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Civic leader Andrew McKenna has died

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Andrew J. McKenna, a consummate networker and inexhaustible dynamo who was among Chicago's most consequential business leaders of his day despite never being a major company CEO, died today at his North Shore home, according to longtime friend Newton Minow. McKenna was 93 and had fallen ill last month.

From boardroom positions at McDonald's, Tribune and other hallmark firms, McKenna's clout extended through corporate Chicago and into the city's cultural and charitable institutions and its sports teams. He was chairman of the Cubs and the White Sox almost simultaneously, and he owned a piece of the Bears.

A 1992 Crain's profile, which said he attended nearly 100 board meetings a year, described him as "perpetually antsy, with a nervous stammer," a "fixer with a cause" and "the Zelig of Chicago business," a reference to the everywhere character in the 1983 Woody Allen film.

McKenna was in his mid-70s when he became McDonald's nonexecutive chairman and navigated back-to-back deaths of two CEOs and, later, the forced resignation of another during rocky periods for the fast-food company. He stepped down as a director in 2016 after investors criticized his long (25-year) tenure and questioned the board's independence.

If McKenna had an equal among Chicago moguls in the decades bordering the turn of the millennium, it was Lester Crown, who headed family-owned Henry Crown & Co. Crown was out front, engaging the business community in public policy battles like expansion of O'Hare International Airport. McKenna was more of a Mr. Inside.

McKenna's base of operations was a privately held paper company eventually known as Schwarz Supply Source; he had joined the Morton Grove firm in 1955, discovering his métier in sales after getting a law degree from DePaul University. The eldest of six sons of a South Shore coal executive had initially wanted to be a journalist, working as a Leo High School student for Jerome Holtzman, then a Chicago Times sportswriter.

Despite its plain-vanilla products, which included french-fry bags and tray liners for McDonald's, Schwarz provided a springboard to blue-chip boardrooms for McKenna after he led a buyout in 1967 and became CEO. Two years later he was elected director of an insurance broker that evolved into Aon and, in 1971, of Skyline, a mobile home manufacturer in Elkhart, Ind.

He had been living in Michigan City, Ind., moonlighting as general manager of a minor league baseball team and co-founding a private school in La Porte, La Lumiere, which U.S. Chief Justice John Roberts and the late comedian Chris Farley attended.

Through baseball, McKenna got to know former White Sox owner Bill Veeck, a relationship that paid dividends. In 1975, when the team was on the verge of being sold and moved to Seattle, McKenna alerted Veeck, who put together a successful white-knight bid.

McKenna was tapped as Sox chairman, and he and other investors doubled their money when the team was sold again, to Jerry Reinsdorf and others in 1981 for $20 million. Later that year McKenna took the same role with the Cubs when Tribune bought the team for $21.5 million.

In 1985 Reinsdorf and a Sox colleague sought to buy a 3.23% stake in the Bears owned by Jim Finks, a former Bears general manager and Cubs president. The Bears matched Reinsdorf's offer and put McKenna on its five-person board. "I had to spend 12 seconds thinking about it, but I'm not shocked," Reinsdorf told the Tribune.

There was speculation that Tribune was angling to buy the football franchise, but it was McKenna himself who became an owner. With Aon CEO Pat Ryan, a longtime friend, he bought 20% of the team in 1990.

McKenna emerged as a civic presence, chairing the Economic Club of Chicago, the Civic Committee of the Commercial Club of Chicago, the Executives' Club of Chicago and the board of trustees at the University of Notre Dame, his alma mater. He took a turn at leading the United Way of Metropolitan Chicago's annual fundraising campaign and was on the Museum of Science & Industry board.

Describing his boardroom presence, United Way CEO Sean Garrett said in 2019: "He's quiet. Then he'll say a couple of things that change the conversation."

McKenna was a member of Mayor Richard M. Daley's kitchen cabinet and practiced shuttle diplomacy between City Hall and Halas Hall when the Bears initially looked for new playing quarters, before winning a publicly funded Soldier Field overhaul. McKenna also was involved in the failed attempt to lure the 2016 Summer Olympics to Chicago.

"Rail-thin, with a shock of white hair and owlish glasses (and, lately, a bit of a stoop), Mr. McKenna stands out in a crowd," Crain's said in 2012. "He works a room with a polished ease many politicians could learn from. But colleagues say he doesn't rely on charm to get results. Instead, he nudges a group toward consensus by framing issues and drawing out the views of each member on critical points."

In 2001 a Tribune sports columnist selected McKenna over Michael Jordan as the city's most-connected (if substantially less recognizable) sports figure.

With reporters, McKenna was typically opaque, as indicated by this exchange in the Tribune in 1999:

Tribune: *In your role as a director, have you ever opposed management on an important issue?*
McKenna: *I don't think it's a matter of opposing management. There are many instances where management will come to the board with alternatives and lay each of them out and entertain a discussion about that.*
Tribune: *But how aggressive a director are you? Does it ever come to butting heads with a CEO?*
McKenna: *It probably would manifest itself in a different way. I'm fortunate the companies on which boards I serve always come to the board with a very well-thought-out position. It's never just throw something on the table and see where it goes.*

McKenna took charge when twin succession crises struck McDonald's in 2004. James Cantalupo, the CEO who had returned to Oak Brook after sales faltered and McDonald's had reported its first quarterly loss in the late 1990s, died at a company convention in Orlando. McKenna was elevated to nonexecutive chairman, and McDonald's had a CEO successor, Charlie Bell, in place within hours.

"It was a board operating at its finest," Jeffrey Sonnenfeld, founder of the Chief Executive Leadership School at Yale University, told the Economist magazine.

Only a few months later, the McKenna-led board confronted another sober test when Bell stepped down with what proved to be a fatal colon cancer diagnosis. Under Bell’s successor, Jim Skinner, McDonald’s stock tripled but faltered again when the company reacted slowly to changing consumer tastes.

CEO Don Thompson was eased out in 2015. That year, McDonald’s directors, mostly long-tenured Chicagoans like McKenna, came under fire for their “insularity and regional bias” from a pension fund adviser, which also flagged a potential conflict: McDonald’s had done business—$71 million over 22 years, by the company’s accounting—with Schwarz and another firm once partly owned by McKenna.

McKenna told the Wall Street Journal the sum was tiny compared with Schwarz’s revenue over the period; the relationship, he said, "doesn't even come close to even matter in terms of a challenge to independence.” (Schwarz had about $400 million in annual revenue when it was sold to a British firm in 2012.)

Nevertheless, McKenna’s days as a McDonald’s director, which has earned him at least $1 million annually for years, were numbered. But like Zelig, he stayed in the picture. In mid-2016 he was given the title chairman emeritus and continued to advise the Golden Arches.

"I called him St. Andrew, because he was a saint. He measured up to that standard," Minow, a Chicago lawyer and former chairman of the Federal Communications Commission, said tonight. "He was an inspiring, self-made leader. He gave everything he had to make this a safer, kinder community."

Dan McGrath contributed.

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