

Robert David Yost

Class of 1969



THROUGHOUT HIS PROFESSIONAL CAREER, David Yost '69 built a reputation for being a stickler when it came to limiting expenses. In fact, a 2008 *Businessweek* feature story about the corporate leader dubbed him “Scrimp-and-Save Dave.”

“A lot of people thought I would be offended by that,” Yost admits with a smile. “I wasn’t offended by it at all.”

As the chief executive officer of a pharmaceutical distribution company, Yost actually wore his fiscal conservatism as a badge of honor. It was a leadership approach, after all, that served him well as an Air Force officer and then as one of the nation’s top corporate executives.

Yost attributes his acute business sense and leadership prowess, in part, to the practical life lessons he learned at the United States Air Force Academy. They are lessons that every cadet carries with them after graduating from this esteemed institution.

As one of this year’s Distinguished Graduates, Yost says he appreciates being recognized for his professional resume as well as the support he’s shown to his alma mater over the years. He hopes his unconventional path to the annual Academy honor inspires fellow graduates and current cadets to support the institution that has given each person a distinct advantage as they pursue their career and life goals.

Modest Beginnings

Fortunately for Yost — who grew up in the small town of Lewes, Delaware — he was exposed to the wonders of flight at an early age. His father was an enlisted man and early military aviator who served during World War II. The elder Yost would give young David rides in a small private airplane.

By the ninth grade, Yost decided he’d pursue an appointment to the Air Force Academy with the desire to be a pilot and pursue an Air Force career.

“My parents had limited financial resources, so that would provide an opportunity for me to get a great education,” he notes. “Going to the Air Force Academy was a big deal. I was the first person in my family ever to go to college.”

Cadet Challenge

In his first few days at the Academy, Yost remembers gathering in Arnold Hall with his fellow classmates for an assembly. The speaker progressively asked the new students to stand if they were either their high school class president, captain of the football team, class valedictorian, etc.

When the list was complete, Yost was one of the few still in his seat.



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“Then they asked everybody to look to their left and look to their right,” Yost recalls, the leaders suggesting that one of those three adjacent people wouldn’t be around for long.

“I said, ‘Holy smokes, it’s going to be me,’” Yost laughs. “That was pretty sobering.”

Basic Cadet Training was a challenge, Yost recalls, and the academics during his first year were equally difficult.

“I transitioned from this little town and little school with less than 70 people in my class,” he says. “All of a sudden, I’m in a class with people who were going to be Rhodes Scholars. It was quite a transition for me.”

For most of his first year at the Academy, Yost says he battled daily doubts that he would graduate and become an Air Force officer. But things went better during the remainder of his USAFA stay.

Apart from graduation day, Yost says one of his most vivid memories from USAFA was the day of the infamous “F-105 incident.”

The cadets were in formation on the Terrazzo waiting for a flyby with several F-105s, then they eventually heard the aircraft approaching.

“You could see them heading toward us and they were almost falling out of the sky — they were flying so slowly,” he smiles.

When the aircraft were directly above the cadet area, the pilots kicked the F-105s into full afterburner.

“You could hear the glass shattering,” Yost recalls. “It seemed like the shattering of glass went on for minutes, but I’m sure it was just a matter of seconds. People began to cheer, everybody broke ranks and it turned out to be a great day of mayhem.”

Later, Yost says he found the medicine cabinet in his interior room had been sucked open and its contents were strewn across the floor.

“I’m not sure they’ve ever had a day quite as dramatic as that at the Academy since,” he says.

Lessons Learned

Yost says he considers the Academy Honor Code the foundation for his personal and professional life since graduation.

“It really sowed the seeds for the way my life turned out,” he suggests.

Yost emphasizes that character, leadership and integrity are key characteristics for anyone who wants to succeed in the military or in the private sector.

Another key life lesson was “the answer to a why question,” he adds.

“I utilized ‘no excuse, sir’ a lot of times,” he says. “It established the fact that I would be a CEO who would not give excuses.”

Time management was a huge lesson as well, he notes. Cadets have to use their time wisely or they won’t make it through.

“I’m not sure you can learn that anywhere else,” he says. “The only way you can learn that is when you don’t have enough time to sleep, you don’t have enough time to get everything done, but you have to figure it out.”

Finally, Yost’s Academy experience taught him the value of being a team player.

“All efforts are team efforts,” he says. “You clearly learn that at the Academy. Very little of great significance happens individually. There’s a team behind the person out front, no matter how individual it may appear.”

No Go

Even though Yost had hoped to become a pilot, he eventually didn’t get that opportunity.

“I was not pilot qualified, and may not have been pilot qualified when I got my appointment,” he says. “By graduation, I had bad eyes, bad ears and bad depth perception. I may not have been qualified to drive a car or a boat, but you definitely didn’t want me in an airplane.”

Yost says he was disappointed with the career detour at first, “but I dealt with it and moved on.”

After saluting President Richard Nixon at graduation, Yost went immediately to the University of California Los Angeles to attend graduate school.

“That was quite a shock and quite a culture change,” he admits. “I went from marching to breakfast to having people literally smoking marijuana in the quad.”

He’d go on to finish his masters in business administration.

“It seemed to me a logical path,” he notes.

Job One

His first military assignment after finishing grad school was as a contract negotiator for Air Force Systems Command. He ended up working in reconnaissance, strike and electronic warfare. At one point, Yost was assigned to a experimental project.

“The thing that made this program unique was that it was an experiment under which the Air Force was the prime vendor,” Yost explains. “The Air Force took on the responsibility to buy each of the components ... then we paid someone to put it all together.”

Leaders hoped to save money through the approach, but the experiment didn’t work because the Air Force “didn’t have one throat to throttle,” he notes. ▶

“So you had a lot of pointing fingers when things didn’t work out the way they expected,” Yost continues. “At the end of the day, the Air Force went back to having a prime vendor.”

The project ended up being a great training ground for a future corporate leader, however, because he was able to learn the ropes of business at a very young age. “I think that helped my confidence as I went forward,” he says.

Moving On

Yost left the Air Force in 1974 after his initial five-year commitment. At the time, the military was going through a reduction in force.

“I was not rated, and I was not going to be Chief of Staff,” Yost recalls. “So I decided to take a different path. I decided to take the road less traveled by.”

Yost joined a small pharmaceutical distribution company owned by his wife’s family. He learned the ropes of the business for three years before his father-in-law died and the company was sold.

Yost landed a job with a New York Stock Exchange conglomerate and found himself on the ground floor of an emerging pharmaceutical distribution giant.

“It was a classic issue of being in the right place at the right time,” he says. “They continued to buy pharmaceutical distribution companies and I continued to have increasing responsibility.”

He would go on to become the co-chief operating officer of Alco Health Services Corp., a predecessor firm to AmeriSource Health. The company then went public in 1995.

Two years after going public, the AmeriSource Health Board of Directors fired its CEO and started discussing names of potential replacements. Yost literally found himself at the right place at the right time again. The doors to the boardroom opened and Yost happened to be walking past on his way to get coffee.

“Somebody says, ‘Hey Yost ... how about Yost,’” he recalls. “This company is so simple, probably Yost can even run the thing. It’s almost like that. And bingo, I become the CEO of a public company.”

At the time, the company had sales of \$5 billion. Over the next 14 years under Yost’s leadership, the company would grow to \$78 billion in sales. In 2013, Yost would be named as one of “The 100 Best CEOs in the World” by *Harvard Business Review*.

Merger Efforts

In 2001, Yost would lead AmeriSource Health Corporation through a merger with Bergen Brunswig Corporation. At the time, the merger created the largest pharmaceutical distribution company in the world.

To celebrate the first meeting of the newly combined board of AmerisourceBergen, Yost gathered the company’s directors and top executives at the New York Stock Exchange building, just blocks from the World Trade Center, on Sept. 11, 2001. AmerisourceBergen’s corporate flag was flying outside the Stock Exchange that day to mark the momentous day.

“We decided to have our first board meeting in the boardroom of the New York Stock Exchange, and then we’d go ring the opening bell,” he recounts. “That would be a noteworthy start for the new corporation and our new corporate life.”

Excitement turned to horror as the board’s initial meeting progressed. Word came that a plane had struck the World

Trade Center. A short while later, the boardroom shook from the impact of a second airplane.

“Somebody said, ‘My God, we had an earthquake,’” Yost recalls. “A spokesman from the Stock Exchange came in and told us to grab everything and follow him. We went down to the trading floor of the New York Stock Exchange and were essentially locked down.”

A few hours later, Yost and his fellow AmerisourceBergen leaders left to spend the night in a nearby hotel that had no electricity or services. The next morning, they walked blocks to escape downtown Manhattan and returned via train to Philadelphia.

Some time later, AmerisourceBergen officials were invited back to the Stock Exchange to ring the bell they didn’t have the chance to ring on 9-11.

Managing Personnel

While he was CEO, Yost’s first rule of being a leader had its roots in the Academy Honor Code — integrity first.

“There’s never a wrong time to do the right thing,” he explains. “I would frequently ask the question ... ‘what’s right?’ Not, ‘what’s the legal thing to do.’”

Yost’s leadership style also focused on managing the company’s bottom line. He flew coach when traveling for business, and he



David Yost attended the grand opening event for Polaris Hall at USAFA. His class was a key player in the facility’s completion.

expected everyone else on his executive team to do the same. Yost claims that leaders need to be part of the team when it comes to running an efficient and profitable business.

“I watched expenses very, very closely,” he says. “We were in a business where managing expenses was extremely important, and I wanted to do myself what I asked other people to do.”

Moving On II

Yost would lead the company until 2011, deciding to retire at the top of his game. His fellow business leaders couldn't believe his decision.

“I had accomplished what I wanted to accomplish, and I was ready for the next challenge,” Yost reports. “I was ready to step aside and let the people who I had worked with very closely, who I knew could do a good job of running Ameri-sourceBergen, do that. And my judgment has been validated since the company has continued to prosper with the stock price doubling over five years.”

Yost says it's rarely a good idea for a top executive to stay in their job for more than 10 years. Usually by the end of a decade, leaders run out of ideas and energy, he notes, and it's time to get out of the way and give others a chance to be in senior positions.

His retirement has allowed Yost to serve on the Board of Directors of various public companies, including Bank of America, Tyco International, Marsh & McLennan and Johnson Controls. He's been able to spend more time with his family and grandchildren as well.

With some of his extra time, Yost also has become more involved with his alma mater. He currently serves on the Board of Directors of the USAFA Endowment. He was intimately involved with raising the necessary capital for the completion of Holaday Athletic Center and Polaris Hall, the new home of the Center for Character & Leadership Development.

One aspect of the CCLD that Yost is particularly proud of is his Class of 1969's involvement with the new Honor Room. Yost says the room is extraordinary, and an appropriate focal point for the essential core values of USAFA.

Yost also is a member of the 1954 Society, which honors donors who make consecutive gifts to the Academy; the Sabre Society, which recognizes gifts that benefit “margin of excellence” programs; the Guidon Society, which recognizes those who have given more than \$100,000 to the Academy; and the Polaris Society, which recognizes those who establish estate gifts to benefit the Academy and its graduate community.

“I've spent a lot of time with the Air Force Academy since I retired, and I will tell you it's been wonderful,” he says. “The Academy had given me the foundation upon which I was able to have some success, and I feel a great obligation to giveback. I would encourage everybody to do the same.”

In the years ahead, Yost says he plans on helping the USAFA Endowment establish a significant fund to ensure adequate resources for capital projects as well as cadet programs.



David and Jean Yost

Thank You

Yost admits he was blown away when he was named a 2016 Distinguished Graduate.

“Without question, it was the most extraordinary honor I've ever had,” he says. “The big reason I was blown away was because I know many of the other distinguished graduates and I've read a lot of their bios. What I've accomplished is not even in the same league. I mean that sincerely.”

Still, Yost says he appreciates that the Association of Graduates and the Academy chose to recognize those who take a different path in life.

Yost says he'd also like to thank his wife, Jean, for her love and support through the years.

“She's my Air Force Academy sweetheart. I met her when I was a Doolie,” he says. “She's been by my side for the duration.”

Yost adds that he has a long list of people who supported him through the years, including many of his classmates. He thanks them all for the part they played in his career and life.

“A lot of people contributed to where I ended up,” he says. 