

OPINION

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What CEOs Can Learn From Paul Newman

By JOHN C. WHITEHEAD and PETER L. MALKIN

History will certainly remember Paul Newman as an icon of modern cinema. But he was far more than just an actor. Paul was a gentleman in the truest sense of the word who embodied the American ideals of extraordinary integrity, a tireless work ethic, a commitment to family, and a deep sense of responsibility to the people who made his success possible.

Paul used to joke that he had to keep making movies to support all of his philanthropic projects -- and that wasn't too far from the truth. To millions he's perhaps better known as the face of Newman's Own food products than he is for his superb performances in "The Hustler," "Cool Hand Luke," "The Verdict" and scores of other films.

What many may not know is that he donated 100% of post-tax profits and royalties from the Newman's Own company to charities world-wide -- more than \$250 million to date. He was also passionate about the Hole in the Wall Camps he helped found for children with life-threatening illnesses, and he was deeply involved with a variety of other innovative nonprofit organizations including his most recent undertaking, the Safe Water Network.

Newman's Own has been an inspiration for individuals and business leaders alike and helped launch a movement for greater corporate philanthropy. Paul always considered himself an outsider in the corporate sector. His vision was to see companies change the way they conducted business and learn from the Newman's Own model of giving back. He was reticent around CEOs, but he quietly aimed to revolutionize corporate America.

It was this ambition that motivated him to help found the Committee Encouraging Corporate Philanthropy (CECP).

We remember Paul's enthusiasm when he approached us in 1998 and asked how we could urge companies to commit greater resources to charitable investments. That question led us to recruit David Rockefeller, Paul Volcker, Henry Schacht and other business leaders to join in creating a new organization. CECP has since grown to include more than 175 CEO members, representing 150 major corporations and over \$10 billion of annual corporate giving.

While Paul was truly modest about his talents, he understood the power of his celebrity and capitalized on his fame to help fund important social projects and address community needs. When we ran into difficulty getting on the calendar of a busy executive, Paul Newman's name on the attendance list always opened doors. We remember walking down the formal corridor of one particular corporate office as the staff flocked to get a good look at Paul. As soon as the elevator doors closed, he lowered his glasses on his nose, gave us a wink and said, "76 and still sexy."

Paul's passion for philanthropy was rooted in the strong belief that we had a great obligation as individuals and companies to give back some of the benefits that we were granted as free and prosperous citizens of the United States. He believed that corporations are granted a license to operate by their communities, and therefore have the responsibility to be good citizens in return.

In 2000, Paul addressed a group of students at a U.C. Berkeley conference on philanthropy and articulated his motivation behind giving by saying "it seems so human to hold your hand out to people less fortunate than you are." This quote embodies the generous spirit of a man committed to not only giving back, but to inspiring the world to see the value of social responsibility.

In today's economy Paul's ideals are even more salient. Business leaders should learn from his example and maintain or increase their corporate giving programs in these tough times.

Mr. Whitehead is former deputy secretary of State and former co-chair of Goldman, Sachs & Co. Mr. Malkin is chairman of Wien & Malkin LLP. They are both honorary chairs and directors of the Committee Encouraging Corporate Philanthropy.

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