



TWO : LEADERSHIP TRANSITIONS

1960s: DECADE OF CHANGE

As the Colonel had planned for the financial future of the foundation, so had he planned for the continuity of its management. His son-in-law, Bill Close, succeeded Frances Springs as vice president in 1957. Meeting in December 1959, the board delivered the expected outcome: Bill was elected president. That same year, at age 39, he also became president of the Springs Cotton Mills and its New York City sales affiliate, Springs Mills, Inc.

From all accounts, Bill's management and personal style were decidedly different from that of the founder. Bill was by nature a warm, outgoing leader who relished dealing with people. To help run the foundation, he enlisted a team of advisors—key Springs executives as well as personal friends. Some became members of the board; others contributed their insights as outsiders. They provided management, investment and legal expertise, and kept the entire board—not just the president—informed. There were frequent presentations on prospective projects, grantmaking priorities, and the foundation's finances.

The board—including Bill, Anne, Frances, Jim Bradley and other business confidants—became accustomed to making decisions as a *group*. Members first discussed and then voted, for example, to reduce the Springs Foundation's primary service area from three entire counties to Lancaster County, and only the township of Chester in Chester County and Fort Mill in York County. (This made the foundation eligible for grants from various family trusts by meeting the most restrictive geographical boundaries stipulated in any of the trusts.)

As for grantmaking, the board's focus went to two large, long-term projects. The first was development of Elliott White Springs Memorial Hospital. This began as a \$5 million, multi-year commitment and eventually required more than \$8 million from the Springs Foundation, plus post-construction support. The other

extensive undertaking, which the Colonel endorsed in the last years of his life, was creation of the Lancaster campus of the University of South Carolina (USC). The foundation's initial commitment of \$8,564 grew to \$300,000 by 1966 and would eventually come to about \$2.5 million.

Elliott's foresight and his determination to share his wealth ensured that the Springs Foundation would endure beyond his lifetime.

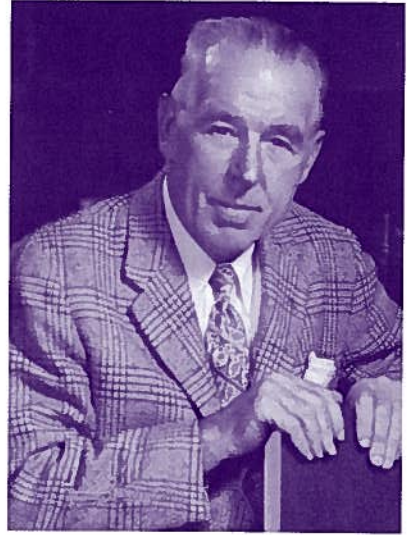
In the mid-1960s, the decision was made to combine Springs Cotton Mills and Springs Mills, Inc., into a single publicly held company. This required all family-owned non-textile interests—the foundations as well as a regional railroad, an insurance company, and several other large businesses—to be separated and operated independently. The Springs Company, based in Lancaster, was set up for this purpose, and Jim Bradley left his position of corporate treasurer to become its first president. The textile operations, known thereafter as Springs Industries, Inc., has gone on to become one of the world's largest fabrics and home furnishing companies; the family maintains majority voting control and has kept the corporate headquarters in Fort Mill.

In September 1966, Frances Ley Springs, the Colonel's widow, died and left funds to establish another foundation, named after her. Beginning operations two years later, it was intended to complement the Springs Foundation's work in health and higher education but also could make grants in a broader geographic area. This was largely to respond to Frances' and others' desire to support distant alma maters through substantial foundation donations.

STAFF AND FAMILY PARTNERSHIP

The first Springs Foundation annual report, issued for 1972, summarized the accomplishments of three decades. Assets stood at \$17 million; contributions had totaled \$30 million; investments had earned \$8 million; charitable disbursements had exceeded \$20 million. About half of the foundation's grants had supported recreation facilities and programs; another \$8 million had gone to the health field; the total dedicated to education had been more than \$2 million; \$500,000 had been donated to the area of community service and \$119,000 to religion.

The growth described in this first annual report, together with the increasing complexity of family business ventures, underscored the need for an individual to devote full professional attention to directing the foundation. Jim Bradley recruited Charles Bundy for this task. In April 1972, he became executive vice president—and the Springs Foundation’s first full-time staff member. Soon thereafter, he was elected to the boards of the two family foundations and in 1973 became president of both, with Bill Close assuming the new post of chairman of the boards.



Charlie Bundy’s experience was ideally suited to his new role. Once the executive director of the Lancaster County Chamber of Commerce, he went to the U.S. Chamber, then ran the Macon, Georgia, affiliate. With local connections and awareness, he was known as a careful observer with a facility for putting people and projects together. His initial acquaintance with the Springs Foundation, back in 1958, was decidedly positive: it was Charlie who, as a member of a local task force, dared to approach the Colonel about seed money for converting and rehabilitating the building that would launch the USC branch in Lancaster.

With the appointment of Frances (Francie) Close Hart in 1975, the grandchildren of the founder—Bill and Anne Close’s four sons and four daughters—began serving on the board. Two brothers and a sister were included the next year, and all of the members of the third generation were appointed to the Springs Foundation board by 1982.

The following year, the family, its businesses and philanthropies, and the local community lost a guiding force when Bill Close died of heart failure in September, at age 63. The headline in the local newspaper quoted a woman who worked at one of the mills: “To us, he was just plain Bill.” He left the majority of his estate to the Frances Ley Springs Foundation, which subsequently was renamed the Close Foundation in his honor.

With Charlie Bundy continuing as president, Anne Springs Close succeeded her husband in chairing both boards. “Well before that,” according to Charlie, “the foundations reflected her outlook.” This included a commitment to carrying out her father’s philanthropic mission, and her special passion for nature and the outdoors. One admirer has summed it up: “As much as anyone in the family before or since, Anne is an integral part of Fort Mill and the Springs towns in neighboring communities. She’s down to earth and energetic, and she just plain cares.”

In his tenure of 25 years, Charlie became closely identified in the three-county area as representing the Springs Foundation, and also became active in regional and national family philanthropy organizations. He underscores, though, that his principal role was to bring possibilities to the table, help coalesce resources, and keep the board informed. He recalls, with rueful good humor, one occasion when he misjudged the leanings of the very independent Springs family. “I was completely sold on an idea. I worked for weeks with others in the community to develop the particulars, then made my pitch to the board. I was crushed when they turned it down, but the lesson was important: make sure to not promise, not even to *suggest*, support until the family has reflected and voted.”

BACK TO FAMILY MANAGEMENT

When Charlie Bundy retired in April 1997, he was succeeded by Will Close, grandson of the founder. The foundation board was cognizant of Charlie’s pending retirement for several years but did not formally address the matter of

succession until 1997. Members recall that, by then, there was general acknowledgment that Will would eventually take on a management role, referring to him as “the natural choice.” He had worked alongside Charlie for five years, spending two days a week on Springs Foundation activities and attending meetings of various philanthropic organizations. Given this training and Will’s interest, candidates were not sought from outside.

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Will admits to some misgivings about becoming president. Not only was there the daunting prospect of “family as collective boss,” but also reticence about being identified with dispensing large sums of money. The Springs are, in general, unassuming and low-key about wealth; an outsider at the foundation’s helm provided a comfortable arrangement, allowing family members to be active in decision-making but publicly detached. Yet, after 15 years of running Springland, Inc., the Springs Company’s real estate business, Will was ready for a change, and the notion of directing the foundation held special appeal. “If I thought I could accomplish the things I want to,” he says, “by remaining in property development or taking a corporate job, I would have done that.” At this juncture, the foundation suits his goals. He expects to serve as president “for ten or 15 years, when hopefully I’ll have something else I want to move on to.”

An indication of the sorts of accomplishment Will has in mind is the Clear Springs Plan, developed in his tenure at Springland. It’s a blueprint for more than 6,000 acres of undeveloped property inherited by Will and his siblings in Fort Mill. This charming, historical small town has an enviable quality of life, in part due to Springs largesse, with the state’s second-highest-ranked public school system and superb recreation amenities. However, proximity to burgeoning Charlotte, North Carolina, puts the town in the path of potential over-development.

“Chester and Lancaster are still ‘Springs communities,’” explains Will, referring to plants that continue to employ more people than any other industry in the state, “but not Fort Mill. It’s a shorter drive to the Charlotte airport than from the city’s own downtown. The growth pressures are tremendous, and the urban sprawl of the past few years has taught us that *everything* is a foundation concern. We could see the quality of life disappearing as we’re swallowed up by this huge metropolis. So, we had to get into land preservation and land use for the foundation to function effectively. You can’t separate the two. We keep the relationship between real estate and philanthropy at arms’ length, but it is undeniably present.”

Premised on “a sense of family and community,” the Clear Springs Plan includes job-creation in an industrial development and several residential subdivisions; 40 to 50 percent of each new village will be preserved as open space, and ten percent will be dedicated to affordable housing. The first step in implementation was to set aside 2,300 acres, “preserved and protected in perpetuity.” It is now the Anne Springs Close Greenway, a Leroy Springs & Company property supported by the Springs Foundation, that offers wildlife habitats, ponds, nature trails, picnic areas, historic buildings and Indian paths, and a horse-riding arena. Bruce Rush, president of Leroy Springs, observes, “This wasn’t marginal land. It was the choicest part of the family’s holdings.” With a grant from the National Science Foundation, a program is now being formulated to instruct local school teachers in using the property as an extension of their classrooms. Mark Madden, the Greenway’s director, calls it “a truly phenomenal educational as well as recreational resource.”

The gift of the Greenway required unanimous vote by Anne’s children, and enthusiasm was by no means initially shared by all eight. “There is part of this family that tends to think, ‘Give it all away,’” Will explains, referring to the resources he and his siblings control, “and another wing that says, ‘Don’t give anything away.’ So, the dedication of more than a third of our land was a major compromise.” This came about during dinner at his home in September 1989, when electrical power went out after Hurricane Hugo. Not wanting to risk loss of momentum, Will made sure the pact was signed that evening, by candlelight.