down there and hardly delivered any ice cream. Well, then business picked up and pretty soon, you couldn't get the job done in a day. So gosh, we can't afford to put him up overnight in a motel and finish the job. What are we going to do? We can't afford to have a distribution center down there. All of a sudden the lights come on and I guess what we're going to do is start having independent distributors. That was the start of the expansion in Northern California, through independent distributors.

Geraci: This was beyond your fifty-mile normal radius.

03-00:35:02

Thomason: Yeah. Well, we could serve conveniently, with our own trucks, so you could go out, be back in a day. So this was the start of our expansion, which of course, then required the expansion of the factory.

Geraci: Because the factory was just too small to supply all of that.

03-00:35:23

Thomason: Yeah. That volume, as we started to put out— We went to Monterey with Frank Anea, a young fellow. His dad had been one of the independent distributors in milk and ice cream for forty years in the Bay Area, and his son, a great guy, we gave him Monterey, Carmel. Virtually, here, buy a load of ice cream and you own a distributorship. Along with Frank, then came his two buddies. Pat Cervelli went into the Central Valley. I can't remember if the fellow that had Sacramento came first, but then we had a distributor in Sacramento, and then Gene Smithe in Santa Rosa. We pretty well covered Northern California—Southern California—

Geraci: Down there, right.

03-00:36:32

Thomason:

But what we did, there was a young fellow and his partner who had an ice cream shop in Walnut Creek, ice cream and hot dogs. Pete Sidaris and Ken had gotten along quite well. Ken was out selling these accounts. I probably don't know the dates on this. '73, '74 somewhere.

Geraci:

It's in the early seventies.

03-00:37:06

Thomason:

During that early period there. Ken hired Peter Sidaris to go down to Southern California and be our sales rep down there and see if we could find some business. No one knew us in Southern California. Well, Peter goes down and spends a week or two, and comes back, sits down with Ken. He said, "Well, Ken, good news, bad news. Good news, I quit. Good news is I'm going to be your distributor in Southern California." With that, we virtually gave Peter and Steve a truck full of ice cream and said goodbye, and they headed to Southern California. They didn't have one account when they left Oakland. They went down and they would go into a grocer's in Southern California, knock on the door and say, "Would you like to have some Dreyer's ice cream?" They had this story pretty well all worked out. "Yeah, we'll consider it. When can you start?" They would take off their tie and run outside and grab a load of ice cream and bring it into the store. The next thing you know, they owned Southern California, pretty much. Along with that came the need for expansion of the ice cream factory in Oakland, the little hole in the wall there, 500,000 gallons. Two years later, we're doing a million gallons; started having to buy the building behind us, buildings alongside of us, so we could enlarge the factory. The office staff grew a little bit with that. There was a four-unit apartment house next to our offices and the fountain, and I can remember having to go up and knock on Mrs. Yee's door, who was a tenant of the building, had been there thirty years, and advise Mrs. Yee that we were having to evict her because we were going to convert the apartments into offices. So all these sort of things happened over the years, as we started to expand the factory. In fact, it was one of the first things that I was advised to do in going to work, was to put in a mix plant. Prior to that time, Dreyer's Ice Cream had their mix made by Alta California Dairy in Willows or Crystal Creamery in Sacramento, to Mr. Dreyer's formulas, and they would bring it in by the trucks. But a more efficient was we could make it. So we had to add a building onto the side of the factory, tied into a three-story warehouse in the back, at about a thirty-degree angle, that we had purchased, and put in the first mix operation with Dreyer's Ice Cream. At that time, the efficient way to make ice cream mix was what they called high temperature, short time [HTST], continuous operation.

But no way in God's Earth were we going to change the way we made Dreyer's Ice Cream. Mr. Dreyer made ice cream to a batch pasteurization system, one batch at a time; and that was the way we were going to continue to do it. Why? Why not take the efficient way? Because the other way, high

heat treatment, gave a cooked flavor to the product. You could pick it up immediately. It was totally different. It affected the characteristic body and texture of the product. Therefore, we were willing to put in a slower process, a more expensive one to operate, but to continue to carry on the same quality of the product that had made Dreyer's successful—

Geraci: Up to that point.

03-00:41:17

Thomason: —up to that point. So that was part of that expansion. As we continued to expand, then, into Southern California, we went into Arizona, with another one of the distributors, a brother of the one that had Central Valley. I'm not quite sure of the dates again in here, but by 1973, we were doing a million gallons, doubling the volume. In a little hole in the wall, it was getting to be a little more complicated getting the big tanker trucks into the College Avenue neighborhood, a little more hectic. Then by 1976, we were up to three-million gallons, and I was pulling my hair out trying to figure out how can we make this ice cream in this facility? We had already moved the route distribution trucks, because we didn't have enough storage for ice cream, out to San Leandro, to a small distribution center that we leased, and put our route salesmen in trucks out there.

Geraci: That probably pleased the neighborhood a lot.

03-00:42:53

Thomason: Well, it quieted down, except that all the ice cream made had to be picked up on a forty-foot transport and moved out here. So we'd have three or four of those a day going out. We had bought the service station on the corner; we bought the house alongside of the driveway from the service station, so that we could have enough room to back forty-footers in. So they were having to come in on the side street, Chabot, and those neighbors didn't like it. They tried to put a weight limit on trucks going on that street, but because we'd been doing it for years, we were able to be allowed to continue our operation, bringing the trucks in and out on that street. But people were getting unhappy with Dreyer's and you could understand why. If you were Dreyer's, you say, the heck with it, we've got business.

Geraci: If you're the neighborhood, it's kind of—

03-00:44:08

Thomason: Anyway, then the expansions went further and further out of California, up into Oregon, to Washington, Utah, and by 1976, we were at about three-million gallons production. During that time, we were having to operate around the clock, virtually seven days a week. Had no time to be able to shut down the factory long enough to do a normal expansion. This was truly by the seat of our pants.

Geraci: So Ken Cook had been doing a very good job expanding this business.

03-00:45:05

Thomason:

Very, very much so, through all these distributors. Again, you'd have to go back and understand the history of it. Through the agreements, Dreyer's corporate was the entity, selling to the various chains, and therefore, had control on the wholesale-retail product. So we didn't get into a price differential between this distributor or this one trying to go cut each other's throats. Again, it's funny; some of them were like a family. There was three or four of them that were college buddies, raised together, and just great working relationships. They were all enjoying a comfortable business and making some money. Their businesses were growing and Dreyer's corporate, per se, was supporting them through the marketing and sales efforts, allowing specials and different promotional items, which helped grow their business. So it was the relationship of the independent distributor to go get the store business; but Dreyer's per se was the entity that was promoting and advertising the Dreyer's quality products and doing a lot of different advertising, through ads or even on the radio and different things.

Geraci:

There's a lot of expansion going on here. How are they financing all that expansion?

03-00:47:04

Thomason:

This is where it got tough. [they laugh] Ken had a pretty good working relationship with the bank. It was difficult. It was solely owned by Ken Cook. This is when we ultimately— Two things happened. One is the expansion. It didn't cost us any money for a distributor; that was his expense, to put in a warehouse. We couldn't afford one; that's the number one reason that we did not expand with our own route systems, we couldn't afford it.

Geraci:

Because the independent distributor had to accept that.

03-00:47:49

Thomason:

They had to foot the bill. They had to build their warehouse, they had to buy their fleet of truck as they grew. If they went from one truck to two or three— or Southern California, to twelve or fifteen trucks covering all of Southern California—that was their responsibility and problem to get the money for their expansion. If we didn't think they were doing a good job of it, we'd either have to go and threaten them, I guess you'd have to say, that if they didn't cover certain areas— It was nice to cover the central area of a distribution facility, but if Lucky Stores had a store fifty miles outside of your area but it was your area, you had the responsibility to get that ice cream out there. We had to put the bite on them to go ahead and cover all those stores. The chains would say, look, you tell us you're going to distribute to our stores, that means every one of them. So at times, it becomes a bit of an effort to get the independent distributor to do a good job of covering them. But with the threat of losing their business.

Geraci:

Because there again, back to the old Bill Dreyer days, quality and consistency.

03-00:49:23

Thomason:

That's right. Of course, it's the independent distributor out there, part of what— I used to do it myself. I would go visit their facilities. I would inspect their facilities. I would ensure that they were maintaining the right temperatures in their freezers, that their trucks were in good shape. I would go out to the stores, and if I found that they weren't pulling damaged product out of the store— Because they had to issue a credit; that was part of their cost of doing business, was to issue a credit. But we did the very best we could to ensure they knew that if we came out there, that if things weren't in good shape, they would be put on notice. You're either going to protect the quality of the Dreyer's product or you're going to be out of business. Just had a reputation of being a hell of a hard-ass. In my mind, it was either right or wrong. You do it the right way or not. That was true even with our own fleet of trucks. If I went out and found that our own people were at fault, all hell would break loose. So sometimes you had to be pretty tough. But there wasn't any compromise on what we were doing. We used to ask our own workers to be inspectors. When you're out shopping, have your wife look at our product. Tell us if you see something wrong. We would get a lot of feedback. This store is out of product. I go in there and I don't see vanilla ice cream. Well, if you're out of vanilla, you're out of business in our business.

Geraci:

So that is the mainstay.

03-00:51:53

Thomason:

Yeah. Or she went in and saw the store didn't have vanilla, well, the red flag's right up there. There was a lot of that. Every year there'd be a Christmas party and different functions. The ice cream makers and the route salesmen and their families would be involved. One of the things that I always thought was important to— We were working the devil out of our people. Some long, hard hours. Route salesmen would put in ten-, twelve-hour days sometimes—

Geraci:

Tough job.

03-00:52:40

Thomason:

—our ice cream makers. When you've got to work around the clock, Saturdays, Sundays and holidays, we hardly ever could shut down— Boy, you just had to keep up. So at these special functions, I made it a point to walk in and drop my wife at the door and then start working the tables, is the way I used to put it. So you'd make your rounds. I didn't want to talk to the ice cream maker and route salesman, I'd want to talk to his wife. I wanted to tell them what a great job Joe is doing. He's really one of our hard-working, best ice cream makers, dedicated. You've got a great guy there and he's just making Dreyer's successful. Nothing wrong with having a happy wife, knowing that her spouse is good at his job.

Geraci:

Equals a happy employee.

03-00:53:34

Thomason:

That's right. So this was important, this close relationship with the Dreyer's family. We *called* it the Dreyer's family. We included the distributors and their families in our functions, because they were part of the Dreyer's family. Anyway, by 1976, the financial situation for Dreyer's got pretty tight. I had looked at the old factory and [we're talking] three-million gallons. We're growing and growing. How are we going to keep up? I'm pulling the hair out. We can't make and harden the ice cream fast enough. We make it, but we can't get it hard fast enough. Ice cream, there's a certain technology; it's very critical that you have a certain draw temperature coming off the freezer. Two or three degrees difference will change the ice crystal size and characteristic of the finished product. Then typically, you like to get ice cream into a hardener, which will take it then from your twenty-two, twenty-three degrees down to a zero-core temperature in about five hours. Now, these were numbers that had been developed through the universities and ice cream companies through the years. We were putting ice cream into the freezer, but by the next morning, we couldn't ship it; it wasn't hard enough. Ice cream, as it freezes, you take it from the outside and— Or the outside, it's twenty below, but at the center, it could still be fifteen degrees above. It freezes in. Then finally it just—[snaps fingers] zap—and it's hard. That's usually about four hours to penetrate through a half gallon. Well, we couldn't get our ice cream as hard as we'd like. So I, working with Ken Cook, said, "We've got a problem here. This old factory here; we just don't have room to do the job we need to do."

Well, I was truly convinced that we shouldn't expand up there. So we looked out at our facility out in San Leandro, the old Arden ice cream plant. They'd vacated seven acres of land. We could get our route sales back together, our trucks and everything together. So we put a pro forma together and Ken Cook went to our friendly bank and was looking at a million dollars to do this. This is the story where, of course, Gary Rogers is sitting with Ken Cook, trying to discover how to make a lot more money in the restaurant business using ice cream desserts, and Ken gets the call from the bank, turning us down for the million dollars. That ultimately led to Gary Rogers and his group buying out Ken and taking over, in essence, the management of Dreyer's Ice Cream. Part of the agreement that was very important was that Ken would remain on as president for five years. But what Ken didn't realize—I hope I haven't said this before—is that Gary Rogers, he thought, was an investor who would come in and check, every quarter, what's going on, not realizing Gary Rogers was going to be moving in, running the show, starting within thirty days. This was probably the period where there was some real unhappiness within the Dreyer's family.

Geraci:

Well, the fear of change. There's a transition going on.

03-00:58:07

Thomason: This is a major change. Ken, he was bitter, there's no doubt about it. Ken was bitter. He had hoped that he was getting the finances to continue to grow this wonderful company that he was developing. He *loved* Dreyer's Ice Cream; there's no doubt about it. He was very, very proud of what he was doing and had done. So this became a blow. As Gary took over, Ken supported him, but not truly, not in a very good way. But it was important for Ken to stay for the next two or three years because it was Ken's vision, again, this marketing concept of taking quality ice cream out into the marketplace. So when Ken left after, I guess maybe the fourth year, he was a very unhappy person. It was, I think, for the benefit of Dreyer's that he did stay.

Geraci: Well, it had to be pretty tough on him. He had grown something and he needed to move to the next level. He had faith that he could do it; he just couldn't get the money.

03-00:59:39

Thomason: Yeah. Well, two things happened to me. One was I was advised by Ken and by our attorney to get my résumé on the street; they're going to bring their own people in. I didn't do that. I stayed. And after working with Gary Rogers for thirty or sixty days, it was pretty obvious that Gary Rogers was not interested in relocating and buying another facility. He felt, even though he didn't know how, the only way that he'd have a successful business, I think, would be to stay in Oakland—at least for the short term.

Geraci: For the short term. Can we stop right there? We'll change tapes here. That's a perfect place.

[End Audio File 3]

[Begin Audio File 4]

Geraci: I'm Vic Geraci, food and wine historian from the University of California Berkeley's Regional Oral History Office. Today's date is Tuesday, February 1, 2001. Seated with me is John Thomason. This is interview number two, tape number four. When we left off, we were talking about Gary and Rick coming in and buying this from Ken. I think one of the things that you told me off camera, let's talk a little bit more about here, is the fact that Ken just didn't know how to finance this, and this is where Gary and Rick played a key role. Because Gary and Rick, in their own words, they were not ice cream people. They didn't understand this business that well.

04-00:00:49

Thomason: Well, Ken had a basic financial background, but not big enough to go out and start gathering investors together. He had an accountant who was just sort of a basic accountant—CPA, I believe—that did his books for him, but wasn't lending any support in how to raise money. Stanley Johnson, the attorney that did all the work for Dreyer's, again had none of that experience. So I think

putting that all together, probably Ken looked back many times and wondered, why didn't *I* do it? But he didn't, didn't know how to do it. I didn't know how to do it, or even to help him. All I could do was try to run an ice cream factory and keep making enough ice cream to keep up with our growth. I wasn't even involved in the financial end of it at that point; although the office manager reported to me, as did everybody else in the company at that time. So sort of, my hats on for everything, but I didn't have any of the expertise that would help Ken do that. Then he wasn't getting it from his financial advisors, the accountant, or the attorney himself, to say, "Ken, we've got a loss." And the bank probably recognized that this thing could fail because this was a big— We were maybe spending \$100,000 doing expansion in a year, having to finance some of that. In this slow-growth economic wall here, putting in a new piece of equipment here, but none of it—

Geraci: This was a major step.

04-00:02:55

Thomason:

Yeah, this was a major, major step. Of course, the other issue was, what would he do with the buildings that he had a lot of money invested in over the last ten or fifteen year, the Dreyer's property, the properties we'd bought all around it? They were going to be empty and vacated if he moved. My argument was, there's no way that we can stay in the center of Oakland, here on College Avenue, and make the factory bigger and bigger and bigger. It just didn't seem to make sense. Well, come Gary Rogers, and Gary Rogers didn't know the ice cream business. Didn't know how to make ice cream, didn't know how to harden ice cream, didn't know how to distribute ice cream; but he knew how to cook books. He knew the finances behind it. He certainly listened. Every point, every issue I raised, the cost issues I raised about staying there versus moving—he was very receptive to all of it. After, I would say, sixty days together, finally a serious meeting, what he said was, "If you can show me, financially, that it makes sense to move, we'll move." So now it's in your court. Up to that point, I was convinced it did not make sense to stay there. Well, it's obvious that Gary was thinking, the other side of the ledger, that it did make sense to stay there. So the way I used to put it, I had a decision to make. I either got on Gary's team or I got the hell out. So I could not prove to Gary— And I doubt that any human being could have. You have to know Gary to know how brilliant the man is. But also very fair about the whole situation.

So the decision was made that at that point, we were not going to be buying the larger facility; that we were going to stay in Oakland and we were going to solve the issues that we had. One was how to harden ice cream properly, so that we maintain the quality of the Dreyer's product. I was at the point where I was saying, we're jeopardizing the quality of the product. We can't harden it, and to ship it out soft, it's not right. We're going to ruin the business. So the biggest issue was how do we continue to stay here? Not only grow the volume of business, but the biggest issue was how to harden it. Gary, having an

engineering degree and background from Cal, had a fair understanding of engineering, of what we were trying to do, how to do it, and sat right at the drafting table with myself and Fred Band, and with the outside consulting engineering firm that we used for a lot of our expansion work, and worked. And finally, we were able to develop a hardening system on paper that looked like it would carry us through the next couple of years of growth. We proceeded to go ahead and design it and build it, and it allowed us to remain in the factory. Ultimately, by adding more storage on this unit and more hardening—it wasn't a perfect hardening system, but it worked—the factory, before we closed it in about 1980, did twelve-million gallons.

Geraci: Oh, my goodness. You were talking three-million previously. That's quadrupling production.

04-00:07:24

Thomason:

So guess what? Gary Rogers was right. [they laugh] The challenge was there. We hired some help to make it happen. Luckily, our ice cream makers were willing to do it the hard way, whatever it took. During this expansion time, my memory tells me the longest we ever shut down to do any work was three days in a row. We just never had the opportunity to shut down for a week or two weeks. I'm talking taking the side of wall out of the factory, extending it out twenty feet so we could bring in 10,000-gallon storage tanks. Some major renovations through the whole factory. There were difficulties. The neighbors didn't like it. Luckily, we had a good relationship with Franco [Ago?], who was on the city council. His son Frank helped us get some business in Japan. His son worked in Japan. Frank liked Ken Cook and Ken was still around at that time. Ken was the president of the Chamber of Commerce; Frank was involved. So we had the support of the city. We were paying a good amount of tax, we were a good citizen. It was just that the neighbors— New people moved in and they *hated* us. Didn't seem right; we were there first. But that didn't matter. So it was difficult. As we built it bigger and bigger, we did everything we possibly could to make it comfortable for the neighbors, without too much noise. So the factory expansion started up. We were moving then. When you shipped ice cream out of the Bay Area up to Reno, 50% air in the package, the lids would pop off the top. They would expand up in the high altitude. So this was an issue. We could ship quarts because of the lower profile; we couldn't ship half gallons to some areas, especially to Denver. So this was one of the expansions that started after Gary came in. By the way, Rick had not come into the business at that time.

They had put in a new W.F. Cronk's restaurant, and so Rick wasn't active in the business; it was Gary himself, rather than Rick. So one of the things we needed was high-altitude manufacturing. We looked at what we could to get involved with manufacturing in a high altitude. Well, we hired a young fellow by the name of Bob Ryal, who'd started some distribution up in Denver. If memory serves me correctly, it seems like he had a trailer parked behind a service station; that was our distribution center in Denver, selling quarts.

There were two major players in the Denver area, King Soopers and Safeway. Safeway had their own ice cream plant in high altitude; King Soopers had Jackson Ice Cream. Safeway wasn't friendly to us.

04-00:11:41

I can't remember how we connected with Jackson Ice Cream, but we negotiated a contract with Jackson Ice Cream to put in a Dreyer's production line within their factory, to make Dreyer's half gallons, quarts, under our process; their people, but our supervisor on site. They allowed us, initially, to park our trucks on their location, one or two route trucks at that time, and they began ordering the Dreyer's supplies, either out of our Oakland facility or directly from their suppliers, depending on what they needed. Their quantity was so small, usually they just took it out of our inventory. And we went into their plant. I spent many a day just standing on that line. They just couldn't understand why it was so important that everything had to be right. They didn't care. They were the typical ice cream plant; quality didn't mean diddly. If it wasn't right, we wouldn't accept it. We don't. For a while, there was a lot of resentment. But after six months, a year of hard work, working with them, getting— We had to get the right people from the line. Ed Combs was the vice president and he ran the factory there. Ed and I got along quite well. So we were able to go in, have our people there, and to work with certain people and get them to understand why there was no exception; it had to be right. There's no compromise. It wasn't long after that that—they were allowed to take some damaged packages home—the only stuff they ever wanted to take home was Dreyer's Ice Cream. They found out it *was* superior to anything they'd made, and they began to take pride in doing it. Safeway was very concerned that this was a cut deal where they were going to do the distribution out of their warehouse. Well, no, that wasn't the deal. We still did our direct store delivery to the King Soopers. Safeway, after several years, finally allowed us to distribute product made by Jackson Ice Cream into their stores. It was a long time in coming. But that allowed us then to have high altitude manufacture. We were able then to ship over to Albuquerque, Santa Fe; of course.

Geraci:

It really opened up your market.

04-00:15:03

Thomason:

It opened the market. We had to be sure which route they were taking, because there was the high route and the low route, and with that high route, again, we had expansion of the product. So there were a lot of technicalities involved in working with them, but it opened that market up. Bob Ryal, with the wild hair, a great sales guy. I'd have to say, he's probably one of Gary Rogers' favorites because Bob was out on the frontier. There was no one else out there. So well, where do we go next? How about Kansas City. Bob's hand went up, he's off to Kansas City. Spent a week, two weeks out there, surveyed the whole market, finds out what's the opportunities. Looks around, who are the better sales people in the area? It's Mike Kay. We interview Mike Kay, hire Mike Kay, and Mike Kay then starts to open the market. Cold turkey. It

was the same thing in St. Louis. So it's just interesting, the way that things sort of just moved together.

Geraci: Now, what was your position or your title within Dreyer's at this time?

04-00:16:34

Thomason: I was vice president. These guys all reported to me, even though I wasn't in sales. [they laugh] I was the vice president, general manager, whatever. At that time, things— Gary came in, the expansions were happening, we were growing in the high altitudes. Then I had hired a young fellow that was at McFarlane's Candies, who prepared the advertising materials and that. We never called him a marketing person, but I had brought him in and he worked at Dreyer's, primarily with Ken, but on advertising. We talked about the possibility of franchising Dreyer's. Chris Lively then was put in charge of the fountain downstairs and restored it, rebuilt the ice cream parlor that was the prototype for franchising. Chris ran that. Anyway, we had some level of marketing, but Gary Rogers then brought in—and turned it into truly a marketing company—Jan Booth, one of the greatest people Dreyer's had ever hired. So from running a manufacturing company over to then a marketing company, this was a big transition for people like myself and people in the factory and out on the routes. We called the shots, let's put it that way. We developed the flavors. You can have it any way you want it, as long as it's JT's way. [Geraci laughs] So anyway, there were some major changes taking place, and along with that was the upgrading of the sales organization. So a lot of what I was doing out in the frontland, and that was slowly taken over by sales rep people. I'm jumping around here. So we got St. Louis, Kansas City, and then we wanted to get into Chicago.

04-00:19:20

Well, Chicago was a nightmare, when the Jewel Stores— There was no way that we were going to get into anything there at that point. Gary was behind most of this, pushing, pushing. Rick was into the company by that time, but Gary was really— He's doing the planning, he's doing the things. He's negotiating, along with me, with Jackson Ice Cream and then with Jewel. They had their own factories. So one thought was that the only way we were going to move— We did it in Denver, why not try it in Chicago? So we negotiated a deal to put in an ice cream line in the Jewel ice cream factory and did the same type of agreement. Our line, our product, our formulation, made our way, our ingredients, everything. Their ice cream makers, but one of us on the line watching it, having control of the product, the whole thing. Pretty tough union, tougher than all get out. First time I really got involved, to know how tough they can be.

Geraci: Well, Chicago's known as a union town.

04-00:21:00

Thomason: If I were in on the line—and there was a lot of times I was on the line, as we were getting started, doing approval of the product. We had to hire people to

be there or get somebody out of the organization to take on that role of quality supervisor in the plant. So if you'd see a product that wasn't acceptable, you'd kick it off the line. They'd say, take your hands off that ice cream or they'll shut the damn thing down. Hey. It was pretty tough for a while. But it was successful in the Jewel stores. But again, I don't remember who the other competing brands were. Kroger wouldn't have it in the market. They wouldn't take product made by their competitor, no matter what. But we were making money at it. Dreyer's makes a lot of money at that time. We were spending a lot of money; we were growing. Even in the expansions of the Oakland factory. You try to do a two-year expansion, in your mind, and Gary would say, "Cut it right to the limit. Just as little as you have to do to keep it going." That made it tough. But he didn't have a lot of money to grow. So anyway, Chicago, after a year, maybe—I don't think it was two years—that soured. They came out with their own line, almost a carbon copy of ours. So that situation fell apart. Ultimately, Jewel's factory had major quality issues and was shut down totally. By that time we, with our own manufacturing, already were supplying their stores and other stores with our product. Consumer demand was there for the product to do quality products advertising and that. So that's another one of the stories of growing.

04-00:23:34

Another small one was Snelgrove, up in Salt Lake City. We put a distributor in Salt Lake City. A bitter town. Mr. Snelgrove had a little ice cream company there. His son was running it. He hated Dreyer's Ice Cream with a passion, because we were slowly taking some product from him. But Mr. Snelgrove was a member of the Mormon Church, and highly thought of in the town. Virtually, I think, as a tenet of Sunday service, they would say, on your way home, stop by Snelgrove's. [Geraci laughs] We were able to buy their facility and we kept the Snelgrove ice cream parlor in front, but it became another small high altitude manufacturing, that ultimately became big enough to replace the Denver factory with our own. This is sort of years and years ahead, but it was part of what was happening in this growth and growing.

04-00:25:06

So we're back to 1976. We have the factory there and need to expand. We did, we did; we grew it and grew it, and sales were growing. A difficult situation was—my old bosses would kill me, but you knew it was true—they'd say, tell me how many gallons you need. Well, just don't let me run out. They didn't know any more than we did. Here we were supposed to produce it and have it, but no one could give you good numbers. It was very, very difficult to run a factory with all of these various distributors out here. None of them, at that time, could have an input to the volumes they needed. So we were just having to make it and keep an inventory on hand. We took some awfully good, hard-working people and—

Geraci:

How long is your inventory good for, the shelf life?

04-00:26:24

Thomason:

Shelf life on ice cream, we had six months.

Geraci: Okay. So you could do some planning.

04-00:26:30

Thomason: Yeah, but we didn't have anyplace to store it. That was part of what happened after Rick and Gary bought the company. We had the facility that we were shipping to out of Oakland, out in San Leandro. I can't remember if it was 6,000 square feet; wasn't very big. Two-high? storage. Terrible dock. It was on a slope, so if we did have to weather anything, you had to be careful with your forklifts. It wasn't the best thing in the world, but it was the only thing we could afford at the time. Then shortly after Rick and Gary came in, we knew we had a problem there of the size, but it was part of the thing about staying in Oakland. Hey, we not only can't harden it; we don't have enough storage here to maintain a large enough inventory to supply our growth. That facility, we just can't put a big enough inventory in there. So out in Union City, there was a large freezer warehouse that had been built by the grocery company, and they never moved into it. There were a lot of horror stories that it was never built for low temp. There's a big difference between frozen food, at zero, and ice cream, at twenty below. Major, major difference in what can happen to a lot of things. One is freezing down. Over a number of years, the floor, the ice underneath, depending on the amount of insulation there, it would freeze down maybe five, ten, fifteen feet, till it hit some kind of bedrock. Then what happens, it can't go down; the floor comes up. So there's a lot of horror stories that this facility had never been built for a low temperature. Well, we gambled. Foremost Dairies had the whole facility. I believe it was 20,000 square feet and four or five stories. I remember going out with Gary and looking at it. Then they were willing to give up half of it. The half we got allowed us to also bring our route trucks in from San Leandro and park them there. At that time, we probably had twelve trucks or more. And there was a good dock for shipping forty-food loads all over the West Coast. I remember going out and Gary and I just—What are we going to do with this monster?

Geraci: [laughs] Look at all the space we have.

04-00:29:40

Thomason: Yeah. We just couldn't *believe* what we had there. Luckily, the facility did hold temperature, had good air circulation, and a good dock, not the best in the world. What you wanted in an ice cream facility is you had the freezer at twenty below, but then you want an anteroom out front, where you're backing your trucks up, so you have a buffer between the two. It was pretty well built, so we really were doing great. Ultimately, we outgrew it and had to take over the whole thing. So this was happening, '76, '77, '78, '79, our factory's getting pushed there in Oakland. We're supplying everything other than high altitude, and had gone as far as Texas, in distribution.

We decided that it was time to find another location. The best place would be Southern California, which could then handle Arizona, Nevada. So we started

looking all over Southern California for facilities. The gigantic facility had been built by Challenge Dairies, a big co-op. It was gigantic, in our eyes. We'd never seen anything like it in our lives, I guess. It had a big butter operation that was still operational; the milk plant had been taken over by Foremost and they were still operating; the ice cream plant had been shut down for a number of years; and the whole administrative facility upstairs was empty. An old gentleman by the name of Jack Morantz had bought it, a shrewd old real estate investor. The facility was built in such a way that under the building, in the basement, was all the refrigeration system for the whole facility; and they had maintained that probably in the worst manner in hindsight. So by that time, I had hired, probably two years before that, a young fellow by the name of Brian Wicks who came out of Foremost Dairy. Brian was a graduate of Kansas State, in dairy, was being groomed to be the West Coast manager for Foremost Dairies in San Francisco. He was headquartered there. I've talked to Brian a lot after that. "Why did you give that up and come to work, number one, for me? But for Dreyer? He said, "My greatest dream was to be able to work for a quality company that cared about their products." He was willing to give up a *tremendous* job and come to work for us. I always told Brian, "The only reason you don't have my job is because I was here first." [Geraci laughs]

Brian was probably one of *the* smartest dairy technicians in the country. Hardnosed, but fair. Same mental attitude as Dreyer's; there'll be no compromise. So our people are important. He just fit perfect. So he was part of it. There was three of us. My friend Bob Birtel had become full-time. He was my accountant, per se, but he was the numbers cruncher. He was the guy who worked with Gary Rogers by that time on teaching Gary butterfat 101 and other things about— Bob was doing our contracting for commodities— cocoa, sugars and that—which we did by that time. And Brian. So there was three of us really working the manufacturing end of the business, and working then with the marketing people, the sales people. We accompanied them.

04-00:34:29

So the need then was to find a factory in Southern California. So Gary, Brian and I looked all over. We looked at the Challenge facility. It was big, ugly, sort of a big, old building. You go and it'd been shut down for a number of years. It was pretty ugly. So Brian spent a couple of months redesigning the whole facility, costing out what it would cost to bring it up to our standards. With good information, Gary then was able to go to Jack Morantz and negotiate a long-term lease—five-year, five-year, five-year options—at a price that really looked very favorable to us. It took us about six months to get the facility. Of course, we had to redo it.

Geraci:

It had to be refurbished, upgraded.

04-00:35:37

Thomason:

Refurbished, up to our quality standards, and we had to hire new employees. We were able to transfer some of the ice cream from Northern California

down south, or we had those that volunteered to go down. Ice cream seems like it's simple, but it's a very technical thing. Machines do a lot of it, but boy, there's a lot that is good knowledge in what's going on. It's critical. Two or three degrees difference on the draw temperatures may mean the difference between an icy product and good eating thing that's out there. Training the people was important. We learned a lesson from it. We didn't have them trained well enough, so we made a lot of mistakes. Took a little longer than we'd like to get it up to running well. But we hired some good people who stayed with us till the day we closed it, after the company'd been bought by Nestlé, many years later.

Geraci: Now, what city was this in?

04-00:36:57

Thomason: City of Commerce.

Geraci: Commerce.

04-00:36:58

Thomason: Yes. Probably a year or two after we were up and running there, Peter Sidaris and Steve Lindsay and their California group, which was quite large, released the administrative subleased offices that still were upstairs, and brought their group in, including their route trucks, to this facility. They closed down the one that they had actually outgrown by that time. So we had the family back together for Southern California. It worked out well. This is when Tom Delaplane entered the picture, some point in there, into Southern California, out of the bakery industry, going to work for Peter and Steve. That facility, City of Commerce, by that time, marketing people were calling the shots. There was a company in South San Francisco called It's-It, that made a little ice cream sandwich. I can't remember what company it was back in the Midwest making an ice cream sandwich, one of those things that happened to become the greatest thing in the world. [Geraci laughs] We looked at it. The marketing people decided that we would put in our own ice cream sandwich line in the City of Commerce. There wasn't any readymade equipment to do it. On moving belts, on a sandwich, you've got to drop a round scoop of ice cream on it; and then have the line moving and then drop a cookie right on top of it.

Well, people make them by hand. The ugly shape didn't matter. Well, our marketing people said the sandwich couldn't be more than a quarter of an inch off perfect center. Well, you couldn't convince them that no, it looked fine. These weren't dipped in chocolate or anything, it was just a chocolate sandwich, vanilla ice cream and a cookie on top. We had about 10% loss. They're calling the shots. They had to be perfect, so if they weren't—boom—at the end of the line they were already floating. You couldn't move the sandwich. You couldn't handle them on line. So it was somewhat of a disaster for about the first year. Then of course, they weren't satisfied with vanilla ice

cream, then they had to have mint chip. The marketing, that's how the company's run. If you ask an old manufacturing guy, there's nothing better than just vanilla, vanilla, vanilla. Anyway, by the time we had spent almost a million dollars and had the machine perfected, they were not selling well enough in the marketplace; they were discontinued. [they laugh]

Geraci: Just at the time you get the process going, right?

04-00:40:36

Thomason: Yeah. But anyway, [laughs] it was kind of a heartbreaker, but— The equipment, there was no market for it, so it was junked. Well, that facility did get up to speed. There were some very fine people down there, very dedicated to quality. We shipped the product back and forth between plants. We brought products in from both plants for quality evaluation in our new facility, along with the marketing people, to tell us which ones are different. We wanted them to be as close as possible. We did a pretty good job. So again, the facility in City of Commerce had high temperature, short-time system. We could've gone with that, ripped it out, put in the old-fashioned batch system. If we're going to do it, we're going to do it the same way. There were a lot of arguments. Some of the higher-ups said, oh, you've got to save money, you've got to save money; let's do it the other way. We're saying, look, we actually has people with high temperature, short time stuff; make some product for us. Showed them the difference. There's very definitely a different taste, a different texture.

Geraci: But Gary and Rick were willing to stay with that.

04-00:42:10

Thomason: Yep. Yep. We had Gary's support the whole time. As long as it showed that we couldn't make the same product with the higher temperature—which is a more efficient system, there's no doubt, an installed batch system. So that facility got us going; we were growing and growing, to the Midwest, towards the East. We were shipping product all the way into Chicago, then into Florida, all the way from the West Coast.

Geraci: Let's stop for just a second here. [audiofile stops & restarts] Restarting, after a little microphone droppage. Thank you.

04-00:42:56

Thomason: Well, we now had both the factories, in Oakland and in City of Commerce, up and running, making product. Now we had run into the situation where we had dual packaging. We had Edy's ice cream, because of the conflict with Kraft, and Dreyer's; and we were having to produce both those in the West Coast factories, maintaining two complete inventories, which complicated the issues for storage a great deal. So then by this was 1980, we had the City of Commerce factory up and running. The years go by, but about 1983, '84, we started looking somewhere in the Midwest for an Edy's manufacturing facility. We spent a lot of time climbing through some ugly old empty

facilities in Pennsylvania and all over. Gary was still involved with this. He enjoyed this, actually. He certainly had his hands full with the running of the whole business, but I think he enjoyed being part of the manufacturing. That sort of engineering mentality, perhaps, along with his other talents, but he enjoyed it. So we were looking and looking. Finally we found an empty Borden's ice cream factory in Fort Wayne, Indiana. It'd been boarded up for years. I think they had one employee that was just a night watchman, to protect it. It took almost a year, before we made the decision to go ahead the buy the facility.

Paul Woodland, vice president of finance, and I went back for a final go-round on it, and by that time, had done all the engineering work, what we would have to do to upgrade the facility. There was nothing really there that was of any value, other than a structure and a warehouse that wasn't very big. A pretty good-sized engine room with ammonia refrigeration. So we signed an agreement to purchase it. I'm jumping around, but at that time, Gary and Rick were giving serious consideration to splitting the corporation into Dreyer's and Edy's, and had hired— Gosh. Gosh, I can't think of his name at the moment, but they brought him in as the president of Edy's. Mike Hogarty. So in essence, this was going to be part of Edy's, Mike Hogarty's organization, separate from the Dreyer's Corporation. Mike was a neat guy, a wild guy. He had taken S.B. Thomas, Thomas' English Muffins, national. He was a good hire at the time. For the Edy's factory, he had a plant manager—or actually, a vice president—of S.B. Thomas available for us to hire and to bring in to go through the process of building the plant up to production status. That was where we got into a team system, empowered workforce, that they had used at S.B. Thomas. Ken Payjack and another young fellow— I remember hiring Ken. A bit arrogant. I could read him, almost, saying, I know a hell of a lot more than that old sonofagun. Never had a great relationship with Ken, thinking in his mind, this was temporary; this was going to be Mike Hogarty's and his facility, not Dreyer's. But he was smart, he was good. He didn't want to listen to some of the work that Brian Wick and I had done on designing the facility. He wasn't an ice cream man, but he knew more answers than we did, I guess he thought. So we had a little bit of head butting here and there, which wasn't the normal for Dreyer's. But they spent months training their workforce into a team system. Now, this wasn't how to make ice cream, this was just how to work together as teams. This was a whole new concept for me, being a bit of a hardnosed old type of mentality from years ago. But they worked with these people.

04-00:49:23

We had a target date of December to get the plant up and making ice cream. We needed it. Ken Payjack was able to—I think maybe he bought the mix from somebody else—run some ice cream mix through a freezer and fill some packages, and then it took another two months to get the thing finished. [they laugh] But he met his challenge, God bless him. It was a very unique system. Luckily, it fit in with the Grooves quite well. It was just a different mentality. Those teams truly made the decisions. They made the decisions of hiring,

firing, scheduling. Part of the team was part of an engineer group, so that they were able to do some of the less technical work on the equipment. If there was a problem on the line, they had the authority to shut the line down. It'd drive me crazy sometimes. You'd be out there and all of a sudden the line shut down. They're in a conference room figuring out how to correct the— But in fact, it worked. It became the most efficient plant we had. Their biggest problem to overcome was to fire somebody. This was a great opportunity in Fort Wayne, Indiana; there was a lot of unemployed people. We were paying a nice wage. So sometimes maybe their hiring practice was a little skewed to hiring a family member, which they recognized later. But then if that particular person wasn't performing, they would give him a warning. They'd issue a contract to him, giving him—I don't know the details anymore—thirty days, sixty days to correct the problem; and if you didn't, thank you very much, but you were through. So for the first year or two, they gave up that authority. They left it up to Ken Payjack . There was about five or six people in the management group. There was a management group there, but they left the termination thing up to them. It took a long time for them to be able to look you in the eye and say, you haven't fulfilled your obligation on that contract; and therefore, we're terminating you. But ultimately, they got through that. That plant became the largest packaged ice cream plant in the United States.

Geraci: Oh, my goodness.

04-00:52:22

Thomason: At one time, we had two pint production lines in there making Ben and Jerry's ice cream. We were the national distributor of Ben and Jerry's. They couldn't keep up. They were building a new factory in Vermont. But we put in two production lines, similar to what we did in the Jackson plant. It was our people, but they had their own supervisor, in a sense, a quality control person on the line. We could not operate unless they were there. We could not operate unless we had tanks of cream from Vermont. That was one of the things they promoted in their marketing of Ben and Jerry's, Vermont farmers. At times, that created a bit of a problem, but we ran their lines. In fact, Ben and Jerry, the two of them, selected our version of their vanilla over their own. [they laugh]

Geraci: That's good.

04-00:53:29

Thomason: Now, when you want to know ice cream, vanilla will give you all the answers. If there's any defect, you're going to pick it up. Vanilla—

Geraci: Interesting.

04-00:53:39

Thomason: —you can find you've got a problem in there. Anyway, so it was great pride that we made most of their vanilla. That went on for a number of years, and

finally the relationship with Ben and Jerry's soured. Then they went with Breyers, Kraft, and we lost out on them, but then had Häagen-Dazs. But anyway, that facility just got bigger and bigger and bigger. I know that back in 1970, we thought the biggest ice cream plant in the world would be about ten-million. I would guess that Fort Wayne has now exceeded thirty-million gallons. So it was very successful. We hired one of the very bright quality control people out of the industry to come to work for us. I thought we had a great facility. This young guy, during the interview, I said, "Well, tell me what you think about Edy's and our philosophy." He says, "You know, this is one of the great facilities, but it lacks sparkle." There was just enough little things out of place. The stuff on the bulletin board was out of date or it wasn't lined up. Just little things. Eric Dick was his name. That was a term that we never forgot, sparkle. And Eric also brought in— We had quality control checks on the ingredients we bought. Well, as things were getting bigger and bigger, we were major buyers from big companies. Well, of course, the mentality, by that time, had changed in the world. Eric was one of the leaders, in that, hey, we don't need to inspect the product here; we need to go out and inspect their facilities and inspect the product being made in their plant, before it ever leaves. And we set up a complete program of doing that. Now, by this time—I'm probably jumping all over here, but—I had stepped aside and Bill Oldenburg was brought in as vice president of operations. He did not like the term manufacturing; operations was the term he was used to. I had taken on a role working for Bill, as general manager of operational services, which included all of the quality control systems throughout all the facilities. I was responsible for all the distribution centers, building the distribution centers, purchasing— Anything nobody else wanted, sort of that type of job.

Geraci: [laughs] They kind of lumped it with you.

04-00:56:59

Thomason: Yeah. So anyway, this going out and working with suppliers was a part of my job. I've got to give Eric Dick credit for bringing most of that into our Dreyer's organization. Some of the major suppliers, when you first start doing this, say, who do you think you are, coming in here and telling us— But in fact, it helped them if we went in and we saw conditions that were not sanitary or whatever, and told them how to improve it. We didn't need to be getting little pieces of sticks in with our Oreo cookies because they were taking stuff off a line that had a broken pallet or something that got into them. Correct it at the source; don't bring it into us. So this was one of the many, many systems that we brought into the organization. After Fort Wayne, Bill Oldenburg was in charge, but we then built another facility and took over— Well, I guess it was another Borden's facility, in Houston, Texas.

Geraci: Let's stop there for a second so I can change tapes.

[End Audio File 4]

[Begin Audio File 5]

Geraci: I'm Vic Geraci, food and wine historian from the University of California Berkeley's Regional Oral History Office. Today's date is Tuesday, February 1, 2011, and seated with me is John Thomason. This is interview number two, tape number five. When we left off on the last tape, we were talking about now the expansion to— I believe you said Houston?

05-00:00:22

Thomason: Yeah. [chuckles] How could I do it? Actually, one of the big moves that happened was finally realizing that we could no longer stay on College Avenue with the factory on College Avenue. There were two things happening. One, there was a need— We'd already moved part of the administrative staff out of Oakland, to outside facilities. We could no longer keep the family together. It was painful. But also the factory had reached ten-million gallons. But a bigger issue, the original factory building, a red, unreinforced brick building, the walls had tilted out at an angle, such that there were probably eighteen inches difference between the bottom and the top. There was a construction term used when that building was built. I should remember it, but I don't. It was like an arch. And hanging off the joists were tens of thousands of pounds of ammonia pipelines running across this building, putting *tremendous* stress on the building. Then more and more of this earthquake risk was popping up, popping up, popping up, and concern that this thing could collapse.

Several ice cream makers raised this issue in a serious way. Are we in jeopardy working here? The feeling was it was enough of a legal issue for them to feel that way that we, along with Gary, interviewed a couple of engineering firms to look at the facility and tell us whether or not it was safe, and what could they do to correct it. One company turned us down. Another one provide information and the willingness to reinforce the building and sign the legal documents that it met the standards required at that time. So we went ahead and did a lot of reinforcing of the building, to keep it safe. But after a year or two, again, the need for a bigger corporate office. Gary Rogers wanted to stay at 5929 College Avenue. This *was* Dreyer's Ice Cream. Everything about Dreyer's was 5929 College Avenue. Now, Ken Cook's advertising now, 59 blocks from Jack London Square. That was part of the whole history and advertising and everything. Gary Rogers did not want to move out of Oakland; he wanted to stay right there, and there wasn't room to build anything bigger for him. It was easy when we were making sixteen flavors of ice cream, in half gallons, eight quarts, eight pints and forty—

Well, okay. This is all another part of the story with Gary and part of my job and working with R&D and developing new products, we produced a frozen yogurt ice cream product. So we had another eight SKUs to put into— Not only eight. Then Gary, with his vision—and I think we all have to give Gary credit for this—he saw light products—light beer, light this; he wanted a light

ice cream. We acquired a young fellow, Dan Connolly, through the marketing group, which controlled R&D. Dan Connolly, a creative guy, was given the guidelines to produce a light ice cream that tasted as good as classic ice cream.

Geraci: That's quite a task.

05-00:06:08

Thomason:

Pretty impossible. A number of us, including Gary Rogers, sat on the taste panels for the product as Dan was developing these products. I can remember, we thought we had it. It's tough to sit there with the chairman of the board on the thing and guys having to make a vote on this thing. Gary never showed his hand first; he was always the last to vote. [Geraci laughs] We thought we had it. We were very close. Went around and voted. It was not ready, not ready, not ready, not ready, not ready. Back to the drawing board. But in fact, ultimately, Dan and his group, with a lot of testing, a lot of imagination and a lot of hard work, a lot of smarts, developed a light ice cream, and we were the first into the marketplace with it. Well, here we go again. We got a whole bunch more SKUs to put into the factory. It's overwhelming. You had to have special tanks for yogurt; you've got live bacteria in yogurt. Some companies just put in dead bacteria and called it yogurt; well, ours was a live, viable yogurt. So we had to have special tanks, we had to have special cleaning. You can't run bacteria through a line where you want zero coli. So things got more complicated, more complicated. The facility wasn't made [laughs] ever to be anything like this. So the decision was made then that we needed to build a pro forma factory, and we would do that out on the property where we had the distribution center, out at Union City. So working with the engineering group and getting input from our ice cream makers about the design, we developed and then built an ice cream factory out at and connected to the distribution, big freezer warehouse out at Union City, which then allowed us to— There's lots of stories about breaking my heart, but tearing down J.T.'s ice cream factory. [Geraci laughs] In fact, I have the plaque out of the front of the building, down in my basement. There's a lot of this stuff that probably will go to the junkyard when I die.

Anyway, we had a young project engineer quit, right midterm on the job. Brought Ken Payjack out to help finish the job. For cost reasons, we cut some corners on some ideas that were input by the ice cream makers. When we moved the ice cream makers out to Union City to Oakland, several things happened. They had been the core part of the family for twenty years. Rick and Gary were there; they touched Rick and Gary. Jan Booth went into their factory. They were part of it. They were part of the Christmas party. They were part of Dreyer's. The heart and soul, the originals. We then moved them out to Union City, and they become part of Union City distribution center, with their own factory. You'd think they'd be happy as could be. Well, they were devastated. Two things. One, we didn't make things quite the way some of them had asked. They were giving their honest-to-God input, how to line

up a piece of equipment. It needs room to get a pallet through here. Some guys didn't listen or they changed things, and there was some resentment. Somehow, the floor was put in with a lot of hollows in it. Had to go in six months later and redo part of the floor. You talk about having things that backfired on you. It took a number of years—

Now, this was the only union plant we had, and these fellows went from feeling like part of the family to almost feeling, God damn it, we're union. It took a long time to really get them to come back into feeling good about themselves. It was hurtful. These were the original ice cream guys we had. But it's funny how you can move them away and all of a sudden, in fact, they're not with the core people. They felt like they were orphans out here. [laughs] You'd have thought they'd have been in hog heaven, with a brand new factory.

Geraci: At least they weren't as far away— Look at the City of Commerce. That's down in the Los Angeles area.

05-00:11:50

Thomason: Yeah, right. Right. But it never was quite the same with those folks and what they had been when they were part of the old family. I guess it was other things that happened. R&D had to be the heart and soul of the growth of Dreyer's, with new products. [laughs] What would you think? We always thought we were getting cut short on the money to— But they could do no wrong. They could get money, whatever they need. And they did. They expanded and expanded. It seemed like there was no end to what they could get—to have the facility, to make the new products, which *was* necessary for Dreyer's continuing to grow and have new products to offer in the market, new flavors.

Geraci: To stay competitive.

05-00:13:03

Thomason: Yes. Initially, they were in Oakland. Then as part of the expansion with the factory out there, they put the R&D facility out there, a *beautiful* facility. My gosh, something like we'd never seen before. Of course, they would make the test products. But as a major issue, it's hard to understand for most people. To take it from the lab-produced product to a production level, you'd think nothing to it; we know what the formulas are. But there were some big undertakings that— All kinds of things happen. God, I can never even explain why, but sometimes you just couldn't transition a lab-produced product into production level, at 1800 gallons an hour. Things happened. Maybe you didn't see it on the surface, but you'd see it on doing the test of the finished product. Either the texture of it, the amount of ingredient added, how it affected the ice cream. We had developed, over a number of years, a test, twenty-one day of stability test of the product. Our mentality at that time was, our product,

probably the longest it would be in an ice cream case in a store was twenty-one days.

Now, is that ice cream saleable after twenty-one days, being handled and the freezers going through defrost cycles twice a day? What position is it in the cabinet? We had developed a stability test, which R&D had taken over from manufacturing. That was to have freezers set up and the product would be in the case, rotated top to bottom, side, all the way through from one side to the other, so they virtually had every position in the case during that three-week period. We had control product here, and after one week, you had the test product, you'd pull samples out of the freezer; what's the difference? Is there any difference? Has it shrunk? After fourteen days? Part of what you had to do was make a product that was saleable twenty-one days after being abused pretty hard, so that if you go into the store and that product happened to be sitting there for twenty-one days, that you would still be happy to buy it. It would not be *absolutely* the same; there had to be some change. But was it a good saleable, quality product? So this was part of the job that I inherited as I took the new position of general manager and in charge of quality, was to work with R&D. I was in a position where I had final say on a product. I signed the final formulation, if it was going to be approved, so it was kind of a hardnosed position to be in.

05-00:16:43

I don't know whether we should turn off the camera at this point, and you may want to delete this. Dan Connolly was, you might say, a genius; but he was devious. His people were afraid of him. Dan could bounce twenty balls in the air. He was working three or four different marketing people. Sometimes he got pushed to the limits, I'm sure. Every week, a new flavor developing, was developing a new product. Marketing, number one, they didn't know even what an ice cream freezer looked like, but they would want to see product being developed. Okay, it didn't work this week; let's see it next Saturday or next Friday, next Friday.

[A portion of the interview has been sealed until 2021.]

But Dan had some knowledge and connections with people. He developed an awfully lot of fine, wonderful products with the company that made him— Dan got many, many awards for what he did. He deserved every one of the. So it was a quirk that he had. He just didn't seem to be able to say, I don't have time. His plate was too full.

Geraci: Plate was too full, yeah.

05-00:19:33

Thomason: Therefore, other than to say that, tell a little fib perhaps, whatever. His people were afraid of him.

Geraci: For all that's been made for the Dreyer's experience, living the Grooves is very important.

05-00:19:53

Thomason: Yeah. So I bring it up. I hope it's not something that people hate me for saying.

Geraci: Oh, no. That's the beauty of— We all have differences in how we see things, and that's important. It's very important.

05-00:20:09

Thomason: So anyway, that factory was up and running. As we learned to work closer and closer with R&D, R&D was more willing to listen to our ice cream makers, with their expertise. Things got better and better as time went on. So my time was running out. Bill Oldenburg and I had a great relationship. Bill had asked me to give him two years advance warning when I was leaving, which I did.

Geraci: So what year are we up to now?

05-00:20:57

Thomason: Well, we're up at 1992. At that time then, it's time to recruit and bring in somebody that was going to take over on quality control systems. Hired a young fellow by the name of Paul Wolfert. He knew more about quality control systems than I'd ever know in a lifetime. Again, we recruited. and a name you may be interested in, Paul Lovejoy—is that his name—did a lot of recruiting for Dreyer's, of the type of people we brought in.

Geraci: Well, one of the Grooves, Hire Smart.

05-00:21:40

Thomason: Yep. And he certainly went out into the woodlands of everywhere and found some of the best people, not only in operations, but I think throughout the company. So we were able to bring Paul in, Paul Wolfert, and a lot of new ideas, new systems. At that time, Bill Oldenburg brought some wonderful systems in. We were doing much more work of comparing— It wasn't competition, but it was how well are the factories performing in these different categories. We'd have quarterly meetings at one of each of the different factories throughout the year, bring everybody together in the management groups, compare what's going on. I had a system. I, every Friday morning, was in contact with all the quality control managers in every facility, including the high altitude one, sharing information. What's happening? What's going on? Is there a problem? If somebody had a problem, get help from the other guy. Everybody trying to share information, good or bad.

Geraci: Well, and I imagine that's very important, considering that now, with these many different facilities, trying to maintain quality and consistency becomes a larger question.

05-00:23:12

Thomason:

Right. It was. On a monthly basis, we had samples brought in from each of the facilities and did a quality cutting and comparison between product, to see how close they were. You can't say there weren't some regional differences. The cream supply in an area where the cows are out on green feed, compared to a dry lot type of farm, you've got to be careful you don't pick up a slight feed flavor. Cows' milk is a little bit different here or there. So you'd look at that.

Geraci:

Well, back to your Ben and Jerry's example, that the milk all had to come from Vermont.

05-00:24:03

Thomason:

Right. And we encouraged creativity. Invent new things and make the marble system in the filler better. So if we would see that one of the facilities, their marble pattern was much better than the other, hey, how'd that happen? Let's share a design. Let's get the new system out in all the plants. It's important that no matter where you are, that when you buy it, that you feel you're getting the same product. We tried to do that as close as we absolutely could. So we developed these systems. I used to hammer about the quality, but the quality was everyone's responsibility in the company. Bill Dreyer used to say that when I first met him. Everyone's responsible for quality. Quality isn't the quality control people, it's everyone in the company. It's the gal on the switchboard, how she answers, how she talks to you. How's the janitor doing? What about your route salesmen? Everybody throughout is responsible. Whoever you deal with, he's your customer. So you treat your customer with respect. You work together. Treat people fairly. As in the Grooves—Ready, Fire, Aim. We encouraged that. Truly did. Especially when you talk about R&D in that philosophy. Boy, did they ever have to do that. Sometimes we got a little angry with some of the marketing folks, and we used to say, how can you tell me how to make a product or tell me what you want, when you don't even know what's inside of an ice cream factory? Let me take you and spend some in a factory; you'll understand what we have to work with to produce what you ask for.

Geraci:

There's some limitations to this.

05-00:26:35

Thomason:

Right. For a number of years, I set up taste panels for oh, I can't remember how many weeks in a row, one day a week for a couple of hours, doing product evaluation to teach marketing and sales people. What are we looking for? So they could understand a little bit more about product defects and that type of thing.

Geraci:

What are you looking for when you do these taste panels?

05-00:27:09

Thomason: Well, you're looking for icy texture, gummy product, discoloration, poor distribution of ingredients, all the stuff running down on one side of a carton, the flavor level, the aftertaste.

Geraci: It's almost like wine tasting.

05-00:27:36

Thomason: Very much so. I, in the last eight or nine years, was like a wine taster. I had had a heart problem and had balloon procedures and tried to watch what I ingested. So I was a great taster and spitter.

Geraci: Taster and spitter. [laughs]

05-00:27:58

Thomason: But some people have much better taste buds. You've heard the story of John Harrison, who just retired here at the end of the year.

Geraci: I didn't realize he just retired.

05-00:28:15

Thomason: He just retired, yep. He had unique taste buds. People used to get a little annoyed with John; he was a showman. But I hired John to come in when we were getting started, actually, with putting in a R&D facility and a little bit of a lab, per se. John had, prior to that, been a national sales manager for his family on stabilizers. But John had very unique taste buds and if we were having a problem somewhere, he's about the first guy I'd call in and say, hey, help me pick this up. Sometimes in a cleaning cycle, somehow, some chlorine or a chemical would get into a batch of mix. In the last couple of years that I worked, I had lost my taste buds. I remember probably one of the last issues we had was some chemical got in some product in Fort Wayne, Indiana.

Geraci: But as we get older, our taste buds decline anyway.

05-00:29:38

Thomason: I could not pick it up. At one time, I thought I was pretty good, I guess. But I had to say, hey, I am not picking it up. But John could, other people could. But that's what we're looking for. You just never know what happens. One of the other things that we did over all the years I was there was either the phone calls or the letters from our consumers, the importance that they played in the success of Dreyer's. I never—and I preached this—I never took a consumer's letter as a complaint. They were providing us with the information we needed to correct a problem we had or to find out how they felt about it, or even how well our factories were doing. We would rate these letters, whether it was a flavor issue, distribution of ingredient issue, off flavor, texture, or foreign objects. Of course, that would tell us, if all of a sudden you started getting a number of complaints on toasted almond that's got sticks in it, wow, you better go check your almond supplier. That type of thing. So we would record this data by category; and each of the factories, on their quarterly review, this

was part of the number of items that they were being graded on, was their consumer complaint level and what percentage of their total production had this issue, this or this. But in essence, it was a great guideline to us if we were having some problem. Sometimes you have a problem, you don't even recognize it. Part of the procedure was to send a half-gallon gift certificate to them, thanking you for—

Geraci: That's good customer relations.

05-00:32:08

Thomason: Well, yeah. If you had an issue, the longer you failed to respond to a customer, especially if they called in, the madder they got. [Geraci laughs] Absolutely. Ken Cook, for years, with our insurance company, he wanted these claims— ANd there were bad people out there; they can get \$5,000 just complaining. Ken said, "I want those settled. If that affects my premium, okay. But I don't want to have something burning out there that's going to fester and cause a problem for Dreyer's Ice Cream." But more importantly was if somebody called in, they were calling, 99 percent of the time, because they really wanted to help you. It wasn't that they were wanting to raise hell, but they were really telling you you had a problem and being good about it.

Geraci: Self-correct.

05-00:33:10

Thomason: So we always attempted to respond to these. My wife thought I was crazy for ten years. Every night, almost, I'd bring a stack of letters home, and after dinner, that was my reading. I'd read religiously, every letter that ever came in, for years and years. And it got so big that finally, public relations, Diane McIntyre, took over that; and then ultimately, we had two gals there in the Dreyer's office working on this. Had millions of packages out there, so certainly, you get complaints and letters, but it was very important.

Geraci: Well, and just in the amount of product. You talked about starting at a half-million gallons, and now you're talking twelve-, twenty-million, thirty-million gallons.

05-00:34:03

Thomason: Well, now they're up to— I don't know. They were at sixty-seven-million. I imagine now, probably close to 100-million gallons. Largest ice cream company in the United States. After I left, we opened the Texas facility. No, I was still there for a year or two. The Texas factory was opened. It was an old Borden's facility. Another tough opening. By that time, Dreyer's had been having novelties made for them by other companies, through agreements. I can't remember all the products, but fruit bars and different bars tied into the family of Dreyer's packages. The Borden facility had novelty lines in it, the novelty tanks and other packaged lines of stuff. The decision was made—I think because it was union—to start up with everybody new. Not that easy to run ice cream equipment. I can tell you, novelty equipment is a whole new

ballgame, and that factory went through lots and lots of problems. In fact, Brian Wick had to move down and live down there. It was under his control by that time. Brian Wick had two of the factories, John Youngblood had two of them. They were overseeing, but each of them had a plant manager. But Brian had to actually physically go down and live in Texas for six months or more, trying to get that facility up and running, getting the ice cream makers trained, trying to bring people in off the street to run an ice cream freezer or run a package machine.

Geraci: Not as easy as it sounds.

05-00:36:25

Thomason: Especially the novelty business. That's a whole different ballgame than making packaged ice creams. I had said that for years and years, that I never wanted to get back into it. I'd worked in it a couple of years. It's a very specialized thing; it needs to be a specialized plant, with well trained, well engineered people. It's hard to combine that into a package system, in my mind. Now, since the Nestlé deal, the Union City— The Bakersfield plant was built by Nestlé, one of the biggest in the country. They used to joke about it, when it was first opened, that the management people had to run back and forth on scooters, it was so big. But they had no business to put through it. So they moved the volume out of Union City there. I think that was close to sixteen-million gallons. They moved the volume out of the City of Commerce there. Fort Wayne is still fully operational, and then they had the big plant out in Maryland. Now, these are *gigantic* facilities. I've never been in the one in Maryland; I've been into Bakersfield. It always scared me to have all your eggs in one basket.

Geraci: If something goes wrong with that plant, you're down.

05-00:38:12

Thomason: Yes. We had two major ammonia experiences. Both of them happened in the City of Commerce. Ammonia refrigeration is very deadly. Takes a lot of safeguards, a lot of training. In the City of Commerce, part of that expansion down there was to build a big high-rise storage unit, with a crane in the middle that would go up and retrieve pallets, three deep on each side. Well, one of the main liquid lines—it's like water; the ammonia is liquid. at one point—we determined later, through a lot of hydraulic action, broke the line and flooded the storage facility, the freezer, with ammonia, at such a high concentration that in this stack or crane room, great big copper coils, wires where the leads run the cranes, was just eaten up by the ammonia.

Geraci: My goodness!

05-00:39:33

Thomason: There was about a million gallons in there, in the total facility. It took weeks to clear it out, get all of the ammonia out of the system, get back into operation. But thank God, there was no one hurt. But we made the five

o'clock news, I think the second day. [Geraci laughs] When I got the word, I got on an airplane as fast as I could, got down there, determined this product is ruined. Two things happened. One, the ice cream will absorb the ammonia.

Geraci: Right.

05-00:40:17

Thomason: Also we found out then that at that high a concentration, the ink on the carton would smear. When ice cream comes out of a freezer, it gets moisture on it; and that ammonia on there would cause the ink on the carton to smear. So even if the ammonia hadn't penetrated the ice cream inside, it would the carton. Well, being a little concerned about insurance people wanting to sell bad product under any conditions, I was able to contact the State of California inspector that had jurisdiction over our facility, and got him in the very next day [after] it happened, and got him to put in writing, that the product was unfit for human consumption.

Geraci: Where do you dump that much product?

05-00:41:11

Thomason: It went out to the city dump. For two days, we had trucks coming every fifteen minutes, 5,000 gallons on a load, just continuously hauling it out to the dump. [laughs] The five o'clock news people picked up on all this ice cream being dumped out in the dump somewhere in Southern California, on the five o'clock news. Didn't help our image very much.

Geraci: Well, it should've helped. You weren't about to sell a bad product.

05-00:41:48

Thomason: Right. I remember the first night after I got down, we'd already gotten the trucks lined up and people were just about tired out. I said, "Well, we've got to keep going all night." I stood there all night, every fifteen minutes, tap on a window of the next truck in line. Come on, buddy, you're next, you're next. Luckily—bragging, but—we had systems in place. What we did was to do a bill of lading for every load that went out so that we had complete documentation of all the product that was taken out and dumped, by flavor, by size, so that when it came time to settling with the insurance company, we had good documentation. It wasn't just what we said was in the inventory; here's what we took, by load. Somehow, some way, Paul Woodland had— The insurance policy was covered at wholesale price, not manufacturing, so we actually made money. [they laugh] Terrible to say, but it hardly covered our mental loss, I'll tell you. That was disastrous.

Geraci: Well, as you said, too that's also a hit on brand name and consumer vision of your brand.

05-00:43:15

Thomason: Right.

Geraci: What year did you finally retire, then?

05-00:43:20

Thomason: 1994. I was tired. I was sixty-seven years of age. It was interesting. It was the last executive staff meeting that was held, on that Friday, March 24, I think, 1994. Anyway, at that meeting, Gary was announcing that Nestlé had just signed the agreement to buy 20 percent, I believe it was, of the Dreyer's stock, with a hands-off agreement for, I think, ten years. Of course, we had people from all over the country in for the meeting. So I got up and I said, "Well, I hate to tell you this, Gary, but I'm not leaving. This sounds too good for me." [they laugh] Rick said, "The hell you're not. The party's on."

Geraci: We've got the party planned, you're leaving.

05-00:44:32

Thomason: Well, anyway, they gave me a grand farewell and I spent part-time the next two years doing some— call it consulting work, primarily with Tom Delaplaine, in the distribution centers. One of the real issues is unless you're out work in these facilities, they can get pretty sloppy. You start having ice build up around the doors and then pretty soon you're losing some of your refrigeration. Direct store delivery, where you're loading these trucks— At that time, most of them were still being loaded by hand on the side door, instead of on racks. That's all changed now, so you can load a truck in a matter of minutes. So you had a lot of time when, if somebody was careless, they could roll a rack outside to go on a truck and it would sit there for thirty minutes. Well, if you're down in Florida and some of those areas, you could see some pretty bad situations, where you were heat abusing the product. That's part of what I used to yell about. You can not allow that to happen. So Tom sent me out as the bad guy. [they laugh] But to go around and see what was going on, see what kind of temperature you had in trucks at three or four o'clock in the morning, five o'clock, before—

The trucks were leaving at five o'clock in the morning. Well, they'd been in since five o'clock or three o'clock the day before, and had the refrigeration systems on the trucks been able to bring the temperature down to— Part of the problem was the coils in the trucks would frost up. And guys were push, push, push. To defrost the coils, you had to unload the load totally, which is extra hours work for these guys, and sometimes they'd [pause] forget. [they laugh] So I was part of that, so I enjoyed doing some of that for a couple years. So I finally said farewell. When I was retired, I said I'd been coming in for twenty-five years, and there wasn't a day that I arrived that I didn't enjoy it. Some of the days were tougher than the others, but it was, as Rick said, a great trip around the track. So I had a wonderful life.

Geraci: Oh, that's great.

05-00:47:12

Thomason: My middle son, afterwards said, “Dad, do you really mean that?” I said, “Yes, absolutely. You’ll be lucky if you can find yourself work that you feel that good about.”

Geraci: Especially if you can get to the end of it, after that many years, and go, that was a good run. As you said, that was a great lap around the track.

05-00:47:30

Thomason: Yep. So that’s sort of the story that I can tell.

Geraci: Well, thank you very much. It’s a great story.

05-00:47:38

Thomason: Thank you.

[End of Interview]