



**TERRY MCDONALD AT ST. VINCENT DE PAUL'S NEW HOUSING DEVELOPMENT IN JUNCTION CITY**

"I fell in love with the nonprofit world," he says. It was here, working in the local chapter of a Catholic charity originally founded in Paris in 1833, that McDonald discovered an outlet for his talents as well as a way to address his concerns for the dispossessed of society. "If there's a need and nobody's filling it, somebody has to," he says. "Unfortunately we're not running out of people to help."

Of specific interest to McDonald was the rather unromantic task of figuring out how to "peel the waste stream, kind of a sector at a time" — in other words, digging into every kind of garbage and discovering a renewed value for it. Not only that, but figuring out ever-new ways to package and market the stuff.

"Nothing can have value without being an object of utility," Karl Marx observed, and here it might be fruitful to point out that this grandpappy of capitalist critique was actually rather in awe of capitalism, which he admired for its dynamic ability to reach into every nook and cranny of the social fabric. McDonald's approach to salvaging waste provides a rather beguiling twist on Marx's observations about our economic system. In short, McDonald finds utility in exactly those objects most of us deem to be utterly lacking in use, and he finds value in those places where value seems to have fled.

"You start looking at the waste stream differently than you used to," he says of taking an entrepreneurial approach to other people's garbage. Where corporations eternally seek spanking-new products to package and peddle in the ceaseless flow of consumer goods, McDonald enters the game at exactly the point where planned obsolescence renders those consumer goods pointless.

In this way, SVdP has expanded into unforeseen markets of opportunity: creating skateboard wax from used candles, turning busted-out trailer parks into low-income housing complexes, upcycling used mattress stuffing into new dog beds, establishing a glass foundry, carving used vinyl records into designer earrings, and on and on. The idea is not to re-sell junk but to recreate it as a viable retail item.

"The point in all of this is you build these little businesses on top of each other," McDonald explains. It's all about positioning, he says; like any business, and unlike most nonprofits, you create markets by discovering new products and putting yourself in a position to provide those products. Capitalism is an octopus, a multi-tentacled beast of supply and demand and visa versa, and McDonald plays the game as well as anyone, Starbucks-style, expanding into wider and wider spheres of influence.

"You continue, building off businesses," he says. Obviously, these businesses generate a retail profit that is

channeled back into social services, but they also help by tapping into another natural resource, often underused: human beings. "All of these things create jobs — 15 stores and a bunch of these little businesses and close to 600 employees."

Along with the 15 retail outlets, St. Vinnie's has warehouses scattered around Lane County — totaling some 200,000 square feet of space, with another 50,000 square feet of warehousing in California. Such holdings reveal the reach of this local chapter of a worldwide organization that McDonald is revolutionizing in its approach to helping the poor.

## HOPE SPRINGS ETERNAL

There are so many great Terry McDonald stories. Folks who work with the guy are fond of relating anecdotes, equal parts respectful and humorous, about his gritty work ethic and his willingness to get down in the trenches and grab the proverbial shovel. I've heard tell of McDonald launching himself into one of those huge crates in order to start unloading the books at the bottom.

"If you want to find Terry you're going to find him on the book line, because he's sorting books," says SVdP's director of economic development Sue Palmer, a former *Register-Guard* reporter who covered McDonald during her days at the paper. "That engenders not only loyalty but a feeling that we're all in this together, doing this great work. His willingness to take part feeds the soul of the organization."

Palmer says she's seen McDonald sit in a meeting for an hour and simply listen to the conversation among his staff. "He'll let people exhaust themselves talking," she says, after which he'll distill what he's heard and cut to the chase, usually with some immediate plan of action.

"He's a no-bullshit guy," Palmer says. "If you want to know what's really going on, Terry will tell you."

That's been my experience too, in the handful of times over the past couple months that I've interviewed and tagged along with McDonald: No bullshit. In fact, some of the best stories I've heard about McDonald are told by McDonald himself.

One of my favorites, then: With two facilities in California and one here Eugene, St. Vinnie's of Lane County has become internationally recognized for its mattress recycling program, which McDonald helped establish as the first such commercial operation of its kind. Altogether, SVdP recycles more than 170,000 mattresses and box springs every year, and in 2013 alone the organization salvaged some 9 million pounds of trashed beds from landfills around the country.

Of course, deciding to recycle mattresses is all well and good, but figuring out how to take apart used beds proved a bit arduous. To this end, McDonald first purchased a shredder and tried shoving the mattresses through as is. It worked well enough, he says, but they couldn't separate the materials afterward. "We're gonna filet these things like they're a fish," was his next impulse, and to this end the recycling team employed a water knife, which used a high-pressure water jet to cut through materials like a laser.

"Didn't work," McDonald recalls, after which they went at it with an air knife. "Ditto," he says. "Then we tried a plasma torch. Lots of smoke and fire. Bad idea."

Same with a pneumatic grinder. "You can get some amazing fires if you try that," McDonald says, smiling.

"Then we tried a rotary cutter," McDonald recalls. "Fortunately, we didn't cut anyone's arm off."

At one point in the process, McDonald realized he'd burned through \$250,000 trying to get it right. "It was an absolute failure," McDonald he says. "Sometimes the pain is really extreme. Sometimes you just make a mistake. It wasn't for lack of trying. The pain often helps you learn."

Finally, a simple box cutter was used to slice into the mattresses. "That has worked very well," McDonald says.

"We just toughed it out and figured out how to get to the other side of it," McDonald says of the eventual success of the mattress recycling program — the first of its kind in the U.S.

Such relentless and single-minded determination seems more befitting of our early American captains of industry — those monomaniacal oil magnates and railroad tycoons of old — than the head of a modern nonprofit known primarily for its thrift stores. "I tend to move along," McDonald says.

Mergers and acquisitions, amalgamation and capital: This, then, is the process by which St. Vinnie's seeks to reroute resources back to society's most disenfranchised and underserved — a sort of reverse profiteering that beats the neoliberals at their own game. And this in a do-gooder realm where, more often than not, you encounter the kind of caterwauling and endless liberal pieties that focus more on the suffering than the sufferer.

The recounting of the mattress story brings to mind another image from the not-too-distant American past. In McDonald's words I can almost see Charlie Chaplin, that lovable tramp from our first Great Depression, trying to wrestle down a box spring as it flips him ass over teakettle again and again. In McDonald's hands, SVdP is turning Chaplin's slapstick of failure — a flailing fight for dignity against the inhumane ravages of the industrial process — into a success story worthy of Horatio Alger.

Just imagine what would happen if our political leaders were as honest and confident about the pains it might take to get us back on track — about the failures that lead to success.

## BUSINESS AS UNUSUAL

"I would say that this organization learned that business is business," Palmer says of McDonald's leadership at St. Vincent de Paul. As head of SVdP's Cascade Alliance, part of Palmer's job is to spread the gospel of entrepreneurship and market expansion to nonprofits around the country — a mark of just how successful the St. Vinnie's model has been in Lane County.

"It's very difficult for them to understand that there's a social service side and a business side," Palmer says of bringing other nonprofits up to speed on the idea of running their organizations with an eye on capital accumulation. "Groups get the business confused with the mission," she adds.

Palmer, who at one point describes SVdP as "a giant rolling ball of chaos," says that the quality of nimbleness is a huge part of what McDonald brings to the organization. "It's the art of the possible every day," she says. "The thing you thought you were doing today, you're not doing today."

Paul Neville, another former *Register-Guard* reporter whom McDonald brought on board to run PR, puts it this way: "You learn that when Terry says, 'You want to take a ride?' you say 'yes.' It's going to be something interesting."