# Dunkin' Donuts Founder Passes Away

Randolph, MA (September 22, 2002) -- William Rosenberg, 86, founder of Dunkin' Donuts, Inc., passed away Friday night at his home on Cape Cod. Rosenberg had successfully overcome several bouts of cancer over the past two decades. He died from complications related to bladder cancer.

A public memorial service will be held at Stanetsky Memorial Chapel, 1668 Beacon Street, Brookline, Massachusetts at 1 PM on Tuesday, September 24. A burial service will follow at Sharon Memorial Park in Sharon, Massachusetts.

William Rosenberg was a natural entrepreneur whose positive attitude, personal intuition and customer focus helped change the business landscape across America and around the world. He has been hailed as a "visionary" by Success magazine and as "the father of franchising as we know it today," by Nation's Restaurant News, whose publisher Alan Gould in 2001 called Rosenberg, "one of the most influential and innovative individuals the foodservice industry has ever known."

Bill Rosenberg embodied the American spirit of hard work and passion. He came of age during the depression and, despite a limited education, his hard work and spirit brought wealth and fame and enabled him to become a philanthropist in his senior years. Rosenberg made a major impact in three different areas: as founder of Dunkin' Donuts, as founder of the International Franchise Association, and as a force in the harness racing industry.

Early Life
Bill Rosenberg was born in Boston's Dorchester area on June 10, 1916. He got his first job at age twelve delivering orders for a small grocery store. By fourteen, he had also been a milk delivery boy on a horse-drawn cart, and a telegram runner for Western Union. Bill left school in the eighth grade to work full time in support of his family as the Great Depression took hold of America.

In a series of teenage jobs, Bill Rosenberg learned the value of customer service and innovation. On one occasion, he and some friends drove a car into a packed racetrack on a hot summer day. They had replaced the car's back seat with a giant block of ice. Rosenberg sold ice chips for ten cents a pick, and came home that night with $171, the equivalent of a year's salary during the Depression. By the age of twenty-one, Rosenberg was National Sales Manager for Jack and Jill, a New England ice cream company.

During World War II, Bill Rosenberg helped build war ships at the Hingham Shipyard in Massachusetts. He was elected as a union delegate by the workers for Bethlehem Steel, and also served as a contract coordinator for the company at the shipyard.

When the war ended, Rosenberg cashed in $1,500 in war bonds and borrowed $1,000 from relatives to start a business serving coffee, pastries, and sandwiches to area factory workers. While he originally used indoor pushcarts, Rosenberg thought the business would be more effective on vehicles. Using his ice cream experience with insulated trucks, he had telephone company trucks custom converted with flip-open stainless steel sides and shelving. It was the birth of what we now call the "canteen truck," an idea that eventually became commonplace at construction sites and factory settings across America. Rosenberg called his new company "Industrial Luncheon Service," and a Boston newspaper reporter coined the term "Meals on Wheels" to describe what Rosenberg was doing. By 1949, the company had close to two hundred trucks serving New England and New York, along with twenty-five in-plant cafeterias and a vending division.

Industrial Luncheon Service did something else that was revolutionary- it sold coffee for ten cents a cup, the same price charged at restaurants in top hotels, and twice the typical retail price at the time. Rosenberg was told customers would never pay the higher price, but he proved the naysayers wrong. The revenue enabled Rosenberg to use higher quality coffee beans that customers loved and were willing to pay for. It was a consumer insight that the specialty retail coffee industry was to rediscover...twenty-five years later.

Dunkin' Donuts
When Bill Rosenberg realized that forty percent of the revenues of Industrial Luncheon Service were coming from coffee and donuts, he decided to open a stand-alone store. At the time, a typical donut store sold four varieties. Rosenberg, taking a page from Howard Johnson's success with twenty-eight varieties of ice cream, decided to sell fifty-two varieties of donuts, one for each week of the year. He also included two other innovations: seating for customers, and beverages, especially high quality coffee. Bill Rosenberg's first retail shop, called "Open Kettle," opened in Quincy, Massachusetts on Memorial Day weekend in 1948. Two years later he changed the shop's name to Dunkin' Donuts. By 1954, Rosenberg had opened a total of five Dunkin' Donuts shops, with Natick, Somerville, Saugus, and Shrewsbury added to the list. Rosenberg was featured as a young entrepreneur in national publications such as The Saturday Evening Post and Coronet magazine. He used the same principles he'd learned as a boy working in retail during the depression: high quality, passion, a positive mental attitude, and a philosophy that "the customer is the boss."

To provide funds for faster growth, Rosenberg made a fateful decision to sell franchises to other businessmen. The first franchised Dunkin' Donuts shop in America opened in the Webster Square area of Worcester, Massachusetts in 1955. In other parts of the country, two of Rosenberg's contemporaries, Ray Kroc and Harland Sanders, were also looking at the franchise concept to grow fledgling companies for hamburgers (McDonalds) and chicken (Kentucky Fried Chicken). The combination of franchise financing and a good idea was powerful and the number of shops began to grow.

Current CEO Jack Shafer says, "One of Bill's smartest moves was the decision to bring his son Bob in to run the business, first as president, and eventually succeeding Bill as CEO." Under Bob's guidance, growth accelerated. Today, Dunkin' Donuts has more than 5,000 shops in 37 countries.

International Franchise Association
By 1959, the franchise concept had spread to a variety of industries. At a trade show called, "Start Your Own Business," Bill Rosenberg argued that leaders in franchising needed to band together to set industry-wide standards and educate businesspeople on best practices. Rosenberg collected donations, had colleagues write-up bylaws, and in February 1960, The International Franchise Association (IFA) was born, with membership open to both franchisors and franchisees. Over the years, a number of other franchisors, including Century 21 founder Art Bartlett, have credited Rosenberg for inspiring the birth of their businesses. By 2002, the IFA had grown to 30,000 members in 75 different industries around the world. The group continues to play a key role in franchising,

which accounts for almost fifty percent of all retail business done in America and which Bill Rosenberg, IFA's Chairman Emeritus, called, "one of the most dynamic economic factors in the world today."

Harness Racing

Bill Rosenberg bought his first horse in 1968 and his New Hampshire-based Wilrose Farm quickly became the number-one stable in New England and one of the premier Standard bred racing stables in the country. Rosenberg's horses competed successfully in harness races on the Grand Circuit of tracks across the United States and Canada, and his farm also became well known for breeding. At its peak, Wilrose Farm had two hundred horses, including thirty racehorses. But the horse racing industry in New England went into a decline in the 1970s. In 1980, Bill Rosenberg donated Wilrose Farm, valued at two million dollars, to the University of New Hampshire, and began keeping his horses at a partner's farm in New Jersey. Fourteen years later, UNH sold the farm and endowed the William Rosenberg Chair in Franchising and Entrepreneurship, the first such faculty position in the university world.

Bill Rosenberg continued to play a major role in horse racing in the United States for several more years. As the nation's eighty-five harness tracks faced problems with declining attendance, Rosenberg in 1983 founded the International Horse Racing Association, convincing one hundred breeders and trainers to donate $1,000 each to start the marketing association. But industry politics left him frustrated, and in 1985 he sold his last horse, Speedy Somolli, for $3.6 million. Nonetheless, he left a lasting impression on the industry, and in 1988 was honored by Harness Horsemen International with its first-ever Achievement Award.

Bill Rosenberg was also a significant philanthropist, donating millions of dollars to a variety of causes. In 1986, his family foundation established the William Rosenberg Chair in Medicine at Harvard Medical School through the Dana Farber Cancer Institute. Rosenberg became the first honorary trustee at Dana Farber in 1989. In 1999, Rosenberg's foundation made a major gift to help fund a Vector Laboratory at the Harvard Institute of Human Genetics in Boston.

During his life, Bill Rosenberg successfully battled lung cancer in 1971, lymphoma in 1977, and overcame multiple skin cancers.

Bill Rosenberg is survived by his wife Ann (Miller) Rosenberg, sons Robert Rosenberg of Weston and Donald Rosenberg of Wellesley, daughter Carol Silverstein of Palm Beach Florida, stepdaughter Carolyn Ryan of Mashpee, former wife Bertha (Greenberg) Rosenberg, as well as nine grandchildren and five great-grandchildren.