

90 Years of Commitment

An Organization Born of Crisis

The Conference Board is an unlikely success story. Established during a prolonged period of economic turmoil, The Conference Board began life as a grand idea, not an institution. Prior to its founding, three tragic events had led to widespread public condemnation of business:

- 1910** A dynamite bomb rips through the Los Angeles Times' plant, killing 20 workers and injuring many more.
- 1911** A fire at the Triangle Shirtwaist Company in New York City kills 146 workers, mostly young women.
- 1914** In Colorado, a long-running strike and nonstop violence between armed miners and militia hired by the Colorado Fuel and Iron Company leads to "The Ludlow Massacre," during which more than 25 people die.

One of the business leaders most concerned about these events was **Magnus Alexander**, a prominent executive at General Electric. Alexander and **Frederick Fish**, a Boston attorney who had been president of AT&T, began bringing together business and trade association leaders to discuss the strained business climate and what might be done to alleviate frictions. As economic tensions surged, Alexander and Fish convened a series of crisis meetings in 1915 and 1916. At these gatherings, Alexander called for greater

cooperation and knowledge sharing among businesses, which had been notoriously secretive about even their most routine business practices. On May 5, 1916, in the Hotel Gramatan in Bronxville, New York, the National Industrial Conference Board (which changed its name to The Conference Board in 1970) became an official entity, with Alexander acting as its managing director (and later its first president) and Fish as the organization's first chairman.

1916 Starting Fresh in Boston

With an initial budget of \$100,000 and a small office in Boston, The Conference Board was finally open for business. One of the newly minted organization's first research projects focused on workers' compensation laws and their impact on business, employee compensation, and labor strikes and boycotts. Just before the United States entered World War I in 1917, **President Woodrow Wilson** organized a War Labor Board. As part of its efforts, the War Labor Board asked The Conference Board to bring together business leaders to examine America's ability to manufacture essential goods and services during the war. Among the major recommendations from this group was a call for a special board – with equal representation from employers, employees, and the government –

The Conference Board Milestones

When The Conference Board was initially formed in 1916, Magnus Alexander described the new organization's role as being that of both "a clearing house for information [and] a forum for constructive discussion" on the vital business issues of his day. During the last 90 years, we have expanded our programs to meet, or even anticipate, the needs of a rapidly changing and increasingly globalized business environment. By doing so, we have helped our members find better solutions for their individual needs and better serve the societies in which they operate.

1916 The Conference Board is established

1918 Conducts research on working women and safety in the workplace

1924 Incorporates as a private, nonprofit institution

1919 Establishes the U.S. Cost of Living Index

1923 Attracts 282 delegates to a National Immigration Conference

1917 Publishes first report, *Workmen's Compensation Acts*

1920 Conducts research on eight-hour workday

World War I 1914-1918

1910

1911 Triangle Shirtwaist Company fire kills 146 workers

U.S. Supreme Court orders breakup of Standard Oil

1910 *Los Angeles Times* plant bombing kills 20 workers

1913 Passage of the Federal Reserve Act

1914 Establishment of the Federal Trade Commission
The Ludlow Massacre

1915 First transcontinental telephone call

1916 Passage of the Rural Credits Act, which provides aid to farmers

1920

1919 First transatlantic flight

1920 First meeting of League of Nations

19th Amendment gives women the right to vote

1924 Congress passes the National Immigration Act, which severely limits immigration

Period of increasing business regulation and rising labor unrest.

Businesses flourish and create an unprecedented consumer market.



to resolve labor disputes. The War Labor Board eventually agreed to all of the recommendations. In 1918, The Conference Board created the first U.S. Cost of Living Index, which corporations instantly began using in planning and strategy sessions.

1920s The Conference Board Moves to New York

Seeking a broader platform and a greater role on the national stage, The Conference Board moved from Boston to New York City in 1920. In that year, it also became an incorporated, not-for-profit organization. Over the course of the decade, The Conference Board produced a series of major studies on America’s deteriorating agricultural conditions, the cost of government, and the fiscal health of state governments. At the request of its members, the organization also created special studies that focused on labor and management differences in France, Italy, Great Britain, and, later, Germany.

1930s Surviving during the Great Depression

The stock market collapse of 1929, which soon triggered a global depression, hit The Conference Board almost immediately. Staff and salaries were reduced, as were working hours for those who

remained. When Alexander died in 1932, **Virgil Jordan**, a noted economist and a prolific writer and public speaker, was appointed his successor. At the time, many business leaders were questioning whether the economic analyses being used by the government were credible. To ensure a steady supply of accurate economic data, Jordan established a Bureau of Economic Audit and Control, which produced a wide range of studies on unemployment, pension plans, corporate healthcare policies, and other issues during the 1930s.

1940s Helping the War Effort

During World War II, The Conference Board focused on what companies were doing, or could do, to aid the war effort. An ongoing series of meetings were held between business leaders and high-level U.S. government officials, with discussions covering everything from the production of goods and services and wartime pricing policies to contract negotiations between business and government. In 1944, a Division of Business Practices was created to oversee all research into management practices and policies. Jordan resigned as president in 1948, although he continued to be an advisor to The Conference Board until 1963. **John Sinclair**, the former president and deputy governor of the Federal Reserve Bank of Philadelphia, became president in 1949.

Conducts over 187 studies on topics ranging from immigration to the conservation of natural resources.

Research focuses on the downward spiral of international trade and the precarious position of financial institutions.

1928 Opens conferences to the public

1926 Establishes the Advisory Council of Human Resources Executives, the first council

1932 Establishes group to study business recovery

1933 Initiates *Foreign Affairs*, a series on the worldwide effects of the depression

1935 Creates Bureau of Economic Audit and Control

1937 Publishes first comprehensive study of *Personnel Practices Governing Factory and Office Administration*

1936 Admits Amalgamated Clothing Workers of America, its first labor union member

1938 Inauguration of the Economic Advisory Council

Great Depression

WW II begins

1930

1925 Broadcast of first television picture

1928 Amelia Earhart is first woman to fly across the Atlantic

1929 Stock market crashes over six days in October and November

1934 Congress creates the Securities and Exchange Commission

1935 Social Security Act becomes law

1933 Roosevelt declares four-day bank holiday

1938 Congress passes the Fair Labor Standards Act, establishing a national minimum wage and codifying the eight-hour workday

President Roosevelt inaugurates the “New Deal” to provide relief from the effects of the Great Depression.



1950s Reaching Out to Europe

When The Conference Board celebrated its 35th birthday in 1951, its annual revenue topped \$1 million for the first time and it moved into a larger office to accommodate its more than 200 employees. With the United States facing a war in Korea, The Conference Board Council on Mobilization Planning began producing studies, reports, and surveys on critical business issues during wartime. It also issued a study on how business and government could protect confidential data in the event of a nuclear war. Throughout the decade, The Conference Board began sponsoring major events outside of the United States. In 1954, The Conference Board inaugurated an office in Montreal, which today is an independent but affiliated organization based in Ottawa. In 1959, the first CEO-level meeting held outside the United States was convened in Torquay, England. Some 40 chief executives and company presidents from the United States, the United Kingdom, and Canada met to examine economic prospects. It was an instant success, spawning a similar meeting in Versailles, which linked business leaders from Belgium, Canada, France, the Netherlands, Sweden, Switzerland, the United States, and West Germany.

1960s Creating Jobs, Encouraging Social Responsibility, and Building a Stronger Economy

Sinclair stepped down as president in 1962. His successor was **H. Bruce Palmer**, the president of Mutual Benefit Life Insurance Company. A founding member of several nonprofit organizations, Palmer was a leading advocate of “social responsibility” and quickly increased The Conference Board’s involvement in the public affairs arena. The Ford Foundation gave The Conference Board a grant to produce a major study on company experiences in hiring African-American workers, which suggested a more determined effort by companies was needed if more minorities were to find jobs. The Conference Board also began publishing its Help-Wanted Advertising Index, which continues to be an effective barometer of job demand in 52 major cities in the United States. In 1965, The Conference Board was commissioned by the U.S. Treasury Department to study the country’s controversial business depreciation guidelines. After producing a study pinpointing strengths and weaknesses in the guidelines, **President Lyndon Johnson** addressed a meeting held by The Conference Board in Washington, D.C., announcing that the study had persuaded him to make major changes in the nation’s business depreciation policies. As the 1960s came to a close, The Conference

Creates advisory councils to foster the exchange of information between businesses with defense contracts and government agencies.

Research focuses on the impact of the consumer economy on price trends, buying behavior, and the television industry.

1940 Begins tracking directors’ compensation and corporate contributions

1945 First report in *Studies in Business Economics*, a series on the restoration of the economic system

1951 The Conference Board Help-Wanted Advertising Index is launched

1959 First major meeting outside U.S. in Torquay, UK

1944 Publishes *Employment of Handicapped Persons*

1948 Publishes *The Social Security Almanac*, which covers the U.S. and other countries

1954 Opens Montreal office and begins enrolling associates from outside the U.S.

First report on data processing

1943 Brings consulting groups together as the Advisory Council on Defense and Reconstruction

World War II 1939-45

1940

1941 The U.S. enters WWII

1944 Passage of GI Bill of Rights Act

1947 Marshall Plan
First transistor

1948 GATT agreement is signed by 23 countries

1949 Creation of NATO

1950

1950-1951 Introduction of first commercial mainframe computers

1954 Foundation of SEATO

1955 Formation of the AFL-CIO

1957 Launch of the Sputnik satellite

America’s entry into WWII leads to the near elimination of unemployment and opens new opportunities for women in the workplace.

Postwar, the U.S. enters a period of prosperity and experiences a sea change in living standards and the consumption of consumer goods.



Board, with financial support from *Life* magazine, began producing *A Graphic Guide to Consumer Markets*, an annual chartbook on consumer spending trends.

1970s Forging Bonds between Business and Government

Palmer, who resigned from The Conference Board in 1970, was succeeded by **Alexander B. Trowbridge**, former U.S. Secretary of Commerce under President Johnson and, before that, a senior executive with Esso Standard Oil. Trowbridge built strong relationships with noted business and government leaders and The Conference Board soon began producing studies that helped companies understand and deal with a rising tide of environmental legislation. With The Conference Board gaining stature for its expertise in this area, the National Commission on Water Quality soon asked the organization to convene a meeting of business and government leaders to explore the pros and cons of water quality laws across America. **President Gerald Ford** addressed members of The Conference Board at a meeting in Washington in 1976, stressing the need for a strong defense and encouraged the bolstering of relationships between business and the government. The Conference Board established an office in Brussels in 1977, and a growing number of councils were

formed in the region, bringing together leading European executives on a regular basis to share ideas and insights. (Today, The Conference Board Europe oversees a network of councils in Europe, India, and the Middle East.) Trowbridge stepped aside as president of The Conference Board in 1976. **Kenneth A. Randall**, a former head of the Federal Deposit Insurance Corporation and chairman of the board and CEO of Virginia Bankshares Inc., was named the new president.

1980s Restructuring, Downsizing, and Another Market Crash

In 1981, **James T. Mills**, president and CEO of the Sperry Hutchinson Company, took over as president of The Conference Board and set out to upgrade its technological infrastructure and make its extensive research program more responsive to the needs of its corporate members. Significant research was published on businesses' growing public-affairs activities, shifts in monetary policy, and best practices in marketing, finance, and research and development. As corporate restructuring, cost-cutting, and mergers and acquisitions swept through the business world in the mid-1980s, The Conference Board began issuing a series of reports on the processes companies were employing to become more competitive.

Extension of public affairs research on corporate contributions, business and government relations, and community affairs.

In addition to added management and marketing programs, there are new forums for business and government exchanges.

1961 President Kennedy addresses a special meeting

1965 Based on The Conference Board research, President Johnson announces major changes in the nation's depreciation practices

1972 The results of a survey conducted by The Conference Board on industry expenditures for water pollution abatement are included in an EPA report

1977 Opens Brussels office

1960 Publishes *A Graphic Guide to Consumer Markets*, in collaboration with *Life* magazine

1966 Study on companies' efforts to increase their employment of African-Americans

1967 Creates The Conference Board Consumer Confidence Index

1976 Establishes The Conference Board CEO Confidence Index

Introduction of Personal Computer

1960

1961 Construction of the Berlin Wall

1963 Martin Luther King, Jr., addresses the March on Washington

1960 First working laser

1964 The Civil Rights Act becomes law
First successful heart transplant

1969 First man on moon
Woodstock

1970

1970 The first Earth Day is celebrated and the U.S. Environmental Protection Agency (EPA) is founded

1973 An embargo on oil shipments to the U.S. and Western Europe creates gasoline shortages and doubles prices

1976 Grameen Bank established

Increasing inflation, urban strife, rising unemployment, and the Vietnam War place pressures on the world economies.

Economies are wracked by stagflation, recessions, rising unemployment, and a series of energy crises.



When Mills stepped down in 1988, **Preston Townley**, dean of the Carlson School of Management at the University of Minnesota and a former top manager at General Mills, was appointed his successor. Townley speedily moved to identify critical business issues and put experienced specialists in place at The Conference Board to study and report on them. He also oversaw the reorganization of The Conference Board around six major themes: business and education, corporate business practices, economics, managing for global growth, quality, and workforce management.

1990s Total Quality, Stability, and an Economic Coup

Townley broadened the offerings of The Conference Board, including making it a major player in the drive for total quality management (TQM). Building on its Quality Council – a group of executives in charge of their companies’ TQM programs – The Conference Board began holding annual quality conferences. The success of the Quality Council was also reflective of the growing importance of the overall council program, which had become the fastest-growing component of the organization in both the United States and Europe. The conference program was also enlivened and expanded, with more events being sponsored by notable outside organizations. Townley also added more research staff to provide what he called “more market-driven” reports, surveys, and meetings.

When Townley died of a heart attack in 1994, **Jack V. Wirts** became acting president and CEO of The Conference Board. During the next year, the organization stepped up its activities in Europe and Asia. It also signed its first working agreement in China after Wirts met with leading Chinese government and business leaders. Other joint ventures in Australia, Hong Kong, Europe, and Mexico followed, as well as alliances in India and Taiwan. In an unprecedented development, the U.S. Department of Commerce selected The Conference Board to produce and distribute the U.S. leading economic indicator series. This was the first time a U.S. Government agency entrusted a major economic series to a private organization. (Today, The Conference Board produces indicators for eight other nations as well.) In October 1995, The Conference Board named **Richard E. Cavanagh**, a seasoned executive with broad business, government, and academic credentials, as its ninth president. Before being executive dean of Harvard’s John F. Kennedy School of Government for nine years, Cavanagh was a partner with McKinsey and Company.

2000s Going Global and Restoring Trust

One of Cavanagh’s early strategic thrusts was to continue expanding the globalization of not only the organization’s research and meeting programs, but its governing body as well. In 2000, **Lord Marshall of Knightsbridge**, chairman of British Airways, became chairman of

Studies the growth of business and education partnerships.

Restructures activities around business practices, economics, education, global growth (now having associate members from over 50 countries), management, and quality.

1980 Launches research on the practices of boards of directors

1986 Article in *Across The Board* on eldercare receives national attention

1988 First annual Business Ethics Conference

1989 President George Bush writes The Conference Board that its pursuit of excellence in education “has earned the gratitude of all Americans”

1990 The Conference Board Total Quality Management Center established

1993 The Conference Board Governance Center established

S & L Crisis

Rise of the Internet

1980

1981 Launch of space shuttle Columbia
Nabisco merges with Standard Brands

1985 In the largest corporate merger at that time, GE acquires the RCA Corporation

1984 AT&T operations split into seven independent companies

1988 Fall of the Berlin Wall
Drexel Burnham Lambert pays \$650 million penalty for insider trading

1987 On “Black Monday,” the NY Stock Exchange experiences a record one-day decline

1990

1994 The North American Free Trade Agreement (NAFTA) goes into effect

U.S. economic growth begins to pick up again, during a decade characterized by restructurings, cost cutting, and high-profile mergers.

the Board of Trustees at The Conference Board, the first chairman of the organization based outside the United States. The Conference Board economics program produced an expanded series of economic studies and forecasts and held a rising number of briefings around the world. It also launched a rich mix of new economic barometers, including an ongoing series to determine how satisfied consumers are with their Internet experiences, and initiated a monthly measure of new jobs being offered online in the United States. To honor companies for outstanding citizenship, The Conference Board designed the Ron Brown Award for Corporate Leadership, the only presidential award recognizing extraordinary leadership programs. The first winners, IBM and Levi Strauss, were announced by **President Bill Clinton** in 1998 at the White House.

In the summer of 2002, after an epidemic of business scandals, Cavanagh convened The Conference Board Commission on Public Trust and Private Enterprise, a blue-ribbon panel of respected leaders from both the private and public sector. Many of the Commission's recommendations have been voluntarily adopted by leading companies and are considered best practices in corporate governance today. The Conference Board has also established a strong and growing presence in China and India, and now provides councils, briefings, and conferences to over 100 members in the Asia-Pacific region. The Conference Board China Center for Economics and Business has the support of major multinational firms throughout

the world and is fast becoming a major resource on the Chinese economy. The Conference Board Middle East Business Leaders Council, launched in 1999, now brings together top executives from this area to meet with peers based in other regions.

The Future

The Conference Board's impressive legacy as one of the world's foremost research and business membership organizations has given it a strong position for future growth. Its global reputation in economic forecasting, productivity, and job creation; its widely watched economic barometers, which often move financial markets; and its ever-expanding reports on timely economic issues have made it a leader in the field. Moreover, its pathfinding role in the areas of governance and compliance, diversity, leadership development, and managing a fast-changing workforce ensure that it will stay out in front on these vital business issues, both in the United States and in countries around the world. New strategic programs in China and India, as well as an expanding role in Europe, are just a few of the ways that The Conference Board is extending its global reach. While circumstances and needs will certainly change in the next 90 years, The Conference Board will continue to anticipate major economic and business shifts.

Takes the lead in corporate governance and diversity, while the economics program begins a series of innovative measures of online activities.

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| 1995 NAFTA Conference in Mexico | 1997 Creates Ron Brown Award for Corporate Leadership Forms partnership with Groningen Growth and Development Centre | 2001 Co-sponsors the Sino-U.S. Economic Forum | 2003 The Conference Board Directors' Institute founded The Conference Board Consumer Internet Barometer launched |
| 1996 Assumes control of the U.S. Leading Economic Indicators | 1999 Designs business cycle indicators for 8 nations that account for two-thirds of global GDP | 2002 The Conference Board Commission on Public Trust and Private Enterprise established | 2005 Creates The Conference Board China Center for Economics and Business, based in Beijing and New York |

2000

1995 The World Trade Organization is established

2002 Sarbanes-Oxley Act passed
The euro becomes legal tender in 12 European countries, creating the largest monetary union in history

The information technology revolution ushers in the "New Economy," causing rapid growth in Western stock markets.

Dot-com bubble bursts and, starting with Enron, there are a series of business scandals.

