

History in the Making

William S. Dietrich II leaves his mark on Thiel College with \$25 million gift

Despite his business success and generous spirit, William S. Deitrich II was not a household name in northwestern Pennsylvania. However, in recent months, his generosity has put him and the institutions he valued in the spotlight. Those institutions include Thiel College, the place where his parents met and fell in love in the 1920s. Upon his passing on Oct. 6, the College became the latest recipient of his generosity with a gift valued at \$25 million, the largest in Thiel College's 145-year history.

"A gift of this magnitude has the potential to fundamentally change Thiel College," said Dr. Troy VanAken, Thiel College president. "Bill's generosity to Thiel, as well as the community we call home, is overwhelming. Each time we met over the last several years, I left impressed with Bill's passion, focus and ability to understand investments in an increasingly global economy. The faith and trust he has put in Thiel College with this investment is humbling and will enhance our ability to serve our mission of academic excellence, ethical leadership, diversity and service to the world. With this gift, we begin a new phase in the history of Thiel College."

Bill's precarious financial situation growing up with his parents in Pittsburgh and Conneaut Lake, Pa., left an indelible mark on him. He knew he wanted to be successful and never spend another moment's worry about money.

After graduating from Princeton University in 1960, Bill served in the U.S. Marine Corps Reserves before joining Dietrich Industries, Inc., the company founded by his father, and transforming it from a small steel warehouse and distribution business to the nation's largest manufacturer of light metal framing for the construction industry. He earned master's and doctoral degrees in political science from the University of Pittsburgh while running the company. In 1996, Worthington Industries bought the company and asked Bill to remain as director, which he did until his retirement when he turned his full attention to managing the Dietrich Charitable Trusts.

Bill's connection to Thiel began in the 1920s when his parents, Kenneth Dietrich and Marianna Brown, met as Thiel students. Ken was a business major and Marianna studied English as a humanities major. Bill cited his mother for instilling in him the desire to explore the world and diverse new ideas and apply the knowledge gained to scholarship, entrepreneurship, collaboration and community. His father, whom he described as "a good man,"



Bill Dietrich with Dr. Troy VanAken on Sept. 7 at the announcement of his gift to Carnegie Mellon University.

taught his son the business that he would later make more successful than Ken could have dreamed.

Shortly after graduation, Ken '31 and Marianna '32 married in 1933, began a life together in Pittsburgh and had two children, William and Linda. The Dietrichs returned to northwestern Pennsylvania in 1947 to run a small hotel in Conneaut Lake, Pa. Soon after, Ken started a small lumber business near Blairsville, Pa., which would grow to become Dietrich Industries Inc. and would later flourish under his son's direction. Ken and Marianna retired to Florida by the late 1960s while Bill expanded Dietrich Industries to 19 plants throughout the country and weathered the 1970s recession by developing steel wall studs for the construction industry, something which by 1980 would account for \$15 million of the company's \$100 million annual sales. By 1996, the company would record \$350 million in annual sales.

Ken stayed connected to Thiel, serving on the College's Board of Trustees from 1978 to 1984. Bill was honored by Thiel College in 1996 for his leadership of Dietrich Industries with the Haller Enterprise Institute's Entrepreneur of the Year award, which is given annually by the college to a business owner who has demonstrated entrepreneurial leadership.

Unlike many would, Bill didn't spend the remainder of his days flying around the globe on a private jet from vacation spot to vacation spot. Instead, he poured his incredible skill, determination and work effort into shepherding his funds and helping them grow so that when he passed away, he would make the region that he invested his life in stronger.

"Bill spoke often and with great pride about how important this gift would be to Thiel College, an institution that meant so much to his family," said Edward J. Grefenstette, the chief investment officer of the Dietrich Charitable Trusts. "He was highly confident that the combination of these resources and President VanAken's leadership would mean that Thiel's greatest days were in front of it."

The gift will not be available as a lump sum to the College. Rather the structure of the gift is designed to allow it to grow through compounding returns for many, many years. Disbursements from the fund will be made each year to the College's endowment, where it will continue to grow. The College will be able to draw five percent annually from the endowment contributions.

The source of the fund that will benefit Thiel is the Dietrich Charitable Trusts, which are charitable remainder trusts created by Bill that own assets primarily generated by the 1996 sale of Dietrich Industries, which were grown significantly through a global investment portfolio. Upon his passing, the trusts will fund a new charitable organization, The Dietrich Foundation, which will administer the funds benefiting Thiel.

The Dietrich Foundation will manage funds left by Bill to Carnegie Mellon University (\$265 million),



Ken '31 (top) and Marianna (Brown) '32
Dietrich

The University of Pittsburgh (\$125 million), Thiel (\$25 million), The Pittsburgh Foundation (\$18.1 million, including \$5 and \$2.5 million for the boroughs of Greenville and Conneaut Lake respectively), Duquesne University (\$12.5 million), Chatham University (\$5 million), and the Pittsburgh Cultural Trust (\$5 million).

Along with his business success, Bill was also a lifelong scholar of history and political science who never stopped learning. He was the author of "In the Shadow of the Rising Sun: The Political Roots of an American Economic Decline" and "Eminent Pittsburghers: Profiles of the City's Founding Industrialists," a collection of his essays which was released this year, and was working on a third book about China at the time of his death. He also was a regular contributor to *Pittsburgh Quarterly* magazine.

Bill was well known for his commitment to the betterment of the Pittsburgh region. He served on the boards of the University of Pittsburgh, Carnegie Mellon University, the Carnegie Museum of Art, the Allegheny Conference on Community Development, Chatham University, the Pittsburgh Ballet Theatre, the Pittsburgh Symphony Society, the Southwestern Pennsylvania Growth Alliance, the UPMC Health System and the Greater Pittsburgh Council of the Boy Scouts of America.

