

COLLEGE OF BUSINESS, SAN JOSE STATE UNIVERSITY

Dividends

SPRING 2006

Don and Sally Lucas
Present the
College of Business
A Visionary Gift



San José State
UNIVERSITY

Don and Sally Lucas Present the College of



Dean Bruce Magid, SJSU President Don Kassing, Sally Lucas, and Don Lucas at press conference presenting gift.

The year was 1949 and the 15-year-old Don Lucas needed wheels to get him to work at a Southern California service station where he pumped gas and lubed cars.

He found a banged-up '37 green four-door sedan that filled the bill. This first car of his – a Plymouth – was not a jalopy, but it came mighty close. Even he admits it was “very ugly.”

It cost him about \$100 – but he was able to sell it a year and a half later after fixing it up and made a profit of \$60.

That single transaction was the first of more than 300,000 car sales that formed the backbone of an illustrious career that would distinguish Lucas as one of the nation’s leading and most successful car dealers of both domestic and imported products.

Historic Gift “Raises The Bar”

A 1959 business administration graduate of the College of Business, Don and his wife Sally, also an SJSU alumna (1957 Education), recently presented SJSU with the largest private individual gift in the university’s 150-year history — a \$10 million donation to enhance the graduate program of the College of Business.

University President Don W. Kassing calls the gift “a milestone” and says it “raises the bar for philanthropy at San José State and sets the pace for future leadership gifts.”

Bruce Magid, dean of the College of Business, believes the donation “will allow the College of Business to sharpen its focus on the challenges of the global economy and

establish a platform of thoughtful leadership and engagement around today’s critical business issues.”

The Lucases say they recognize the value of their SJSU education and the difference it has made in their lives both professionally and personally. “Giving back to the university is our way of saying thank you,” explains Sally. “We also hope our gift will inspire other alumni to support their alma mater.”

High school sweethearts in Southern California where they met, the Lucases moved to San José in 1954 and enrolled at San José State. They picked SJSU because Don was a successful amateur boxer and the university had a boxing team. (While at SJSU, he boxed for two years and retired undefeated.)

Passion Becomes Profession

To pay for his SJSU education, Don got a job at a used car lot on the corner of San Carlos and Second streets. He loved selling cars. “They had a certain beauty. . . graceful lines. Cars were cool,” he says. So after he and Sally married in 1956, he went into business for himself. He opened a small used car lot located only seven blocks from the campus. Success there prompted him to open a second used car lot before graduating from SJSU.

An empire began to grow. In 1964, he decided to get out of used car sales and opened a British Motors dealership – his first. Six years later, he opened the first Honda dealership in the continental United States, and later he became the first Saturn dealer in the nation.

Over the years, Don owned 40 different dealerships in Silicon Valley, San Francisco, Monterey and Hawaii, representing some 33 different manufacturers from Cadillac and Mercedes to Honda and BMW.

An Enduring Partnership

In 1977 he and Sally formed the Lucas Dealership Group, one of the first multiple franchise companies in the country. By 1999, the Lucas Dealership Group — which included sons Scott and Lee — had grown to become one of the top 25 automobile companies in the country with 900 employees and producing close to \$500 million in sales annually. The Lucases sold the dealership in 2000, retaining most of the real

CBS interviewing Don Lucas



Business a Visionary Gift

estate holdings. Don currently heads Lucas Trust Ventures, which oversees the couple's real estate and private investment holdings.

Upon her graduation from SJSU, Sally taught school but made time to help Don in his businesses. Initially, she dressed up the interiors of used cars by sewing up door panels and patching seats. Later when she opened her own interior design firm, SL Interior Designs, she was heavily involved with providing interior designs for the Lucas dealerships.



Don calls Sally his greatest asset and credits her with his success. "She was the one who urged me to come to San José and attend the university. And she was always part of our business as it grew."

Another factor for his success, according to Don, was location and timing. "We were fortunate to locate in the San José area when it began to grow and become Silicon Valley. In short, we were in the right place at the right time."

Instinct, Intuition, Philanthropy

Longtime friends and business associates contend Don's success can be found in his keen business savvy and intuitive sense about the auto industry trends.

Bob Lewis, founder of Bob Lewis Automotive Family of San José (and also an SJSU grad — '61 Marketing), has known Don for 45 years. "Don Lucas is a solid professional with an excellent reputation," says Lewis. "As a car dealer, he knew what buyers wanted and tried to match that with what was coming down the line in terms of new cars and designs."

Another longtime friend, Tony Ridder, chairman and CEO of the Knight Ridder newspaper group, says Don has a very thorough business style. "When making an important decision," Ridder says, "Don looks at the situation from many different perspectives. He is very careful, not at all impulsive. He does his math very carefully."

Don and Sally's generous gift to the College of Business is nothing new to the Lucases. For several years they have been staunch supporters of the San José State athletic and alumni programs, playing key leadership roles in Spartan Foundation and the Alumni Association. They have contributed to many SJSU projects, including the renovation of the business classroom building and the Dr. Martin Luther King, Jr. Library. Don also serves on the Tower Foundation Board as Vice Chair.

In addition to supporting their alma mater, the Lucases have contributed to many local organizations. One of their favorites is the Montalvo Arts Center in Saratoga where they were instrumental in establishing an artist residency program.

Looking back on his career, Don says Honda, Cadillac, BMW and Mercedes were his most successful franchises. As for the future, he believes imports will continue to capture a larger percentage profit share of the American auto market and the nation's two largest automakers — GM and Ford — will continue to downsize.

— Ron Bottini

The \$10 million gift to the College of Business by Don and Sally Lucas will provide:

- Endowed professorships for faculty at the pinnacle of their academic fields;
- Fellowships for high-achieving faculty to develop innovative graduate courses aimed at providing students with the skills needed for the changing job market;
- Executive education programs that provide professional development opportunities; and
- Creation of a global scholars-in-residence program and graduate student scholarships.

SJSU also is requesting that the California State University Board of Trustees officially name the College of Business' graduate program

The Donald and Sally Lucas Graduate School of Business.

NBC interviewing Sally Lucas

