

Interview with James Sherman and Fritz Sherman, Interviewees  
Location: Saint Francis Hotel, San Francisco, California  
By Michael Prihar  
May 24, 2007

**MICHAEL PRIHAR:** I'm interviewing Jim Sherman and his wife Dr. Marilyn Sherman known to members of the Academy as "Fritzi" and we are interviewing Jim and Fritz as part of the National Academy of Arbitrators oral history. We believe this record is important so that we may retain along with important events, the details of many of the interesting thoughts and impressions of the Academy's past presidents. So before we get into arbitration, let me ask you how you got interest in labor relations Jim. So okay, great, all right Jim, so tell me how did you get interested in labor relations?

**JAMES SHERMAN:** I have to confess that as an undergraduate at (inaudible) Law School I had no plans which involved labor relations, I found myself involved in this field, I have to say quite by accident. While in law school I worked full time as a security guard from 3:00pm to 11:00pm at Bell Arrow Systems. The same week I finished law school I heard from my fellow workers that there was a job opening in the Labor Relations Department at Bell. To me this meant if I qualified I would have a day job for a change with an increase in the possibility of pay. I applied, got the job, and found myself in a fascinating surrounding. I began by dealing with employee grievances that included thirteen different unions. I moved onto presenting arbitration cases and ended up with a total belief that I could find no better lifetime career than this, to me, a very unique profession. After about five years I decided to give up the weekly paycheck and take a chance on practicing law. Immediately some of the union leaders I practiced against for my employer, Bell Arrow Systems, approached me for legal representation. Gradually I won their confidence and helped them with their cases and I believe acquired their trust. My practice then increased. Starting with the first arbitration I handled as an advocate. I aspired to be the guy who sat at the end of the table listened and then made the decision. Simultaneously, there was an opening for someone to teach labor relations at the University of Buffalo. Not only did I begin teaching several classes, but I became certain that this would be a career that would blend with my desire to be an Arbitrator. The answer was clear. I had to obtain a PhD to hold onto this type of position. When after all the many, many hurdles were cleared. I receive a PhD in 1967. This was a time of decisions, whether to remain in Buffalo where I received my degree; this is not considered the thing to do, or to relocate and be the local expert somewhere else. Mark Twain is quoted as defining an expert as someone who comes from 50 miles away. While I figured I better go farther than that. I became very interested in an offer by the Dean of the University of South Florida in Tampa, Florida who confessed to me that he was shopping, not only for a teacher, but someone who would establish the first Industrial Relations Program in the State of Florida. So there I was in Tampa, Florida chairing the Industrial Relations Program and applying for the FMCS Panel and then the AAA Panel. At this time there were only two other labor arbitrators in the whole state of Florida, so now a few companies and unions decided to try the new "yankee" who had just arrived. The single most exciting event that would shape my life was when the dean agreed to let me attend the world-wide labor conference held in Tel Aviv, Israel. It was in 1972. It was exciting, unreal and immediately after the 6 day war in Israel. I was dazzled by the NAA members, such as Ralph Seward, Jean McKelvey, Mark Kahn, and many others. I had heard their names and knew their reputations and now I was dining, chatting and becoming close friends with these

giants of the industry. This was to become the finest company I would ever know. My caseload increased and the locations widened when I finally screwed my courage to the sticking place and applied for membership in the Academy, Sandy Porter was the chairman of the committee and when I was accepted it was a very big moment in my life. As is the custom, the NAA picks new members to serve on committees and I served on many committees. Each was a unique experience, but serving on a committee was quite different from chairing one of those committees. Perhaps the first opportunity I had to be in the governing part of the Academy was when I was selected to serve on the Board. I remember believing this was the ultimate honor. More important, I don't ever remember a moment of boredom. This would not always be the case with future committees. When Tony Sinicropi was the President I was asked to be the Membership chair. This was work. I heard from NAA members that I had never met or seen at a meeting, but the entire process was fascinating, I realized that becoming a member of this organization was an important goal for nearly every aspiring arbitrator. The range of letters for or against an applicant was wide, and at times wild, however, somehow you bond with your committee and you get the work done. An important element in the academy is the representing the local chapter. When I first became a member there were only two other members from Florida and the south region expanded. As it expanded, we had large, then larger attendance at our meetings. Somehow I became the original chair and there was a certain reluctance of members to replace me. In fact, for five or six years I assumed this role of chairman of the Region. Eventually, Deacon Jones and his wife Lib, stepped forward and put together a three year program that established the Region and from that point on we got to vote on who was the chairman of the Region. I remember editing the Chronicle for three years. This was a pioneering experience. I learned from Ted Jones who was the only one as far as I knew whoever put out a paper of any kind. There was no computer, no regional reporters and sometimes-mere lab notes from the contributing members. A publishing company would collect the layout, call and make suggestions and corrections. They were very necessary suggestions and very necessary corrections. We would mail the layout that was spread out on our patio floor, edit it, cut it into proper pages and design, try to imagine the final product and it went to press. I believe the article that got the greatest response was when we asked three well known arbitrators to outline the procedure they would use to decide a difficult case. We got interesting, but quite different answers from Ralph Seward, Eva Robbins and Ted Jones. You couldn't be an active member in the Academy without serving on many committees. Sometimes Fritzi, my wife, would have to go to one of the meetings that ran consecutively or concurrently and take notes for me. However, this experience was like basic training. Later I would draw heavily on the merits of member's contributions and the burden of the importance each member gave to the Academy. When I was selected to become Vice President, I now had sat through the BOG meetings for five years in a row. I tried to recall my enthusiasm when I first served. It was not always easy. However, I never ceased to be impressed by the dedication, the labor and the enthusiasm of other Board of Governor's members. Most of all, I remember a fondness for the Academy and their eager contribution to bring respect to the Academy. One of the most interesting chairs I can remember is that of the Nominating Committee. I became well acquainted with our mailman during this period. It was not easy to collect all of the nominations and field all of the calls, but by this time there was a computer and I had one. We entered every name, every letter, every call of the nominee and the nominator. I had an excellent committee and we selected Howard Block to become the next president. All members of the committee were first rate. There was no pre-agenda. We were all only interested in getting the best candidate. I will always be proud of chairing that committee. When the academy met in Montreal, I had the great honor to be selected as president-elect,

elect. It was a surprise and a staggering honor. I had never believed that this would happen, and thus I lived in a semi-blissful state, writing the Presidential column for the NAA tri-yearly newspaper which had become much more professional by this time. I also visited six regional chapters and chaired the Executive Committees. We held the bi-annual meeting in Savannah, Georgia and life was beautiful. Ah, then we heard from the Federal Trade Commission. We always knew they were there looking over our shoulders. However, we knew we had our Code and we would respect it and it would be accepted.

**MICHAEL PRIHAR:** Yah, I remember that. That was a very prime force of the Academy became even more important every year. Ah, the thing that would be important for us to know, how did this is whole thing begin with the FTC?

**JAMES SHERMAN:** It started, as you might expect, with a letter. I was on vacation at the time, so somebody called me and said “you have a strange looking letter from the FTC”. If anything that involves the Federal Government is called simple, it’s a mistake. I was asked as a clarification to why our organization was not covered by the FTC. Why we were allowed to make rules that they might not agree with. At one of these regional meetings I spoke with my former teacher at the University of Buffalo, Clyde Summers, who was my mentor I would say. He shaped my career in arbitration. I believe he gave good advice. He had the added advantage of the opinion of his daughter who had served in the FTC Agency. Clyde Summers advised that the timing of the inquisition was in total synchronization with the National Budget Committee, which required every government agency to justify its budget. The FTC had asked for an increase in its budget and we may simply be a part of that increase. His advice, call the head of the agency and explain to them what the National Academy is all about. This I did and I followed up with a trip to Washington where we talked one-on-one, just me and the director of the agency that was in charge of competition. This was his last year as the head of the department and he agreed that we were unique. He drafted a simple, well I’ll take that back, we orally agreed on a simple statement that would be on our website that both sides would accept. When I brought this forward to the Executive Board, the vote was almost unanimous, four Board members voted against my going on my own to Washington and attempting to work things out with the FTC. I alone believed it would work. The consensus was, do not enter into any agreement with the FTC unless you have a professional lawyer whose expertise includes the FTC. This happened on the eve of my Presidential address and I accepted the decision of the Executive Board, but I tried even again. I went before the Board of Governors, and my suggestion to the Board of Governors was I think we can come out of this in good shape. I asked Steve (last name inaudible), a very bright fellow in my opinion. I asked him to represent the academy and negotiate with the FTC and see if we could come up with a plan which both of us could accept. Ironically, the FTC Commissioner who was retiring called me that very evening to say that they had agreed to review and most likely accept my explanation of what the National Academy was all about and the restrictions we placed upon our members with respect to, well solicitation in particular. My interpretation of this was the FTC would require only minimal changes in the National Academy’s Code of Ethics. But, this was not to last, when the Academy retained a lawyer who was an expert in FTC matters. As I see it the FTC saw this as throwing down the gauntlet and from that point on they were going to play hardball. The NAA learned the hard way you cannot win against a governmental agency unless the membership is willing to foot the bill, and this bill would have been enormous! So the NAA gave in surrendering all types of ethical principals, especially with respect to advertising and solicitation.

**MICHAEL PRIHAR:** Jim, ah, you mentioned Clyde Summers before was your mentor in your early background. I want to back even a little bit further than that. Just for the history of the academy. When were you born and where were you born and what about your early years?

**JAMES SHERMAN:** I was born August 4<sup>th</sup> of 1925. That means, (chuckle) that at this date, I am 81 in the next couple of months (chuckles, again).

**MICHAEL PRIHAR:** And where were you born?

**JAMES SHERMAN:** In Buffalo, New York and Buffalo, incidentally, used to be a great, great union town.

**MICHAEL PRIHAR:** I know we have a number of, I think, members of the Academy that came from Buffalo. I have known a number of people in the labor movement that came from Buffalo. It is interesting, I keep always talking about people from Buffalo, not to many that still around there. Where did you go to school Jim?

**JAMES SHERMAN:** I went to school at Canisius College, ah, I got there by way of a basketball scholarship, incidentally and after Canisius College and after two and a half years in the Army, I applied for and got into the University of Buffalo Law School.

**MICHAEL PRIHAR:** Yeah, I was going to ask you where you went to law school. And the PhD that you mentioned?

**JAMES SHERMAN:** The PhD was, well as I explained before, an afterthought because I was already practicing as advocate for Bell Arrow Systems against their 13 unions, and once I got invited to teach at the University of Buffalo, I say how much I enjoyed teaching and I saw how it fit into my wanting to be an arbitrator and I thought I'm going to go for a PhD. It seemed out of reach to me, but I thought, I've got to try because I'll always wonder "what if".

**MICHAEL PRIHAR:** Now, at this time you were already married?

**JAMES SHERMAN:** I got married just about this time, yes. I ran into my wife, Fritzi, ah, because she was a pharmacist and one of my best friends from high school was a McKesson (spelling?) Pharmacy salesperson and met Fritzi in his line of work and he was with me and he introduced me to Fritzi, and well, the rest is history. I fell in love at first sight, you might say.

**MICHAEL PRIHAR:** Well, I can understand that. And now, this is going to be somewhat of an innovation, ah, normal practices or past practice as far as these oral interviews, ah, at the request of the past presidents, we are asked to include some of the spouse's comments as to our organization, telling us about the academy and our organization. Certainly it is going to round out the old (inaudible) as was the position that it took immeasurable time from the family routine. So Fritzi, I want to turn to you, now I want you to tell me a little about your experiences and your observations. I mean, you certainly, I've known Jim as my mentor and I have known Jim's involvement with the Academy and as long as I can remember the two of

you have been attending Academy meetings and you have been involved in the Academy's activities and know members of the Academy so I know you can contribute a lot, so Fritzi...

**FRITZI SHERMAN:** Mike, thanks a lot, I don't know how much I can contribute, after this interview they may take out this part of the oral arrangement, but I would like to share the cast of characters and the background of the people that were involved in my part. Outside of the members only non-smoke filled rooms and let me compare them with some of our other experiences. First of all, Jim and I were both academics so we had to attend national meetings of the business schools and the Marlin Language conventions. Our colleagues shared many of our interests and a few gave papers that were in our field. Some were actually interesting, but the biggest difference was the topics and the experience of these people was limited to their own area of scholarships. They were uninterested in other parts. The spouses, if they attended were the same. Academics, are dedicated erudite creatures, they're wonderful. They are also proud, a little wooly, and very defensive of their own discipline. They are not low in self-esteem. Contrast that with the spouses of the arbitrators. A more interesting and motley crew cannot be found. Arbitrators may make sometimes, mistakes, in an arbitration decision, or even in a war, but I have never seen a bad decision when they selected a spouse. Arbitration is a lonely, lonely life, with a lot of travel. Similar cases that each wishes to discuss and yearns to have another opinion. They crave a helper for their own Gordian knots, so they are glad to see one another, very glad. The annual meeting meets this demand. They, the arbitrators, have picked as spouses, lawyers, doctors, college professors, museum curators, sculptors, business executives, actors, musicians, authors and the list goes on. These people share their hectic life, but their spouses are their lifelines. Let me just share a snapshot of a few of these unique individuals who are to become our best friends, houseguests and traveling companions. I will begin with one I first knew, Clayton. She was the wife of Ralph Seward, the Academy's very first President and a grand nephew of William Seward, better known for his folly. Clayton never missed an art museum. She knew every small, private or famous museum in every convention city. She gave a new meaning to "tour guide". Susan Block was law review at Michigan, (inaudible) Federal judge, a professor at Georgetown, and a law expert on a major TV program. Georgie Clark curates most of the exhibits in a museum. Tom Jones, who miraculously raised 11 children, separated her home so that each one of them and his or her own private bedroom. Dorothy Star was an imminent sculptor in the Big Apple. Susan Flagler was the head of her department at the giant M&M organization in Minneapolis. All shared their lives with us at meetings, dinners and business, but my favorite was Lester with the name Gootnick it should have been "good guy" instead of Gootnick. He was wonderful, gracious and loving. He was the director of the Orthopedic Surgery Department at the Rochester Memorial Hospital, but when he retired, he even worked harder. He was an accomplished flutist and he performed professionally. Lester's interest in people and the world around him was insatiable. He traveled from to the Arctic Circle, to the Galapagos and he gave his life for others, literally. As a member of the Doctors Without Borders he served in Afghanistan where he contracted a rare disease that proved to be fatal. So you see Mike, maybe we should have a meeting sometime where just spouses come. I am sure the topics and information that exchange would be pretty exciting and forever remembered.

**MICHAEL PRIHAR:** Let me ask you something else Fritzi, I want to go back; this is fascinating to me obviously, just for my own personal relationship with my wife, Dora. When Jim began arbitration, did you at that time have any perception or conception of what the world was going to be like and what your lives were going to be like?

**FRITZI SHERMAN:** I don't know whether anybody really has that. Um, I knew that it would be interesting, but I didn't know it would be this interesting and I wouldn't trade it for anything. I wouldn't trade the experiences, the people we met, none of it.

**MICHAEL PRIHAR:** When Jim would come home, would he tell you about the cases?

**FRITZI SHERMAN:** Oh yes!, Oh yes! (chuckle) I used to pick him up at the airport, that's when it started. Now he comes home and relaxes for a while and I get the latest review at breakfast. It goes better with breakfast.

**MICHAEL PRIHAR:** It goes better with breakfast (chuckle, chuckle). Did you enjoy then (inaudible)....

**FRITZI SHERMAN:** Oh yes, yes of course I did and it's a human drama, it surely is and like Jim said in his Presidential address, um, arbitration is a drama and the part I always liked is that the protagonist is not always the hero.

**MICHAEL PRIHAR:** And now as you go back do you have any thoughts about, well let me ask this, I know from my own experience, but I don't want to assume for the record, and I want this part of the record, Jim has talked about his background and I know how much Jim has given to the Academy and how many activities and how much time he has spent on Academy related activities, but to what extent did you participate?

**FRITZI SHERMAN:** Well (inaudible) than I wanted to, especially with the Chronicle, but I have to tell you it was all joy and as a college professor, um, rating a profession from 1 to 10 grading Freshman Composition by people right out of high school is a one and this was definitely higher.

**MICHAEL PRIHAR:** Well, I know then once the computer came into being that it was you who handled the computer end of the business (chuckle). So, there are no regrets, nothing?

**FRITZI SHERMAN:** None, absolutely none, um I guess the proof of it is that we encouraged Mark to become an arbitrator and we were very glad when he joined the Academy and it wasn't easy for him because he was (inaudible) which was pretty unorganized, disorganized and he did it, he made it and he enjoys the profession very much. He feels the same way about it as Jim does. There is no better profession.

**MICHAEL PRIHAR:** I know, like I said, how much the two of you (inaudible) into my life and I've been part to the Academy either as a member or as peripherally as an advocate or earlier in my days with the American Arbitration Association, so I know how much you have given to the Academy in your various roles, Jim and Fritz. Also, I want to thank you both very, very much on behalf of the Academy and the members and of course on behalf of myself. Thank you very, very much.