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JOHN NAU III

Sweat equity pays off for this beverage mogul

John Nau III
*President and CEO
Silver Eagle Distributors,
Houston*

Education:

Bachelor of Arts in History,
University of Virginia

Mentors:

My 6th grade teacher, Mrs. O'Connor; Amil Brown, a U.S. Israeli that I worked with at Coca-Cola St. Louis who taught me about management

Favorite book:

I have several but the top three are: The Art of War; The Wit and Wisdom of Abraham Lincoln; The Selected Writings of Thomas Jefferson

Career advice for young professionals:

"Don't be afraid to take risks. Go with your gut if you have good instincts. Don't overanalyze it because normally your original instincts are going to be right."

Word that describes you:

Driven

Making history:

John L. Nau and his wife Bobbie have pledged \$1 million over the next five years to establish the Nau Scholars Program Fund at the University of Texas at San Antonio. The fund will help UTSA recruit and support undergraduate and grad students in history. Nau has served as chairman of the Texas Historical Commission.

I NEVER TOOK A BUSINESS COURSE IN MY LIFE; I'M A CLASSIC CASE OF ON-THE-JOB TRAINING AND SWEAT EQUITY.'

John Nau
Silver Eagle Distributors, Houston

side with the team, burning the midnight oil," Boblitt says.

In the 1980s as a company with only 210 workers, it was easy for Nau to stay in touch with the aspirations of each one. Today with more than 1,200 employees, staying in one-to-one contact is more difficult, but he hasn't allowed the concept to wane.

"I always keep an open-door policy," he says. "If an employee has a problem, they know they can bring it to me."

"You've got to keep in touch with what's going on with that younger workforce. And believe me, at 66, I'm out of that demographic," he says with a chuckle.

And how does he do that?

"It's very simple: Talk to them. Always be willing to listen. Always be willing to ask questions."

Of course, getting truthful answers requires an atmosphere of trust.

"The employees themselves have got to have faith that if they answer the question honestly, there isn't going to be any negative feedback. They've got to have confidence that it's not going to come back and bite them," he says. "You've got to have credibility with the workforce."

And Nau knows trust has to be earned. Consistency and honesty, he says, are crucial.

"If you say you're going to do something ... then do it."

And he does. Recently a group of his employees won a sales contest, and as congratulations, Nau invited them to have dinner at his home in Wyoming. At the time, he didn't realize that his promise would land him in a confrontation with a grizzly bear the next day. But at least he kept his word.

History buff

Though his work doesn't normally take him into such dangerous realms, Nau has other passions that frequently lead him into the war zone. The Civil War zone,

distributorship in southern Florida in 1984. At the time, they were selling about 88,000 cases per month. Compare that to today's sales figures at Silver Eagle: 250,000 cases every day.

To turn the business around, Nau followed some of the best advice he ever received — "go with your gut" — and gave it a shot. Turns out, his instincts were right.

He created a business plan for a turnaround, and less than three years later, he and his partners sold that distributorship and bought Southwest Distributing in Houston. They eventually renamed the company Silver Eagle Distributors, and about five years ago, the company bought the San Antonio distribution center.

A new vision

"In the beginning, his primary goal was to create a vision for how the company could be No. 1 in the market, and the employees believed in it," says Bob Boblitt, Silver Eagle's chief operating officer. The two have worked together for 25 years.

The combination of that leadership and Nau's business instincts helped create the success of Silver Eagle. He believes that part of a leader's job is to build employees' confidence, recognize outstanding work and, perhaps more than anything, help them achieve their own goals.

"It's not a one-person show," Nau says. It's this mindset that earns his employees' respect.

"John set the example, working side-by-

BY ASHLEY FESTA

John Nau is glad things didn't go according to plan.

"I thought, going through college, I was going to be a lawyer. Today, I know I would have made a horrible lawyer," he admits.

That was his ambition as a history major at the University of Virginia. Nau earned his degree, and that's when his career took a detour.

After leaving the Marines in 1969, he took a job in the sales division at Coca-Cola. For his first job, he ran a delivery route in Lansing, Mich., and later moved around the Midwest with his work at the landmark beverage company. In St. Louis, he met people at Anheuser-Busch, and his new path began to unfold.

While at Coca-Cola, Nau discovered a few tricks about marketing. The company had a wildly popular product, that much he knew. But sales were slow in some regions. It was then he learned about turning bottling distribution around and improving the product's market share in those areas.

"I never took a business course in my life," Nau explains. "I'm a classic case of on-the-job training and sweat equity."

Now as the president and CEO of Silver Eagle Distributors, the 66-year-old history lover sets an example of how sweat pays off. And that's part of the reason Nau earned a place in the 2012 Texas Business Hall of Fame.

Leaving Coca-Cola, Nau and some partners bought a small Anheuser-Busch

that is.

His passion for American history, especially the War Between the States, has shaped his activities outside the job, but he takes no less of a leadership role there.

For example, as chairman emeritus of the Civil War Trust, he helps preserve historic battlefields so they can be shared with younger generations. He recently visited a Mississippi battlefield with his five grandchildren, ages 3 to 8, about the age he was when he visited a battlefield for the first time.

He can't tell yet whether they will be as drawn to history as he is, but so far, it sounds as though they're interested. His grandson returned home to Houston and built a Battlefield of Vicksburg out of Legos, which made his grandpa proud.

And sharing his love of history is exactly what he would be doing if he weren't so busy running Silver Eagle Distributors. He'd be a guide at a Civil War battlefield or a teacher of U.S. and Civil War history, he says.

Even so, he has no plans to retire and return to grade school in the foreseeable future.

"If you can't have fun selling Budweiser, you're doing something wrong," he says. "So why would I stop doing that?"

ASHLEY FESTA is a San Antonio freelance writer. Reach her at ashley@ashleyfesta.com.