

## FEATURED INTERVIEW

# The Legendary Greenbrier Resort Got Lucky with the Emergence of Third Generation Entrepreneur James (Jim) C. Justice II as its New Owner and CEO.

*America is only now learning about Jim Justice who is pumping new life and anticipation into The Greenbrier with a Monte Carlo-style casino; a PGA Tour, FedEx Cup event; Jerry West; and Tom Watson. It has hosted 26 presidents, royalty, business leaders, politicians, and celebrities.*



JAMES C. JUSTICE II  
CHAIRMAN & CEO  
JUSTICE FAMILY GROUP

BY EDWARD F. PAZDUR, CHAIRMAN & CEO  
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WHITE SULPHUR SPRINGS, WEST VIRGINIA: The Greenbrier, a National Historic Landmark, got lucky. The resort was acquired on May 7, 2009 by James C. Justice II, Chairman & CEO of the Justice Family Group and 47 affiliated companies. Yes. 47 companies plus The Greenbrier.

Conducting the policies and actions of such a huge corporate conglomerate (the Justice Family Group LLC) requires a very unique and persistent executive. We wanted to know what drove him. America and West Virginia are only now being introduced to James C. Justice II. Here's what we learned.



THE GREENBRIER WAS ACQUIRED IN MAY 2009 BY JIM JUSTICE, THE JUSTICE FAMILY GROUP AND 47 AFFILIATED COMPANIES.

His energy, initiative, creativity, ambition, and especially his religious faith are major factors. He's a human dynamo with a sense of warmth and humility. For example, even after meeting you for the first time, he'll ask you to address him by his first name—Jim. It works. The meeting's atmosphere immediately becomes more convivial and companionable. So is Jim's humor. A case in point was a description of his proposal of marriage to Cathy Comer. "We met at Woodrow Wilson High School and dated for six years," recalled Jim, as he reached into a large jar on his desk top and retrieved an M&M candy, admittedly a weakness.

"On Valentine's Day in 1976," said Jim smiling broadly: "I hid the ring in a box of candy. I think she was surprised. She cried a little and shouted 'YES.'"

Mission accomplished. It was lighthearted, romantically to the point, emotional and creative. They have two grown children. Jill, in her second year at Virginia Tech's medical school; and James C. III, 28, who is deeply involved in all family companies as an executive vice president.

## BONDING WITH DAD

Jim's stature, like his dad, is imposing and commands attention. His characteristics, I'm sure, were also influenced and inherited from his father. "My mom knew what it was like to grow up in tough times," he said. "She was a marvelous homemaker, a meticulous housecleaner and appreciated the middle income lifestyle Dad was able to provide. Mom never gave up on her habits. I remember, like it was yesterday, how she would wash aluminum foil and fold it up for another use. I bet she used the same foil dozens of times before throwing it away. She had 12 brothers and sisters and, believe it or not, there was no indoor plumbing.

"When I was enrolled at Marshall University, I worked for my dad every summer between semesters to 'cut my teeth' and learn all about the family's coal mining business. I graduated Marshall University with BA and MBA degrees in 1976 and immediately went to work for my dad," said Jim. "I shadowed him for the first year doing jobs he assigned to me.



JIM, AT AGE 7, WAS INTRODUCED TO GOLF BY HIS FATHER. AFTER GRADUATING HIGH SCHOOL, HE ATTENDED THE UNIVERSITY OF TENNESSEE ON A GOLF SCHOLARSHIP, THEN TRANSFERRED TO MARSHALL UNIVERSITY WHERE HE WAS CAPTAIN OF THE GOLF TEAM FOR TWO YEARS.

"I was a young and ambitious colt eager to run on my own. In 1977, during my second year on the job, I saw an opportunity to grow when the family coal business branched out into agriculture and we started Bluestone Farms. It was later renamed Justice Family Farms.

"I saw our expansion into agriculture as my chance to take off with something on my own. I challenged Dad to continue running our family's mining business and let me tend to our family's new agriculture venture. He did. And I'm proud to say it is now the largest grain producer on the East Coast.

"Dad and I were bonded at the hip. We had a fabulous working relationship. In fact, he was the best man at my wedding. He taught me the right values and the importance of working hard. He once said to me: 'I'm concerned only about two people who know what I do—God and myself!' Dad was a big, strapping guy whose arms were as thick as my thighs and intimidating at times. He always encouraged me to excel at whatever I was doing and he never tolerated laziness.

"I still remember, when I was 18, I sloppily completed a house chore he asked me to do for him. He felt I could have done better. I snapped at him, saying, 'I did the best I could do.' My answer infuriated him. He angrily slammed his fist down hard on the table and yelled: 'Don't ever confuse effort with accomplishment!' It's funny. I can't remember to this day what the chore was. But, his comment has stuck with me for all of these years."

Jim became president and CEO of the Bluestone companies upon the death of his father in 1993 and grew the family operations to 47 affiliated companies.

## IT'S GOD'S AMPHITHEATER

Jim's recreational pursuits are focused outdoors which he describes as God's amphitheater; and coaching the senior high school girls basketball team at Greenbrier East High School. "Coaching is surprisingly hard work," joshed Jim, "but it has given me a big lift for the past 13 years and I love every minute of it.



"I enjoy spending time with my family and value the great outdoors from fly-fishing to following a bird dog in the fields. I can't remember ever going on a vacation. That would make me go stir crazy. Don't get me wrong. I enjoy having fun, but I just can't turn everything off and head to an island in the Bahamas for a week. That is not me. Cathy and I honeymooned in Bermuda. We loved Bermuda and I've been out of the country only a couple of times. You might say the only 'jazz' that interests me is 'business jazz,'" he joked inwardly at himself.

#### HOW GOD INFLUENCES HIS LIFE

Other than his father, Jim's strong belief in God and the doctrines of his religion power him to shape his policies and decisions. "I believe the best virtue is doubt in yourself. It makes you question whether or not you're really doing your best for yourself, your family, your employees and your country. The good Lord guides me," he sighed with a tinge of emotion. "I will never retire nor cash in all of my chips. The Lord gave me the ability and resources to do something good.

"For example," he said, "look at what we have accomplished at The Greenbrier in less than a year. We've given 1,200 employees job security for their families; we've added initiatives with a casino, the PGA Tour, FedEx, Jerry West and Tom Watson. This is only the beginning. I'm determined to make The Greenbrier grow, thrive and regain its status as America's National Treasure."

#### BULLISH ON AMERICA

When Justice was asked about America's slumping economy, he dogmatically declared: "I'm phenomenally bullish on America. I'm not in the camp that thinks America, and the rest of the world, will tread water for many years. We are a people that move fast on our feet. The fundamentals have not changed. There will be an economic explosion once this vapor lock evaporates and the entire world will benefit. I don't want to diminish the fact that America has a lot of problems, but we are living in a dynamic world that will recover," he said. "The biggest present that President Ronald Reagan gave us was the right to feel good about being an American. He restored confidence in our country and we need to recapture that confidence. Work hard and America will prosper!"

#### HOW THE GREENBRIER GOT INTO JIM'S LIFE

CSX, an international transportation company, decided to sell The Greenbrier to Marriott. They agreed to loan Marriott \$50 million to run it and after six years, Marriott would purchase it for \$70-\$130 million based on its financial performance. "I watched with interest how the negotiations were proceeding," said Jim. "I was in the process of selling our family coal operations to the Russian firm Mechel for \$436 million. We were also involved in purchasing A&G Coal Company in Wise, Virginia. Upon completion of the purchase, I decided to make a run at The Greenbrier. Although negotiations between CSX and Marriott were at an advanced stage, they agreed to my offer. I paid \$20.1 million to CSX; and a break-up fee of \$7.5 million with no marketing arrangement with Marriott.



(TOP) JUSTICE, FAR RIGHT, WITH HIS FATHER, JAMES C. JUSTICE (LEFT); HIS FATHER-IN-LAW, LEIGH COMER; AND HIS GRANDFATHER, JIM JUSTICE.  
(ABOVE) JIM AND CATHY JUSTICE, SON JAMES III AND DAUGHTER JILL.

“I wasn’t going to purchase the resort and let someone else run it. That is just not my style. Dad taught me, ‘Never expect more than you can inspect.’

“I also paid \$14 million to DPS Development for 100 percent control of The Greenbrier Sporting Club, our real estate community adjacent to the resort. When you include the \$110 million in capital improvements I committed to, my total investment is over \$150 million.



JIM AND CATHY JUSTICE, THEIR DAUGHTER JILL (LEFT) AND SON JAMES III (RIGHT) AT THEIR GROUNDBREAKING OF THE CASINO AT THE GREENBRIER.

“CSX Corporation deserves a lot of credit,” he said. “They took care of The Greenbrier and its people for 100 years. I have a huge responsibility to be the next caretaker of this American Treasure.

“I’m extremely competitive with a business plan for The Greenbrier. Yes, I want to restore its reputation. Yes, I want to protect the employees livelihood. But, I also want to make it profitable. I think our strategic game plan will accomplish all these goals.”

### THREE GREENBRIER INITIATIVES

Three revitalizing initiatives are well under way: A Monte Carlo-style casino; The Greenbrier Classic, a PGA Tour/FedEx Cup tournament; and Prime 44 West, a premier steakhouse in association with NBA star Jerry West.

(1) *The Casino At The Greenbrier*: A discreet, elegant, Monte-Carlo-style casino, designed to complement The Greenbrier’s amenities, will open in the spring, complete with blackjack, roulette, 38 table games, three-card poker, and 320 slot machines. “This will be a venue right out of a James Bond movie,” promised Todd Fishon, VP of Casino Operations, “with live, Greenbrier-style entertainment.”

(2) *The Greenbrier Classic*: The PGA Tour and The Greenbrier have entered into a six-year agreement (through 2015) wherein The Greenbrier will sponsor and host The Greenbrier Classic as part of the FedEx Cup, beginning July 26-August 1, 2010. The Classic will be played on the Old White course, one of The Greenbrier’s original four courses dating back to 1914. “The turnaround for The Greenbrier has begun,” said Tom Watson, Greenbrier’s Golf Professional emeritus. Mr. James Justice II is a distinguished man in many respects. He has a strong passion for his native state, its people, and his employees.” To which PGA Tour Commissioner Tim Finchem added, “From my ongoing discussions with Jim Justice, I’m convinced he is totally committed not only to restore Greenbrier’s distinguished worldwide status but he is equally committed to West Virginia and his employees. I commend him for that.”



THE OLD WHITE GOLF COURSE AT THE GREENBRIER, AN AWARD-WINNING RESORT LOCATED IN THE ALLEGHENY MOUNTAINS OF WEST VIRGINIA.

(3) *Prime 44 West*, a premier steakhouse, honors West Virginia native and NBA star Jerry West. It features West Virginia cuisine and displays more than 100 pieces of West memorabilia.

## HIGH-END AIRLINE AND “ORIENT EXPRESS”

“Yes,” declared Jim, “our casino, golf and big name entertainment are important to Greenbrier’s growth, but so is access. We are almost ready to announce a partnership with several airlines to fly to nearby Lewisburg; and, we’re working on train service from Washington, D.C., that will provide first-class ‘Orient Express’ service. The combination of all of these unmatched amenities will bring The Greenbrier back into the forefront as one of the world’s great resorts—and restore profitability.”

## HOW GOLF GOT INTO JIM’S LIFE

Golf has always been an important component in Jim’s life. “Dad introduced me to the game,” said Jim. “He was a star athlete in college and didn’t take up the game of golf until he was 35 and I was 7 or 8 at the time. I remember many an afternoon dragging Dad’s big, old, red golf bag, that felt like 500 pounds, around the golf course. I quickly fell in love with the game and by 10 I was spending summers on the local golf course from 8 A.M. until sundown. I became a good player and would tee it up with my dad ‘a good bit.’”

Jim attended the University of Tennessee on a golf scholarship; he transferred to Marshall University where he was golf team captain for two years; and now he is a partner with the PGA Tour and FedEx Cup.

## MAKING SAM SNEAD ANGRY

His favorite golf story centers on Sam Snead. “I was a pretty good golfer for a 15-year-old youngster,” recalled Jim, “and because of my +2 handicap, my dad got me paired with Mr. Snead in the pro-am at Black Knight Country Club in Beckley, West Virginia. During the Calcutta, our team [Sam and I] sold for \$1,700, which was a lot of money at the time. I played over my head and shot 70 on the first day, Mr. Snead shot 74. The gallery started teasing Mr. Snead that he was getting beat by a young kid,” Jim laughed. “Mr. Snead got really angry and channeled his anger into a 64 in the second round the next day.



*“MY DAD INTRODUCED ME TO THE GAME OF GOLF WHEN I WAS 7. AT 15, MY HANDICAP WAS A +2 AND I WAS PAIRED IN A PRO-AM AT BLACK KNIGHT COUNTRY CLUB IN BECKLEY, WEST VIRGINIA, WITH SAM SNEAD.” — JIM JUSTICE*

“We frequently teed it up after that and he would give me one shot a side. I never beat him again,” said Jim.

## MOM AND DAD ARE PROUD

Jim slouched slightly in his chair, made himself a bit more comfortable, reached over for another M&M, and solemnly said: “Mom and Dad were always honored that The Greenbrier was in their home state of West Virginia. During the acquisition in the spring of last year, I had many ‘conversations’ with Mom and Dad.

“I think they are very proud of what I’m doing,” expressed Jim. “I think they both have a big grin on their faces up in heaven.”

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