

# Taking the Gospel to the Rich



Jeff Topping for the The New York Times

Tom Monaghan, the founder of Domino's Pizza, worshiped with other members of Legatus, a Catholic executives' group, at St. Thomas the Apostle Church in Phoenix.

## For Domino's Founder, a New Mission

By ALEX PRUD'HOMME

**T**HE Roman Catholic Church has always struggled to speak with one voice to both the rich and the poor.

Last month, when Pope John Paul II toured Mexico and St. Louis, he sternly warned against a runaway free-market system based on a "purely economic conception of man." But he also exhorted church

leaders not to forget the wealthier members of their flock. "Love for the poor must be preferential, but not exclusive," he said. "The leading sectors of society have been neglected, and many people have thus been estranged from the church."

Among the Pope's avid listeners was Thomas S. Monaghan, the founder of **Domino's Pizza Inc.**, who has long struggled to balance his own conflicting impulses towards God and Mammon.

Late last year, Mr. Monaghan sold most

of his stake in Domino's, the world's largest pizza-delivery chain, to **Bain Capital Inc.**, a private investment firm, for a reported \$1 billion. And inspired by the Pope, he vowed to devote the rest of his life — and his money — to spreading the Gospel, especially among the business elite.

"Financially, it would have been much better for me to hold onto the company for another 20 years," said Mr. Monaghan, 61, who remains chairman emeritus of Domino's, which is based in Ann Arbor, Mich. "But I don't want to take my money with me when I go, and I don't want to leave it for others. I want to die broke."

Mr. Monaghan plans to use his fortune to finance a network of Catholic schools, starting with Ave Maria College in Ypsilanti,

Mich., and to support politicians who oppose abortion. He also wants to promote his conservative agenda through **Credo**, a newspaper; **WDEO**, a radio station he owns, and the **Thomas Moore Law Center**, a new Catholic law firm supported by his **Mater Christe Foundation**. All are in Ann Arbor.

But most of all, he is focusing his attention on **Legatus**, a lay support group for Catholic executives and their spouses that he believes can "change the world."

The idea for Legatus (Latin for ambassador) came to Mr. Monaghan in 1987 as a "divine inspiration," he said, after he met the Pope for the first time, in Rome. He patterned the group after the **Young Presidents' Organization**, an international sup-

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port group for business leaders. But while Y.P.O. is devoted to making its members better executives, the goal of Legatus, according to the mission statement, is to encourage Catholic executives to "study, live and spread the Faith in our business, professional and personal lives."

Legatus now has more than 1,300 members in 25 American chapters and nascent groups in Canada, Mexico and Honduras. Some 275 members and spouses gathered last weekend in Phoenix for the group's annual conference.

But Mr. Monaghan, his company-building days behind him, thinks he can build Legatus into a major force — his goal is 10,000 members or more within five years — using the same zealous, uncompromising approach he employed in forging his global network of Domino's stores. A recent gift from the Mater Christi Foundation doubled Legatus's annual budget to \$3 million.

"A disproportionate number of C.E.O.'s are Catholic, and there must be at least 100,000 who would qualify for membership," Mr. Monaghan said. "What I can do is set a good example and get people fired up about the church. It's what businessmen do: They see a need and fill it."

He would just as soon have Legatus, not Domino's, be his legacy. But he expects to encounter obstacles. "If Legatus's work is going to be as important as I think it is, we're going to have a lot of enemies — namely the Devil," he said. "He's a fallen angel, very intelligent. And his spirit is loose in the land."

## Orphanage to Seminary To a Pizza Kitchen

Tom Monaghan always wanted to be a priest. After his father died on Christmas Eve in 1941, Tom was placed in a Catholic orphanage. (His younger brother, Jim, has been quoted as saying that their mother could not control the boys.) There, as Mr. Monaghan tells the story, Sister Berarda taught him that God and the Golden Rule were the most important things in life. But as a 10th grader at the St. Joseph's Seminary in Jackson, Mich., he was expelled for pillow-fighting and whispering in chapel.

"I was temperamental as a young man," Mr. Monaghan said. "The rector decided I didn't have the vocation for the priesthood." What he did have a vocation for, it turned out, was the pizza business — and controversy.

In 1960, he and Jim borrowed \$900 and bought a struggling pizzeria in Ypsilanti, called DomiNick's. A year later, Jim traded his share for a used Volkswagen Beetle. Meanwhile, Tom built the business into Domino's.

It wasn't always easy. In 1970, he dismissed everyone but his wife and the bookkeeper to avoid bankruptcy. But by last year, Domino's had 6,250 outlets worldwide with sales of about \$3.3 billion and pretax profits of roughly \$75 million. Mr. Monaghan owned 98 percent; the rest was owned by other family members and longtime employees.

With success, Mr. Monaghan developed a reputation for both religious devotion and publicity-hungry materialism. He arranged for a priest to say daily mass at Domino's headquarters. And, happily mugging for the media along the way, he collected everything from an island resort to an \$8.1 million Bugatti Royale sports car, a \$500,000 Frank Lloyd Wright bedroom, and, in 1983, the Detroit Tigers, who would win the World Series the next year. His infatuations were all-consuming, though transitory.

He also became an outspoken advocate of a traditional, politically conservative brand of Catholicism. In 1988, his faith-based politics and his business collided when the National Organization for Women led a nationwide boycott of Domino's to protest Mr. Monaghan's support of anti-abortion groups. The controversy — along with boycotts by homosexuals and other groups — angered some Domino's franchisees and colored the company's image.

Mr. Monaghan founded Legatus a year after the American bishops of the church issued a letter critiquing Reagan-era capitalism and calling for fair wages, stronger unions, a guarantee of full employment and other economic policies that took the powerless into account.

The letter drew strong reaction from leading Catholic conservatives like the theologian Michael Novak and William E. Simon, Treasury Secretary in the Ford Administration (and later a Legatus member), who defended free-market capitalism. But Mr. Monaghan was not part of the debate.

"Tom Monaghan is not concerned with politics or the lay culture," said Mr. Novak, who was a speaker at the Legatus national conference last weekend. "His point of reference is the personal. He founded Legatus when it was right for him."

For Mr. Monaghan, the late 1980's were a time when his interest in managing Domino's day to day was waning, while his Catholic activism was rising. He underwrote construction of a mission in the Honduran mountain town of San Pedro Sula and paid \$3.5 million of the \$4.5 million cost of building a cathedral in Managua, Nicaragua, that was favored by the conservative Miguel Cardinal Obando y Bravo and opposed by liberal Catholics.

In 1988, he was made a Knight of Malta, thus joining an international charitable group with a conservative cast. He also hired several members of the Word of God, a charismatic Catholic group active in right-wing causes, though Mr. Monaghan says he was never a member himself.

Critics began to say that religion was merely a stalking horse for his political agenda.

"His goal is to spread his conservative ideas, and he just waves a thin veil of religion in front of them," said Barbara A. Pott, coordinator of a Michigan branch of Call to Action, a liberal Catholic organization.

Mr. Monaghan is indifferent to such talk. "The things I do always bring out praise and criticism," he said. "It doesn't bother me. You have to do God's will."

He acknowledged, however, that he was neglecting Domino's at the time. Competitors introduced new menu items and upgraded their computer systems. Domino's floundered, burdened with a half-billion dollars in debt, and Mr. Monaghan tried unsuccessfully to sell the company.

It was C. S. Lewis's book "Mere Christianity," which uses everyday situations to explore the fundamentals of Christian faith, that helped him regain his equilibrium, Mr. Monaghan said. After lying awake one night thinking about what a "bad" person he was, Mr. Monaghan said that he decided to renounce his big sin: pride.

Reducating himself, as he put it, to "God, family and pizza," Mr. Monaghan in 1991 began selling off his collections at fire-sale prices. Drummond Island, a Lake Huron resort for which he had paid \$28 million, sold for \$3 million; the Bugatti went for \$5 million. He even sold the Tigers to Michael Ilitch, the chief executive of rival Little Caesar Enterprises.

He restructured Domino's debt, invested in computers, laid off 600 administrative employees, devised new products like a pizza with garlic in the crust and, in 1993, abandoned the company's signature 30-minute delivery guarantee, which was a lightning rod for lawsuits.

By 1996, the company was in its best financial shape ever, with money to pour into a \$150 million image-freshening campaign and to add outlets in India and China. Then, last May, in Rome, Mr. Monaghan decided it was time to sell the company once and for all.

## Taking Pentecost To the Board Room

It is easier for a camel to go through the eye of a needle than for a rich man to enter the kingdom of God, the New Testament says. But for members of Legatus, the pursuit of faith and trade are — or are supposed to be — complementary.

"C.E.O.'s have the biggest need of spiritual guidance of any group of individuals anywhere; they can get so carried away with their own perceived value to the human race," said J. Michael Hagan, a Legatus member who is chief executive of the Furon Company, a publicly traded plastics maker in Laguna Niguel, Calif., with 3,300 employees. "Ego can destroy you," he said. "The best way to keep your ego in check is through spiritual contemplation."

The last few years, the workplace has increasingly served as an organizing platform for spiritual quests by business people of many faiths — lunch-hour and after-work Bible, Torah and Koran study groups, for instance. But a religious organization of corporate leaders can still raise eyebrows.

"Cynics might say, 'Here are a bunch of good old boys who made a pile of money on earth, and now they want to buy some heavenly insurance,'" acknowledged the Rev. George Rutler, a priest of the Archdiocese of New York who serves as national chaplain of Legatus. "There is a tendency to strike a rather condescending stance towards businessmen; it's assumed that a successful entrepreneur has stolen money from the poor. But many of our members marvel at their own success, or are even a bit threatened by it."

Once a month, Legatus chapters — which range in size from 10 couples in Canton, Ohio, to 70 couples in Detroit — convene at a chapel for mass, then move to a hotel or restaurant for dinner and a lecture by a church or lay person. The idea is to give executives and their spouses a chance to pray and reflect, to talk about integrating faith into their secular lives and to be educated.

Lecturers at various chapters have included Sister Helen Prejean, the author of "Dead Man Walking" (Random House, 1993), who spoke about inequities of capital punishment; a rabbi speaking on Jewish-Catholic relations; Catholic psychiatrists on homosexuality, and a writer on why "Angels Aren't Just Pretty Things." Luminaries who have spoken before national or local meetings of the group include former President Ronald Reagan, former United States Court of Appeals Judge Robert H. Bork and John Cardinal O'Connor of New York. Last weekend, at the national conference in Phoenix, William J. Bennett, the author and former Education Secretary, filled in as a speaker for Representative Henry J. Hyde, Republican of Illinois — who was busy in Washington with the impeachment proceedings.

The members of Legatus come



At the annual conference of Legatus, the Roman Catholic business group he founded, Thomas S. Monaghan, second from left, met with Bill Bidwill, owner of the Arizona Cardinals, and Mr. Bidwill's wife, Nancy.



Mr. Monaghan largely financed construction of the cathedral in Managua, Nicaragua, which was opposed by liberal Catholics.



Mr. Monaghan at an audience with Pope John Paul II in Rome last year. He says the Pope has inspired him to devote his life — and much of his Domino's Pizza fortune — to spreading the Gospel.

from 675 companies in a wide range of businesses. They can be the chairman, chief executive or president of a company with at least 30 full-time employees and annual sales of \$5 million (or with 10 employees and \$100 million in annual business for financial services companies). About 5 percent of members are lower-ranking corporate officers or board members at much larger corporations. Retired executives can belong, too. Of the more than 1,300 members, 31 are women who own businesses.

Dues range from \$1,200 to \$2,000 a year, depending on the chapter, and each member is expected to contribute \$550 to the national office every year, with 10 percent of that money given to the Vatican as a tithe. Last year, after 50 members traveled to Rome with Mr. Monaghan — a trip that included an audience with the Pope — the group sent a check for

\$250,000 to the Vatican and asked that the money be used for the Holy See's charities in Croatia.

While some members have enlisted for spiritual education, others are motivated by social issues.

"I see myself as Christ's ambassador to the marketplace of health care," said Adeline A. Laforet, chief executive of Health Care Professionals Ltd., a medical staffing service in Southfield, Mich. "I believe there is a terrible hunger for faith right now, and I want to tap into that energy and evangelize the marketplace."

James D. Davidson, a professor of sociology at Purdue University who spoke to the Indianapolis chapter, said: "I was surprised by the range of views expressed when I asked their opinions on faith and morals. Some were very traditional, but others were clearly exploring other points of view. They weren't authori-

tarian or closed-minded. They're the same kind of people I run into at the country club."

When Albert H. Langsenkamp, chief executive of the Sigma/Micro Corporation, faced a financial squeeze a year ago, he had to lay off several of his 75 or so workers.

"This was personally very humbling," said Mr. Langsenkamp, whose closely held Indianapolis company develops computer systems. "As chief executive, I felt I had done something wrong to get us into that situation. The Golden Rule says treat people as you wish to be treated. I apologized to the workers," he said, and "asked for their cooperation and forgiveness."

Because Mr. Langsenkamp is

largely compensated by dividends, he took a financial hit when the company did; his laid-off employees were given 30-days' severance.

Mrs. Laforet of Health Care Professionals said, "Legatus is absolutely the reason I learned to take a stand on ethics in the workplace." When it looked last fall as if the Michigan Legislature might pass a measure legalizing assisted suicide, she helped rally opposition with a mass mailing to everyone in the company's data base.

"It was the first time we as a company took a stand on anything, and we won a magnificent victory," she said, noting the bill's defeat. "Part of our business is to deal with end-of-life issues, and we do not believe it's O.K. to die in a van with Dr. Kevorkian."

## A Possible Conflict Of Church and Business

It remains to be seen how long Legatus will hold Mr. Monaghan's notoriously fickle attention and how his personal style, which he describes as "intense," will affect the organization.

The majority of members run privately held companies. But about 20 percent are executives of publicly held businesses and are therefore more vulnerable to criticism from shareholders, directors, analysts or customers who take issue with the church's views on hot-button topics like abortion, divorce, assisted suicide and homosexuality.

Indeed, though J. Peter Grace, the late chairman of W. R. Grace & Company, was a charter member, there are few heads of major, publicly held corporations on the group's roster. Mr. Monaghan said that when he asked Roberto C. Goizueta, who was the chief executive of Coca-Cola, to join the group, Mr. Goizueta declined because he was concerned about the reaction of shareholders. Mr. Goizueta died in 1997.

Still, members who head publicly held companies say their faith does not get in the way of doing their jobs. "I accept fully the church's position on those issues, and I've made no secret of my feelings," said William R. Burleigh, chief executive of the E. W. Scripps Company, the Cincinnati-based owner of newspapers and television stations. But, he said, "these are matters of intense importance, and they need to be discussed," adding, "I accept others' points of view no matter how vigorously I disagree with them."

Other ranking executives who belong to Legatus include Frank A. Olson, the chief executive of the Hertz Corporation, and Harry J. Longwell, an Exxon Corporation senior vice president. Wellington Mara, owner of the New York Giants, is also a member, along with Roger Staubach, the former Dallas Cowboys quarterback who is now a Texas businessman.

Mr. Monaghan's plan to expand Legatus rapidly has some members fretting that the organization will create an unwieldy bureaucracy.

But Legatus is Mr. Monaghan's mission now, and when you are wrestling with the Devil, you don't play games.

"I listen to every idea, and if I don't agree I give a decisive but sensitive response," he said. "That's what I did with the franchisees my whole career. Legatus is a volunteer group. If people don't like what I'm doing, they can go form their own organization." □