



INTERSECTIONS: THE LEGACY OF SOL PRICE

Named for a retail revolutionary committed to social justice, the USC Sol Price School of Public Policy is as interdisciplinary as its namesake.

By Allison Engel | Illustrations by Brett Affrunti

IT IS HARD TO IMAGINE a more inspirational person to have a school of public policy named after him than the late Sol Price. A brilliant innovator who revolutionized the retail business with his “low margin” warehouse stores FedMart, Price Club (which later merged with Costco) and PriceSmart, Price was charismatic and magnetic, with a firm moral compass and a lifelong commitment to social justice.

Last Nov. 29, when the USC School of Policy, Planning, and Development (SPPD) became the USC Sol Price School of Public Policy, Dean Jack H. Knott observed, “It’s rare to find a benefactor whose life mission is so closely aligned with our school.”

“We do research that makes a difference in society,” says Knott, who himself studies economic regulation and deregulation. “We research health care and transportation, train people to become real estate developers and urban planners and to run for political office. Our faculty members regularly give important testimony, such as before congress-

sional committees or to a World Bank committee on housing issues.”

The school is one of the best in the nation, ranked seventh among 269 schools of public affairs. Its many notable alumni include the current U.S. Secretary of Labor Hilda Solis MPA ’81; California Supreme Court Justice Joyce Kennard ’71, JD ’74, MPA ’74; Chris Van Gorder MPA ’86, CEO of Scripps Health in San Diego; and Bob Champion MRED ’96, founder and president of Champion Real Estate Co., one of the first companies to create innovative mixed-use project development.

When he became dean in 2005, Knott led a push to improve undergraduate education, and enrollment numbers have risen accordingly over the past six years. The curriculum has been revised, and all faculty members – no matter how senior – are required to teach in the program.

The school offers master’s degrees in public policy, health policy and management, public administration, urban planning and real estate development. Remarkably, Sol Price, from his base in San Diego, was involved in all these areas during his careers as a lawyer, entrepreneur, public policy adviser, real estate pioneer, philanthropist and political activist. Says his son, Robert, chairman of the Price Family Charitable Fund, “The only time he was unhappy was when he didn’t have enough projects on his plate.”

USC president C. L. Max Nikias calls the \$50 million naming gift a game-changer. “With the Price family’s extremely generous gift, we will take the school to an even higher level of excellence, ensuring that it becomes the undisputed, international leader in the field of public policy,” he says.

SINCE DECEMBER 2009, when Sol Price died, his son Robert had been thinking about a way to honor him. The Price family has multiple ties to USC. Sol, his wife, Helen, and their grandson David all graduated from the university. Sol earned a bachelor’s degree in philosophy in 1936 and a bachelor of law degree in 1938. Helen graduated with a bachelor’s degree in English and history in 1937.

While attending his son David’s graduation from SPPD in May 2011, Robert was struck by the diversity of the students. He was particularly touched by the recognition of SPPD staff member Carmen Gomez, who was receiving a diploma after 22 years of effort, along with her son, Allen, who was receiving his degree from the school at the same time. “There is a stereotype that USC is a place of privileged people,” Robert says. “I think USC has changed a lot, and the people I saw are serious young people who are really motivated to do something and are coming from all walks of life.”

Robert and his wife, Allison, also were impressed with their son’s years as a Trojan. “I was very happy with his overall experience – the people he met, his classmates and the relationships he developed,” Robert says.

Nikias and Knott discussed with Robert how the Price family could honor Sol’s legacy by “sustaining research that would have a national impact on urban development and social policy,” says Knott. Knott went to San Diego and toured City Heights, a long-struggling neighborhood in which the Price family – through its nonprofit, Price Charities – has made a sustained investment in comprehensive redevelopment.

The philanthropy's City Heights involvement includes housing and commercial development, community- and school-based health centers, a recreation facility, a senior community center and schools with programs for students to travel outside their neighborhood. The enterprise perfectly embodies the USC policy school's mission to attack societal problems from multiple angles.

The family at first shied away from the idea of naming the school after Sol Price. "My grandfather didn't like being in the limelight," David Price says. "He was a kind of under-the-radar guy." But upon reflection, David and other family members decided that this public legacy would reflect Sol's many positive works and inspire others. As Robert Price put it, "When I discussed the gift with my brother, Laurence, we agreed that, beyond the naming, it's a relationship with USC in a field we care about."

David, who has been teaching environmental education classes and heading kayaking expeditions for a leadership organization since graduation, hopes that USC can expand on what is happening in City Heights and bring some of its community-building successes to Los Angeles and elsewhere.

To that end, USC is launching the Sol Price Center for Social Innovation, a collaboration between the school and Price Charities that will promote sustainable and replicable models of community development in low-income urban areas. The center will provide internships and other firsthand opportunities for students to work in urban neighborhoods.

"We hope our practical experience on the ground at City Heights will mesh with university research," Robert says. "We'd like to take conceptual work and put it into application, much the way [the Keck Medical Center of USC] combines university research with a teaching hospital."

This practical testing is critical, as the world is becoming more and more urban, thanks in no small part to immigration trends, Robert notes. "We think this gift will not only enhance the overall reputation of the school, but see it play a bigger role in the national dialogue related to urban issues."

SOL PRICE SPENT HIS LIFE WORKING ON URBAN ISSUES, combining his firm belief in social justice with a principled approach to business. Early on, he admired lawyer Clarence Darrow, who argued the Scopes trial and fought for the rights of others. That led Sol to law school, and, as a lawyer, he took his fiduciary responsibility to clients very seriously, says Robert. This carried over to his retailing

career, "where he lived his life as a fiduciary for his customers and his employees, and for those in life who didn't have the best," Robert adds.

Sol learned these lessons from his parents, Jewish Russian immigrants with limited educations who, as labor socialists, helped organize female garment workers in New York's Lower East Side. "My grandmother was a socialist until her dying days," Robert notes. "She was very proud of her son's business success, but her roots told her she wasn't sure about big business."

Robert, who is writing a book about his father titled *Sol Price: Retail Revolutionary*, explains that Sol, early in his law practice, enjoyed helping clients with business problems. A visit with a client to a Los Angeles

exceptional leader and mentor. As Jim Sinegal, one of his early hires who went on to become CEO of Costco, said at Sol's memorial service: "I did not learn a lot – I learned everything, everything I know. That was the impact he had on me."

Sol opened retail stores in underserved communities and respected the rights of all. When a FedMart store opened in San Antonio in 1957, segregation laws there required separate snack bars for blacks and whites. A friend of Sol's pointed out that the law applied only to snack-bar seating, so Sol installed a single snack bar without seats where all customers could be served together.

He went on to sell FedMart (which then fired him), start Price Club, see it through its merger with Costco in 1993, form public real estate company Price Enterprises, create one of the first real estate investment trusts and launch PriceSmart, which operates Costco-type stores in Latin America.

And that doesn't include the pro bono work Sol did for Jewish nonprofits and his work in helping establish the Weingart Foundation for longtime confidant (and major FedMart shareholder) Ben Weingart. As a lifelong Democrat who supported the American Civil Liberties Union and whose office was a must-stop for any Democrat running for national office, Sol also counted among his friends many Republicans. "He could have wonderful, warm relationships with people who were politically polar [opposite] to him," Robert says.

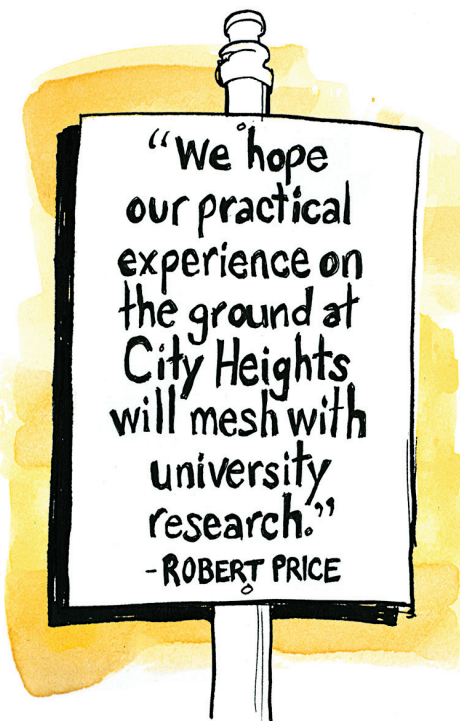
In later years, in addition to his work with the City Heights Initiative, Sol had a hand in national policies as a board member of the Urban Institute and the Center on Budget and Policy Priorities, which advocates for low-income Americans. During his tenure at the center, the earned income tax credit was inaugurated, helping many out of poverty.

As his son sums up in his soon-to-be-finished book: "Sol Price was the epitome of intelligent planning, innovation and a willingness to take risks. While he cared about giving a good return to shareholders, Sol cared deeply about the people he was serving – he genuinely hoped that he could make their lives better."

What could be a more fitting legacy to inspire future Trojans as they shape our urban landscape and influence public discourse? ●

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membership department store, Fedco, in 1953, proved pivotal. Rebuffed when they asked Fedco to expand to San Diego, Sol, his client and other investors started their own membership store, FedMart, in an empty warehouse owned by Sol's mother-in-law.

FedMart was primarily self-serve and offered significant discounts. This was not business as usual, since the prices of many goods then were protected by fair trade laws. FedMart simply refused to stock those items. The store was an immediate success, and Sol began spending so much time there that he gave up his law practice and became head of the corporation. He turned out to be an

1. FedMart, Kearny Mesa, San Diego, 1960

2. Sol Price with Miss Navajo and the Navajo tribal chief at FedMart, Window Rock, Ariz., 1969



3. Sol Price with son Robert Price at Price Club, *The New York Times Magazine*, 1985

4. Sol Price, late 1940s



5. Opening day of FedMart, Sports Arena Plaza, San Diego, June 29, 1971

6. FedMart Gasoline Station, 1973



NAMING RITES

The USC Sol Price School of Public Policy has had several organizational structures and names over the years, but a strong public service component has been present from the start. In fact, the school got its start by public demand. In the mid-1920s, groups of reform-minded women and city officials, concerned over government corruption and the lack of civic participation in Los Angeles, called on USC president Rufus B. von KleinSmid, suggesting that the university begin a school to address these problems. The result, in 1929, was the USC School of Citizenship and Public Administration, which included classes in urban planning. The university later formed a separate school devoted to urban planning. In the late 1980s, the two schools went by the names the USC School of Public Administration and the USC School of Urban Planning, spawning programs in public policy and health administration, and real estate development, respectively. They merged in 1998, creating the USC School of Policy, Planning, and Development. That name remained until last November, when the USC Sol Price School of Public Policy was born.

In addition to its academic programs, the school houses 11 interdisciplinary research centers focused on the study of governance issues, urban development and sustainability, and social policy.

GOVERNANCE ISSUES

Bedrosian Center on Governance and the Public Enterprise
Center on Philanthropy and Public Policy
National Center for Risk and Economic Analysis of Terrorism Events (CREATE)

URBAN DEVELOPMENT AND SUSTAINABILITY

Center for Economic Development
Center for Sustainable Cities
Lusk Center for Real Estate
National Center for Metropolitan Transportation Research (METTRANS)

SOCIAL POLICY

Population Dynamics Research Group
Schaeffer Center for Health Policy and Economics
Sol Price Center for Social Innovation
Tomás Rivera Policy Institute

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