

What's "Right" With America

Profile: Noah and Marie Billings

I feel confident that I can say without contradiction that one would be hard pressed to find a couple whose lives embodied the spirit and integrity of The American Dream more than the lives of Noah and Marie Billings have. Theirs is truly a remarkable story of hard work, perseverance, service to community, and American entrepreneurial success. Read what follows and tell me you disagree.

Noah Billings was the fourth of seven children born in Sulphur Springs, Oklahoma in early 1917. His father was a farmer who'd previously tried to make it in Virginia before moving to Oklahoma. By the time Noah was eight years old, Oklahoma was experiencing successive years of drought, on its way to its "Dust Bowl" period, and Noah's father moved his family in 1925, this time to Phoenix, where he hoped to fare better.

Marie Billings was an only child born to parents in Phoenix in 1921. Her father worked on road crews, repairing asphalt and building roads in post-depression era Phoenix, a "city" of about 30,000 at the time. Back then, Phoenix' boundaries extended about as far east as 16th Street, and as far north as Thomas Road, both of which are inner-city "downtown" locales today, as the city has continuously, and exponentially expanded to become the fifth most populous city in America.

Times were tough back then, as the "Roaring 20's" led to The Great Depression, and everyone in the family was required to help out as they were able. Noah was no exception. At nine years of age, he raised, dressed, and sold rabbits. At eleven he sold cold soda pop to workers downtown. During his teen years, he delivered newspapers, sold milk door-to-door, and sold produce his family had raised from a truck. He quit school after the eighth grade to work full time. At the age of seventeen, he got a job at a local general store called Kirk's Market, located at 16th Street and Mohave ("on the wrong side of the tracks" as Noah puts it), where they sold everything from kerosene to dry goods. Noah's primary job was to drive a flat bed truck to the western outskirts of town, where he loaded it with fire wood to be sold at Kirk's, an eighteen-hour round trip, for which he was paid the handsome sum of \$3.

It wasn't long after he started working at Kirk's that Noah met Marie, a fifteen year-old girl at the time. They fell in love, dating for several years until they married right after Marie turned eighteen years old in 1939.

As fate would have it, Mr. Kirk became ill about that time, and he needed to retire. Noah, his hard-working assistant, who had since learned to cut meat in Kirk's butcher shop, was interested in taking over the store, but had no money with which to buy it. Kirk agreed to sell his store to the ambitious young man for \$10,000, with nothing down and a handshake promise to pay. Mr. Kirk even talked a grocery wholesaler to stock Noah's shelves with \$2,000 worth of groceries on credit, allowing him to pay the debt down at \$200 per month. They changed the name of the little (44' X 60' ft) store to "Food City", after a grocery store they'd seen in California. And that's how it began.

Marie gave birth to a daughter, and then a son, and for the first few years they raised their family while living in a small apartment in the back of the store. They worked hard, and gave their customers an honest value, and their reputation grew. By 1941, their annual sales had grown to \$118,000. The war interrupted their progress, and Noah took a job at a defense plant in the area, making airplane parts. He worked in the factory all day, and came home to the store, where he worked in the evenings while Marie managed their growing business by day.

As Phoenix grew over the following decades, so did Food City. Noah expanded the store on the original location four different times, acquiring 29 separate neighborhood properties to expand the store's shopping area and parking areas to what eventually became a 60,000 square foot plant with warehouse and state of the art meat-cutting facilities on site. One of the parcels the Billings purchased during their expansion phase was a Baptist church, and Noah acquired a parcel across the street from the store, and built a new church on the site to the congregation's specifications, donating the land and building at no cost to them. One of the sellers asked Noah to promise her that he wouldn't sell alcohol, a promise he kept for as long as he owned the store, and despite competitive pressures, he never opened on Sundays, in order to give his employees time with their families.

As the years went by and Phoenix grew, the demographics of the area changed as well, and Food City found itself surrounded by a largely Hispanic community. Noah catered to their cultural needs, stocking his shelves with specialty products targeting their desires, and eventually built a tortillaria on site. He cashed 3,000 paychecks a week, at its peak requiring \$400,000 to \$500,000 in cash on hand, much of it spent right there in his store.

As the years went by, Food City's reputation for fair prices, and excellent service became widespread. Noah's marketing philosophy was summed up by treating customers honestly, and finding ways to pass savings on to customers *every day*. Unlike other grocers, Food City did virtually no advertising, and ran few "specials". Noah believed that those cost savings allowed him to price his items a few cents lower than his competitors every day, and word of mouth was his biggest ally. It paid off, even as the neighborhood was largely demolished around him, with 1500 homes immediately adjacent to the store taken for airport expansion. Still his customers remained loyal, some driving miles to shop at Food City, passing dozens of competitors' stores along the way. Grocers from all around the world came to see how Noah ran his operation, which was said at its peak to sell more volume per square foot than any grocery in the United States, volume that exceeded four times the national average.

When the Billings eventually sold the store to the Basha's chain in 1994, fifty four years after they opened their doors with a handshake, a third of his employees had worked there for twenty years or more. Just as he treated his customers fairly, Noah paid his employees well, and treated them as family. The annual Company Picnic was really a *family* picnic, and Marie and Noah took dozens of them each year to grocers' conventions as reward for their hard work and loyalty. Noah was honored by his peers for his achievements, and over the years he was named the Arizona Retailer of the Year, was given the Spirit of America Award by the National Grocers Association, and was ultimately inducted into the Grocers Hall of Fame.

The store that began in 1940 with just Noah and Marie, two registers, and annual sales of \$118,000, employed over 200, had eighteen registers with long lines behind each of them at peak times, and was grossing more than \$20 million in sales when they sold the store in 1994. The Billings reinvested their profits wisely, not just into physical plant and equipment, but into real estate in a burgeoning metropolitan Phoenix as well. Noah had a keen eye for real estate opportunities, and he profited handsomely as he bought land in the path of development, typically holding it for decades.

I was introduced to the Billings in 1995 by their CPA, Pat Greenlee, and I've managed their investible wealth since. Besides being incredibly sweet people, I have always been amazed by their energy and vitality. They defy their ages, and remain incredibly active and healthy today. Over the years, Noah has been an avid fisherman and outdoorsman and piloted his own airplane. They travel extensively, holding six weeks of time shares in Mexico and other exotic locales, and they never miss a party. They have a ranch in Black Canyon City, and up until very recent years, Noah was there at Round-Up Time to help with the branding of cattle, and with well digging and fence mending. He continues to do the yard work in the home they have lived in on Mummy Mountain in Paradise Valley since 1972, although Marie no longer lets him do roof repairs or climb trees to do heavy pruning. I doubt Noah weighs 10 pounds more or less than he has his entire adult life, and he looks like he could still wrestle a steer to the ground. Every June, Noah packs a U-Haul trailer and he and Marie spend their summers in their Colorado mountain home, near Durango, complete with a stocked fish pond.

Marie is a stunning beauty still, more so when people discover her age, which is (literally) decades greater than you'd guess if you met her. Nothing slows her down, although three or four years back she did spend some time in the hospital after rolling her four-wheel All Terrain Vehicle (ATV) on a Colorado mountain trail while chasing her grown grandson through the woods. (Yes that's correct. A woman in her 80's was riding a four wheel ATV through the hills of Southern Colorado.) When I asked her grandson, Mike, a US Airlines pilot, why he let his grandmother ride an ATV over rough terrain, he responded, "Are *you* going to tell my grandmother she *can't* do anything?" Enough said. Nobody tells Marie she can't do anything, and it's that spirit that keeps her young at heart.

Their family has grown to include three grandchildren and seven great-grandchildren, and their home is filled with their pictures. My wife and I enjoy our dinners with the Billings as we listen in amazement to their stories of how it all began, and what life was like in Arizona before air-conditioning!

As I began this essay, if you looked up the phrase, "American entrepreneurship" in the American lexicon, you should find a photo of the Billings. In all their years of running a single location grocery, they defied the odds as well as conventional wisdom, building an incredibly successful store without the need to open on Sundays, or to sell high-margin liquors. They did it by living out "The Golden Rule", and treating everyone, employees and customers alike, with respect and dignity, one transaction at a time.

It is my honor to serve them, as I hope to for many years to come. They are the stuff America was made from. They provided good value to their customers and fair wages to their employees, always looking for ways to help others along the way. Despite their fortune, they are humble and gracious people. The love they developed as teen-agers remains as strong as ever, and they celebrated their 70th wedding anniversary last June. My wife and I joined their family in Cabo San Lucas for Noah's 90th birthday a couple years back, and we hope to be invited to Marie's a couple years from now.

The Billings live today as a testimony to the opportunities this country offers those who are willing to work hard, take risks, trade honestly, and treat their customers fairly and with respect. They are the small business owners of America, and the embodiment of The American Dream. As a country, we would do well to make certain that the next generation of small business owners have the same opportunities available to them.

-JRP