

Spring 2000

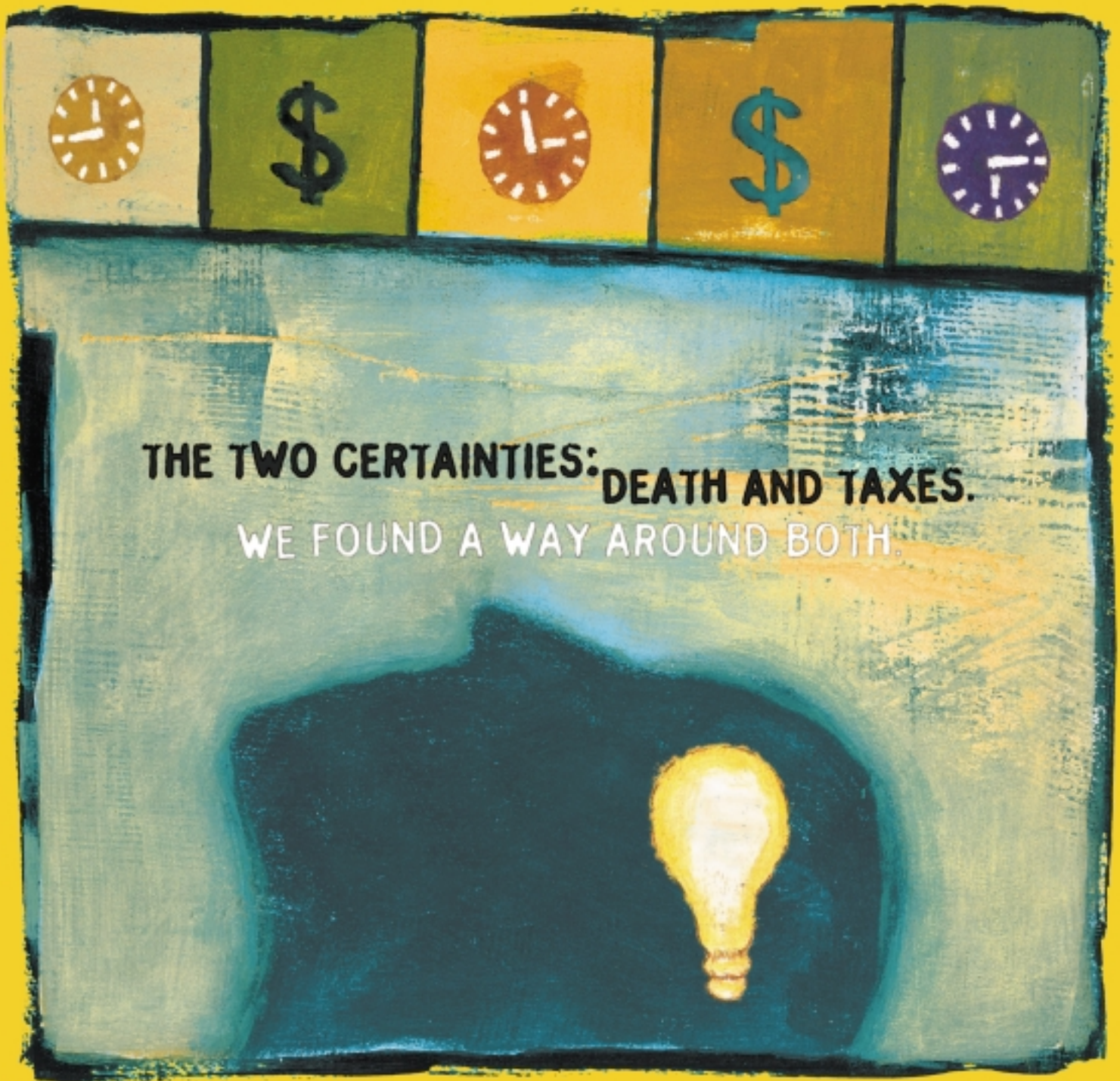
Dividend

Walking the Talk:

*Sam Zell and Ann Lurie
Invest in Entrepreneurial
Studies*

Plus: Your Customers
are Key Collaborators
by V. Ramaswamy





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Cover photo by
Michael J. Schimpf



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March 2000

Dear Business School Community,

I am writing to inform you of my plans to complete my second five-year term as dean of the University of Michigan Business School next year (2000-2001) and then undertake new professional challenges. Accordingly, I have communicated this decision to Provost Nancy Cantor and President Lee Bollinger.

Serving as dean of our School has been my dream job. I have been deeply honored, challenged, and gratified to have this wonderful opportunity to work with and for all of you.

I had long planned to serve as dean for a decade. By mid-2001, I will have been dean for eleven years and in the senior leadership of the School for fourteen years. I will be ready at that time to pass the baton to my successor.

I want you to know how grateful I am to our faculty, students, staff, alumni, generous donors, corporate friends, my dean colleagues, and Nancy and Lee and their predecessors for the tremendous support they have provided to the School and to me personally.

It has been a joy for me to participate in the innovations and improvements in our programs, and in the creation of the William Davidson Institute, the Joel D. Tauber Manufacturing Institute, the Frederick A. and Barbara M. Erb Institute, and the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies.

It has been gratifying to honor our faculty with 26 new named, endowed professorships, to double our annual expenditures on student scholarships, and to build Sam Wyly Hall.

It has been remarkable to see the School's endowment increase from \$40 million to nearly \$150 million between 1990 and 2000. And yes, we've had more than our share of victories in the unscientific but nonetheless consequential ratings and rankings of the world's top business schools.

Leadership work is easy if you love your institution and cherish those with whom you work. For me, both have been true during the last decade.

We have much to do in the coming year to maintain and build scholarship, recruitment, education and development programs, facilities and global reach, financial strength, and our leadership as an innovator. The School's leadership team and I will work aggressively on making our School even stronger in each of these areas.

While I cannot be certain what my next professional challenge will be, I am deeply drawn to faculty work and to continuing my membership in the Business School community. What I know for certain is how important new challenges are to each of us as the key to continued growth, learning, and excitement and energy about work.

The University of Michigan has an established and effective process for selecting deans. I expect that our School will be very attractive to outstanding candidates. As I'm sure you know, I have tremendous confidence in the strength, momentum, and future promise of this institution.

With warm and grateful regards,

B. Joseph White
Dean and Wilbur K. Pierpont Collegiate Professor

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Collegiate Professor

Entrepreneur of the Year

GeoCities Founder David Bohnett Tells His E-Story

E-business success hinges on understanding how the Internet is changing people's behavior and building innovative business models to capitalize on those behavioral changes, says GeoCities founder David Bohnett, MBA '80.

A rapt audience packed Hale Auditorium last fall to watch Bohnett receive the University of Michigan Business School's 1999 Entrepreneur of the Year Award and hear him deliver the keynote address at the Fourth Annual Entrepreneurs Forum.



David Bohnett

"The Internet, though still in its infancy, is creating new markets and business opportunities for those willing to embrace fast-paced technological advances," he said. "By all accounts, GeoCities shouldn't exist. But we had an idea, an opportunity, an environment and a platform on which to build."

Bohnett, now 43, pioneered the concept of providing free home pages to Internet users. In 1994, GeoCities was a Web-based start-up company. By 1999 Yahoo! Inc. had acquired the company for \$3 billion.

In creating GeoCities, Bohnett pioneered a new business model that structured online neighborhoods around areas of common interest to participants. He provided free tools

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and space for users to create their own Web pages and interact with one another. This strategy proved to be a winner among users and among advertisers who jumped at the chance to promote their wares to self-segregating groups of like-minded people.

Bohnett attributes his achievements to innovative thinking. "Entrepreneurs need to ask: 'How can I look at things differently?' Not, 'How can I create a business that does the same thing, except on the Internet?' It is important to understand what is driving the change in the Internet," he said, "and then to build business models around that."

Obtaining venture capital often is a stumbling block for start-up companies, he added. After sinking his entire net worth—\$350,000—into his fledgling enterprise, he knocked on doors for two years in search of investors.

In early 1996, he convinced CMG (now CMGI Inc., an Andover, Maryland-based corporation that develops and operates Internet companies) to purchase half the company for \$2 million. GeoCities went public in August 1998.

Bohnett now heads his own investment company, Los-Angeles-based Baroda Ventures LLC, and he has founded and serves as executive director of the David Bohnett Foundation, a nonprofit grant-making organization that works to improve society through social activism.

Bohnett predicted the Internet's strengths—the elimination of time, the elimination of inefficiencies, the lack of regulation and the lack of natural boundaries—will foster tremendous changes in business practice, including the eventual collapse of intellectual properties. Fixed pricing will give way to dynamic, variable pricing in real time. Even education will shift its emphasis from basic information gathering to teaching thought processes and methodology.

Other factors fueling the Internet revolution are increased bandwidths, the proliferation of Internet appliances, diminished dominance of Microsoft Windows and the migration of software applications to central servers. But it is talent, he said, that drives the Web: "There's a lot of money out there, especially in Silicon Valley, but it's really the people who make the difference."

To read an extended interview with Bohnett, visit www.bus.umich.edu/e-business/.



Jacques Nasser

Auto Industry

Customers Will Design New Cars Says Nasser

Technological advances are compelling automotive manufacturers and other "nuts-and-bolts companies" to rethink their business models on virtually all levels, Ford Motor Company CEO Jacques Nasser told incoming MBA students at the Leadership Development Program's welcome address last August.

Last fall, Ford announced it was partnering with Microsoft Corp. to sell build-to-order cars to customers over the Internet via Microsoft's CarPoint auto-sales Web site. Nasser estimated 40 percent of Ford customers now use the Internet to obtain information about car products and pricing, a trend that will continue to grow. He predicted in 20 to 30 years only half the dealerships in business today will exist as owner-operated enterprises.

In addition, consumers are demanding—and auto companies are installing—more electronic equipment on their vehicles than ever before. "More and more, the automobile is going to be an extension and reflection of the technology consumers now get in their offices and homes," Nasser said.

On the supplier side, Ford has experimented with a 24-hour online bidding process, producing \$30 million in savings thus far. Electronic bidding could be expanded to the company's entire \$50 billion global materials purchasing operation, he said.

In a parting comment, Nasser gave career advice: "Choose something you have energy around, something you are passionate about, something you bring great strength and talent to and something that can do good for the community and society."

High Technology

Acer CEO: Global Partnerships = Global Success

Cooperation, rather than competition, is the key to creating win-win situations for global companies in the high-tech industry, Acer Group Chairman and CEO Stan Shih told a Dean's Seminar audience last fall.



Stan Shih

Shih said because the Internet has reshaped the way business is conducted throughout the world, it is virtually impossible for any country or company to compete effectively without forging strategic global alliances. "In the technology business, you need a partner to share information and reduce the costs associated with global competition," Shih said.

Acer is a \$6 billion company, specializing in the development and production of microprocessors. It is also the world's third-largest producer of personal computers, with locations in nearly 40 countries. Shih is a co-founder of the Taipei-based company and a member of the Business School's Visiting Committee.

"The challenges for U.S. and Asian companies are quite different," he said. In an effort to reduce costs and become more globally competitive, American technology companies are transferring their manufacturing operations offshore to locations in Asia, and focusing on new areas, such as software, service and innovation.

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Asian companies face the challenge of serving customers on a localized basis while trying to extend their reach to foreign markets on a global scale, he said. Because marketing products in a developed country is not easy for Asian companies, many are doing original design manufacturing (ODM) rather than promoting their own brands.

Asian and American firms stand to benefit from partnerships with companies possessing obvious and complementary strengths, Shih said. He speaks from experience: His strategic investments in Silicon Valley high-tech companies and alliances with major U.S. companies have helped Acer develop and refine its products for competition on a global scale.

Executive Education

Quality Learning Online: New Partnership Makes It Possible

Web-based management training will be available this summer thanks to a new partnership between the University of Michigan Business School and FT Knowledge, a division of the international media

company Pearson plc, whose holdings include the *Financial Times*, Penguin Books and a major interest in *The Economist*.

The programs—Finance for Non-Financial Managers, Sales Management, Marketing for Non-Marketing Managers and Basic Management—will be based on the Executive Education offerings of the same names. Effective use of advanced technologies will enable participation from anywhere in the world yet maintain traditional components of classroom learning such as interaction with the faculty instructor and one's classmates. Class size is limited to 50 students.

"This partnership is ground-breaking in both its approach and the combination of its assets," says B. Joseph White, dean. "This is the first time a top business school has partnered with a multi-media company."

FT Knowledge is expert in developing course content for a variety of media and has an established infrastructure to deliver and market programs internationally. The University of Michigan Business School's Executive Education Program is not only the largest provider of executive training programs in the world but also consistently rated one of the two best providers by *Business Week* magazine.

The first courses will be launched this summer and will be live for a two-month period. Students may proceed at their own pace with regular interaction from faculty. The four programs under development will each be equivalent to a one-week, full-time, on-campus program. The programs will be marketed primarily to companies.

For more information, visit www.bus.umich.edu.

The Alumni Society Board of Governors welcomes its new members:

Daniel J. Hennessey, MBA '81, general partner, Code, Hennessey & Simmons, Chicago

David B. Kaplan, BBA '89, partner, Apollo Advisors, LP, Los Angeles

Jodi A. Klein, MBA '93, senior director, marketing, Visionary Design Systems, Santa Clara, Calif.

Jane L. Okun, MBA '89, executive director, investor relations, MediaOne Group, Englewood, Calif.

Stephen H. Staelin, MBA '69, partner, Ernst & Young LLP, Toledo, Ohio

Business in Asia

Rosenthal Takes E-Commerce to China

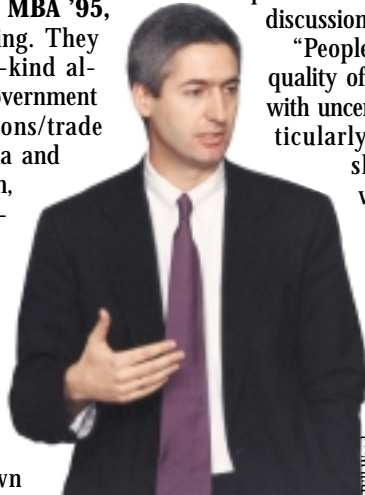
Imagine harnessing the vast Chinese export market and making it user-friendly for Western consumers. That's exactly what **Thomas Rosenthal, MBA '95**, and two partners are doing. They have forged a first-of-its-kind alliance with the Chinese government and global communications/trade companies such as Motorola and SGC to form MeetChina.com, an Internet portal site selling the goods—raw materials, components and finished products—of 15,000 mainland companies to buyers in the West.

"Currently between 50,000 and 75,000 Chinese firms are on the Net but do not have their own page," Rosenthal says. "It is like a telephone book with dated numbers, they are very hard to find."

Rosenthal, who also has a master's degree in Chinese Studies and is a former business development manager of China Operations for Ford Motor Company, is president of U.S. Business Network Inc., which has invested millions into MeetChina. This new Web firm is China's first and only wholly owned foreign enterprise licensed to conduct business on the Internet.

In actuality, MeetChina is a business-to-business database showcasing Chinese manufacturers and the products they have for sale. U.S. Business Networks operates the site, which involves investigating the business histories and credit worthiness of the mainland companies before allowing them to participate and, once qualified, providing translation and interpretation services, and arranging online meetings between buyers and sellers.

"Through our system, companies will have their own site and will be able to contact customers directly," Rosenthal adds. "Buyers will be able to choose among a suite of trade services such as guaranteed quality, easy pay and to-the-door shipment. The Internet will erase the differences between international and domestic trade."



Thomas Rosenthal

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Mainland companies pay an annual service fee of \$3,000, which is shared between U.S. Business Network and the six ministries of the Chinese government or other partners that market the site.

Rosenthal was on campus in January to participate in the Business School's 10th Asian Business Conference as a guest speaker for the e-commerce panel discussion.

"People who are concerned with quality of life, who don't like to live with uncertainty or don't have a particularly high tolerance for pain shouldn't do this kind of work," Rosenthal says.

He, clearly, thrives on the challenge and was pleased to find an audience of like-minded individuals at the e-commerce discussion. "There were a lot of folks who have experience in China. They have their degrees from Michigan and work experience abroad. If they have the determination

and are willing to make the sacrifice, they have a chance to do something really great."

To read an extended interview with Rosenthal, visit www.bus.umich.edu/e-business/.

Campaign 2000

Web Site Assesses the Tax Debate

If campaign rhetoric, evasive answers and shifting policy statements on tax issues are making it difficult to distinguish the claims of one politician from another in the 2000 presidential campaign, the Office of Tax Policy Research offers a helpful resource.

Its Campaign 2000 Web site provides an easy-to-use guide to the tax positions of the presidential candidates and gives non-partisan analysis of taxation issues frequently in the news—the flat tax, tax reform, Social Security, the budget surplus and others. Full texts of the candidates' remarks on tax issues are available, making it possible to compare the positions of opposing nominees and identify discrepancies, or reversals of previous campaign positions, on controversial tax matters.

Earlier this year, the Office of Tax Policy Research, together with the Business Economics and Public Policy Group and CIGNA Corp., presented forums on three issues central to the presidential campaign: health care, tax policy and the stock market.

To visit the Campaign 2000 Web site or learn more about the Office of Tax Policy Research, visit www.taxpolicyresearch.umich.edu.



Michael J. Schimpf

Live from the Mendelssohn Theater: The second segment of a new business series airing nationally on PBS television stations in early 2000 was taped before a University of Michigan Business School audience in December. The series, CEO Exchange, is hosted by AT Kearney. William S. Stavropoulos, CEO of Dow Chemical Company, and David Perry, CEO of Chemdex, took questions from B-School faculty. Jeff Greenfield, a CNN commentator, served as moderator. Check your local listings for dates and times.

Government

Winograd Leads Charge for Reinvention

It wasn't until the results of the American Customer Satisfaction Index, rating the quality of federal government services, were about to be released that **Morley Winograd** made mention of his Michigan affiliation.

The 1963 BBA graduate is a senior advisor to Vice President Al Gore and heads the National Performance Review, a Clinton-Gore initiative to reform the way the federal government works. This initiative includes the Partnership for Reinventing Government. It was at the request of the Partnership that the General Services Administration funded the first-ever study done to measure citizens' satisfaction with the government. (See adjacent story.)

"Large majorities of Americans say they don't feel close to or connected to government. They think of it as 'the' government not 'their' government," Winograd says. To combat that feeling, the National Performance Review has, among other things, developed *REGO*, an online magazine that puts a human face on governmental change.

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Morley Winograd

"*REGO* is an excellent way for people to relate to some of the good things agencies do every day—from educating kids about food poisoning to helping people protect their homes during tornadoes," he adds.

Winograd joined Vice President Al Gore's staff in 1997 as a senior policy advisor and director of the National Performance Review. Years earlier, his innovative approach to sales and his creation of the AT&T University of Sales Excellence program, which involves empowering sales teams to increase the success of each customer's business, won national recognition in Peter Block's

book, *Stewardship*, and Stan Davis and Jim Botkin's book, *The Monster under the Bed*.

Winograd has served in various leadership capacities within the Democratic Party in Michigan and at the national level. In 1997, he got the call from the White House.

Customer Satisfaction

Citizens Rank Uncle Sam

How satisfied are the American people with the services and information provided by the federal government? Until recently, no one really knew.

All that changed in December 1999 when the University of Michigan Business School, in partnership with the American Society for Quality and Arthur Andersen Government Services Consulting, released its first-ever survey of consumer satisfaction with government agencies.

The widely publicized results of the American Customer Satisfaction Index (ACSI) showed Uncle Sam's performance was rated slightly lower (with an overall score of 68.6 out of a possible 100) than that of the private business sector (which had an average score of 73).

"We found as much of a range in the satisfaction ratings among federal government agencies as among the 170 corporations we measure," says Barbara Everitt Bryant, managing director of ACSI and former director of the U.S. Census Bureau. "Not unexpectedly, agencies that give grants or offer free or low-cost services got higher satisfaction ratings than regulatory or tax-collection agencies."

Health and Human Services' Administration for Families and Children (which runs Head Start) posted a strong 87 score. The Internal Revenue Service, the annual nemesis for most Americans, racked up mixed reviews. Traditional tax filers gave the agency a 51 and electronic filers gave it a 74.

Since 1994, the ACSI has produced quarterly indexes that measure how consumers feel about the products and services they purchase from U.S. businesses. Last year's initiative to measure the government's performance was funded by federal agencies through the General Services Administration at the request of the National Partnership for Reinventing Government. The funding provides for a repeat survey at the end of this year.

For more information, see www.umich.edu/research/nqrc/acsi.html.



Female hockey players teamed up last November to form the first-ever University of Michigan Business School women's hockey team and placed second in a Michigan-sponsored tournament. Playing at Yost Ice Arena, the 12-member team defeated Cornell University and gave the University of Chicago a good run for its money.

"There has been interest in women's hockey for several years, but the obstacle has been funding," explains Kristen L. Bermudez, a second-year MBA student who spearheaded the team's organizing efforts.

Bermudez approached Dean B. Joseph White and Senior Associate Dean Susan J. Ashford, who agreed to help start an equipment pool. The rest is hockey history.

The team has accepted tournament invitations from Harvard Business School and Tuck School of Business at Dartmouth, in hopes of snagging a trophy or two in 2000. Stay tuned.

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Michael J. Schimpf

MBA Class of 2001 meets challenges head-on: *Bob Knowing, CEO of Covad Communications, a West Coast telecommunications company, pledged \$462,315 to Focus:HOPE, a Detroit nonprofit organization, on the condition all 440 class members participate in its 10th Annual Walk for Justice held last October.*

Knowing made his pledge during his Global Citizenship Day address, which concluded a day of student volunteerism at nonprofit organizations. Eighty MBAs had worked at Focus:HOPE, which provides educational opportunities for at-risk adults, operates a food bank and offers other support services for inner-city residents.

On the appointed day, 550 Business School students, faculty, staff and family members joined in the walk that drew nearly 10,000 participants. Knowing immediately made good on his pledge and issued another: He would give another \$500,000 to Focus:HOPE if Business School students donated 500 hours of volunteer time to the organization. They already have.

Bullet Points

■ **The quest for ever-more responsible business** brought people from more than 30 business schools to Ann Arbor to attend the 1999 Net Impact Conference. Michigan hosted the week-long conference, which drew speakers from the University and business communities, including Linda Chavez-Thompson, executive VP, AFL-CIO; Gary Hirshberg, CEO of Stonyfield Farm; Eleanor Josaitis, executive director of Focus:HOPE; and Michigan's Business School Dean B. Joseph White.

■ **We know the way to San Jose.** Planeloads of students jetted to the high-tech center to participate in the annual West Coast Forum last November that featured a networking reception and panel discussion by alumni at start-up companies. Andersen Consulting sponsored the event; 30 companies participated, including Alta Vista, HP, Excite@Home and Peoplesoft. Panel speakers were **Renee Esquivel, MBA '96**, VP of business development for ThePerk.com Gourmet Inc.; **Greg Maletic, MBA '95**, executive VP and co-founder of Zero G Software; **Joel Martin, MBA '93**, president, CEO and co-founder of Quantum Dot Corp.; and **Joe Sipher, MBA '96**, Palm Fellow and entrepreneur.

■ **The Second Annual NYC Entertainment and Sports Forum** drew 60 students to Manhattan in November. NBC hosted a reception that included representatives from NBC, Entertainment Weekly, ESPN, the NFL, the NBA, General Electric, Good Times Entertainment, J.P. Morgan, McGraw-Hill Companies, Miramax Film, Mitchell Madison, Qwest, Showtime Networks and Viacom. Graduates **Larry Rutkowski, MBA '81**, NBC's senior vice president for business development; **Marlo Scott, MBA '99**, NBC's manager of business development; **Howard Handler, BBA '83/MBA '84**, the NFL's senior vice president for marketing and fan promotion; and **Ken Todd, MBA '96**, Showtime's director of program information and analysis, were particularly helpful to the students.

■ **Successful Partnerships for Strong Communities** were the focus of the Nonprofit and Public Management Center's November conference. Eli Segal, president and CEO of The Welfare to Work Partnership, gave the keynote address. The center, established in 1997, is a resource center and clearinghouse for students, faculty and researchers interested in nonprofit and public management. Janet Weiss, the Mary C. Bromage Collegiate Professor of Organizational Behavior and Public Policy, directs the center.

Kudos

Smart Money Names Alger Fund Manager of the Decade

David Alger's no-load Spectra fund has delivered a total annualized return of nearly 26 percent during the 1990s, making it, according to *Smart Money* magazine, the most successful domestic equity fund of the decade. In its first issue of the new mil-



Michael J. Schimpf

David Alger

lennium, *Smart Money* called **David Alger, MBA '68**, the president, CEO and chief investment officer of Fred Alger Management, "the decade's top-performing diversified fund manager."

Spectra's success isn't an isolated achievement. Alger funds frequently beat the Standard & Poor's 500-stock index and are rated top in their class.

In 1971, Alger joined the firm founded by his brother. Since then he has served as an analyst, director of research and portfolio manager. The firm, which has consistently stressed thorough research and rigorous analysis as part of the investment process, employs 18 full-time researchers to follow 1,400 companies.

Not a keeper of secrets, Alger is a frequent guest financial analyst for CNN, FNN and CNBC. And, nearly a decade ago, he shared his investment strategy with readers in his 1991 book, *Raging Bull: How to Invest in the Growth Stocks of the '90s* published by Business One Irwin.

Partnership

Executive Education Forges Relationship with Aspire Academy

In a move to strengthen the business environment and assist Taiwan's globalization efforts, Stan Shih, chairman and CEO of the Acer Group and member of the University of Michigan Business School's Visiting Committee, has launched an executive training center in Taipei and invited the Business School's Executive Education faculty to provide some of the courses.

Called Aspire Academy, the new educational center offers training to senior and mid-level executives at Asia-based firms and multinational corporations located in the region. Aspire Academy is a facet of Acer Foundation, the philanthropic arm of the Acer Group—the world's third-largest producer of personal computers, with headquarters in Taipei and locations in nearly 40 countries. Shih is a co-founder of the \$6 billion company, which specializes in the development and production of microprocessors.

Through the partnership, Aspire Academy gains on-site access to the programs of Michigan's Executive Education Center, long considered a world leader in executive training. At the same time, Executive Education faculty gain greater entry into Asian business operations, an opportunity that promises to increase Michigan's knowledge of the region.

"Taiwan is considered a manufacturing center and soon will be considered a knowledge center," says C. K. Prahalad, the Harvey Fruehauf Professor of Business Administration. "In so many ways, it is a microcosm of the region. Our association with Aspire enriches our ability to learn, research and train students to be new age managers."

The academy officially opened last October. P. K. Jiang, Taiwan's minister of economic development, inaugurated the two-day event which served as the catalyst for a national debate on the future of Taiwan's economy. C. K. Prahalad, the designated thought leader, gave two major addresses. The first, "The Changing Face of Strategy: The Changing Role of the Organ-

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C.K. Prahalad

ization," was delivered to a sold-out audience of more than 400 CEOs, senior executives and academics. The second day, Prahalad delivered "Competing for the Future: Winning Strategies in the New Economic Era." Both speeches were covered by every major television and print news organization in the region.

"The press coverage was tremendous, unlike anything I have seen in the U.S.," says Brian Talbot, associate dean for Executive Education. "C.K.'s comments on the new economy and Taiwan's role in it shaped a nationwide discussion. Acer expects Aspire Academy to become a regional learning and research center that supports the country's economic agenda."

Acer Chairman Stan Shih determined Aspire's reach: "Business has changed," he says. "One thing that has changed most is the concept of competition. Companies are a lot more independent than before. It's no longer a zero-sum game where if your competitor wins, you lose. We're free to see competition as just the element that stimulates companies to keep improving themselves." (See related story on page 4.)

Arthur Yeung, PhD '90, is president of Aspire Academy. A recognized thought leader on human resource practices, he was the founding director of the Business School's Asia-Pacific Human Resource Partnership and its Asia-Pacific Regional Office located in Hong Kong. Executive Education faculty will deliver courses in finance, strategy, human resource management/leadership and globalization.

Corporate Growth

Top Faculty Hold Summer Conference for Executives

As part of the Business School's ongoing "Pressing Problems" initiative, the Executive Education Center will host a major, five-day conference addressing the full range of issues associated with creating and sustaining growth within organizations.

"Growing the Organization: A Conference on Innovative Solutions to the Pressing Problems of Business" is scheduled for July 24–28 in Ann Arbor. The conference will offer a series of agenda-setting presentations followed by action-oriented workshops, each examining a different facet of organizational development.

Dean B. Joseph White describes this approach as "blending intellectual rigor with significant practical payoff." Each day a prominent Business School scholar will set the day's agenda issue. Faculty include C.K. Prahalad, the strategy guru who coined the concept of "core competence," Robert Quinn, an expert on organizational change, Noel Tichy, author of *The Leadership Engine*, Dave Ulrich, a human resources management strategist, and Karl Weick, author of *The Social Psychology of Organizing*.

Conference participants will have an opportunity to choose which workshops they wish to attend, thereby tailoring the program content to their personal and professional needs.

The conference is the first of several "Pressing Problems" events that are being planned by the Business School in conjunction with its new book series, "Michigan Management Series: Innovative Solutions to the Pressing Problems of Business." The series grew out of surveying executives who identified more than 40 business issues paramount to their personal and organizational success. One book will be devoted to each issue. For more information or to register for the conference, contact Heather Martinson by phone at 734-764-8430, by fax at 734-763-9467 or by e-mail at Hmart@umich.edu.



Michael J. Schimpf

“Don’t take entrepreneurship for granted. It can sound really glamorous, but this is tough stuff. If you enjoy consistency, if you enjoy something that says this is my path, this is how I get feedback, this is how I know where I am, this is where I know my next step is, this is where I know my progression is and where I know I’ll end up in the next few years, then don’t think about entrepreneurship. You should go to a large organization that can provide you with a supportive environment.”

Rick Snyder, MBA '79, former president and COO of Gateway Inc., and founder and president of Avalon Investments Inc., an Ann Arbor-based venture capital firm, at the Entrepreneurial Evening sponsored by the Alumni Club of Detroit.

“The market is betting somewhere out there there’s a business model that will provide a wildly successful way to sell goods and services. I call it uncertainty rather than risk.”

Will Mitchell, the Jack D. Sparks Whirlpool Corporate Research Professor of Business Administration and professor of corporate strategy and international business, in *The Wall Street Journal* article, “Are Other Industries Fair Game for Deals?” Jan. 11, 2000.

“Look outward, not inward, Professor C. K. Prahalad urges. See yourself as others see you. A vital source of strength, maybe the most vital, lies in the untapped power of your customers to exploit the Internet. The flood of product information to them, the ease with which they can sort through it and the potential they have for uniting with other Internet users all combine to shift the balance of the market power decisively toward the consumer. Prahalad maintains: ‘We are saying that consumers are going to drive the firm.’”

Fred Andrews in *The New York Times Ideas into Action* column, “Regarding Customers As Business Collaborators,” Feb. 9, 2000.

“We have seen a cost-cutting push in the private sector. As you do that, certainly in the labor-intensive parts of the service sector, it is very difficult to keep up the quality.”

Claes Fornell, director of the National Quality Research Center and the Donald C. Cook Professor of Business Administration, in *The Wall Street Journal* article, “Survey Measures Satisfaction with Federal Services,” Dec. 13, 1999.

“Meanwhile, government agencies appear to be doing a little better than expected. ‘Expectations were often lower than the perceived quality of the service. It’s almost as if people were pleasantly surprised by what they got from the government.’”

Barbara Everitt Bryant, managing director of the National Quality Research Center in *The Wall Street Journal* article, “Survey Measures Satisfaction with Federal Services,” Dec. 13, 1999.

“Continuous experimentation—and the development of new and innovative features—play an important role in shaping consumer perceptions of quality in software. As software permeates into products ranging from automobiles to hand-held devices, the new meaning of quality will be based on how products and vendors learn from customer interaction and adapt to the changing needs of individual consumers.”

M. S. Krishnan, assistant professor of computer and information systems and winner of the 1997 Best Dissertation Award from the International Conference on Information Systems, in the *Quality Progress* magazine article, “21 Voices for the 21st Century,” January 2000.

“Claes Fornell believes the quality of economic output is as important as the productivity of economic resources, and attempting to improve one without improving the other could eventually harm economic growth because consumers could become disenchanted and curb their spending.”

Melanie Trotman, in *The Wall Street Journal* article, “Satisfaction with Retail, Financial Companies Slips,” Feb. 22, 2000.

“A merger’s initial management structure never lasts. Whether it gets changed in 90 days or six months, there’s a sorting out of who the key players are and what positions they’re going to play.”

Noel Tichy, director of Global Leadership and professor of organizational behavior and human resource development, in *The Wall Street Journal* article, “What’s Up, Dot? Can Time Warner Click with AOL? Here Are Eight Things to Watch,” Jan. 14, 2000.

“A decade ago many Central Europeans thought they would catch up with the EU by the end of the century. But they underestimated the difficulty of changing from one system to another.”

Jan Svejnar, director of the William Davidson Institute and the Everett E. Berg Professor of Business Administration at the University of Michigan Business School, in the *Business Week* magazine article, “How Far, How Fast? Is Central Europe Ready to Join the EU?” Nov. 8, 1999.

Outstanding Alumni Awards

Call for Nominations

Each year the UMBS Alumni Society Board of Governors recognizes the accomplishments of outstanding alumni with a series of awards. The Awards Committee of the Alumni Board invites the Business School Community to participate by submitting nominations for the following awards.

Bert F. Wertman Alumni Service Award

Established in 1989, this award recognizes an alumnus or alumna of the Business School for outstanding service to the School or to the University. The award was established in honor of Bert F. Wertman, who served for more than sixty years as President of the Class of 1928. Through his leadership and caring, the class remained a cohesive and vital group and held a record number of continuous reunions.

Alumni Achievement Award

Established in 1989, this award recognizes an alumnus or alumna of the Business School whose attainments in their professional field have brought distinction to themselves, credit to the School and benefit to their fellow citizens.

Entrepreneur Award

Established in 1991, this award recognizes the accomplishments of an alumnus or alumna of the University of Michigan who has started and built a successful enterprise.

Congratulations to our 2000 Alumni Award Recipients: Richard H. Rogel, BBA '70, Bert F. Wertman Alumni Service Award; Stanley D. Frankel, AB '63, MBA '64, Alumni Achievement Award; David Bohnett, MBA '80, Entrepreneur Award.

Nominations for 2001 Awards must be submitted by June 1, 2000.

To nominate an individual, you may use the nomination form on the Alumni Relations website (www.bus.umich.edu/alumni); send a letter to Alumni Relations, University of Michigan Business School, 701 Tappan, Ann Arbor, MI 48109-1234; fax a letter to (734) 763-9170; or send an email to alumni@umich.edu with the following information:

- Name of the nominated individual along with his or her degree(s), year(s) of graduation, company name, business address and telephone, and home address and telephone, if known.
- Your reasons for nominating the candidate for an Alumni Award, along with any supporting documentation.
- Your name, degree(s) and year(s) of graduation (if a UMBS alumnus), company name, business address and telephone, home address and telephone, and email address. Please indicate whether you are a student, an alumnus, or a member of the faculty or staff.

Seismic Shift: Think of Customers As Collaborators

Radical as it may sound, anyone who is selling anything in the new economy (and wants to be successful at it) needs to think of the consumer as a key collaborator in product development.

By Venkatram Ramaswamy, associate professor of marketing, University of Michigan Business School

Not too long ago, we customers had a clear role in the marketplace. It was our job to passively consume from the choices of products and services made available to us. Sure, companies sought our feedback and offered us a variety of products. But we often found ourselves compromising our wants because the products we had to choose from didn't fit our needs.

Since the industrial age, products traditionally have been designed from the company's point of view, not the customer's experience. Not any more: Smart companies are quickly realizing their customers must become their collaborators if they are to maintain long-term growth and financial success.

The customization option

Anyone who has recently bought a computer must contend with techno-babble like RAM (no, it's not a goat), Gig (no, it's not a show) and MegaHertz (no, it's not the big car-rental company). This is a perfect example of a product designed from the company's point of view. Should the typical consumer really have to worry about RAM or Gig or MegaHertz? This is the language of the manufacturer, not the language of the user.

If you consider yourself techno-savvy, you can visit a Web site such as Dell and order a computer that will be "customized"

for you. Customization is particularly pronounced over the Web, where consumers can tailor a host of products and services, from business cards to computers, greeting cards, mortgages and flowers, simply by choosing from a menu of features. Unfortunately, in most cases *the menu is still in the company's language* and requires customers to think like the company, as opposed to the other way around.

From products to customer experiences

In a recent *Harvard Business Review* article, "Co-opting Customer Competence" (January-February 2000), which I co-authored with C. K. Prahalad, the Harvey C. Fruehauf Professor of Business Administration, we discuss how a key challenge for managers is to come to grips with the fact that the product is no more than an artifact around which customers have experiences.

Companies must learn how to experience their products as customers experience them. Take, for instance, the ubiquitous refrigerator. The choice is restricted to capacity, dimensions, color, freezer placement and a few pre-determined options such as ice/water dispensers, filters and racks. For the most part, the language and features are that of the company, not the customers. Some companies are now attempting to move toward customization, allowing cus-

tomers to configure their refrigerators from a menu of features.

The goal, however, should be to offer a *menu of experiences*, not features. Vegetarians, who by definition don't eat meat, may want to experience a different kind of freezer. If a refrigerator company opens its doors to customer experiences, it would ask the question: Why not a "lazy Susan" inside the refrigerator? Then consumers can reach all the stuff at the back—and enjoy it before it spoils.



Venkatram Ramaswamy

The company that will be the most successful will be the one that *co-creates engaging experiences* for customers. For some, the exterior of refrigerators are "fashion appliances" to be coordinated with the decor of kitchens. For others, they are "information appliances" where information is stored and shared. Companies must learn how to *innovate experiences*, not products.

Jeff Bezos, founder of Amazon.com, considers his company to be customer-centric. He is obsessed with customers. Although this is a stretch for most organizations today, Prahalad and I argue successful companies in the future will be those that are *centered on personalized experiences*. Progressive companies, whether traditional or Internet, are recognizing this fundamental fact.

Customers as collaborators

What will it take for a company to be centered on customers' experiences? For starters, it should recognize *customers as collaborators*. Consider Scott Adams, of Dilbert fame, who solicits and receives

e-mail from a multitude of individuals detailing ideas and “comic fodder” for his Dilbert cartoon strip. Tapping continuously into the daily experiences of individuals in their jobs is critical to keeping the cartoon strip current and fresh. Individuals—the very customers for this comic strip—are collaborators in creating its value.

Thanks to the Internet, customers have become the originators of dialogue with companies. *The market is now a forum where customers are co-creators of value and a source of competence.* They possess knowledge and skills, not just of the com-

Smart companies are quickly realizing their customers must become their collaborators if they are to maintain long-term growth and financial success.

pany’s products as communicated and presented to them, but of how they want to experience products.

Companies must encourage an active dialogue and mobilize customer communities to harness customer competence. Contend-

ing with customer diversity will prove challenging. The successful company will embrace this challenge as the key to a winning and profitable collaboration.

To order an electronic copy of “Co-opting Customer Competence” by C.K. Prahalad and Venkatram Ramaswamy, which appeared in the January-February 2000 issue of Harvard Business Review, visit www.hbsp.harvard.edu/products/hbr/, click on “Archives” and then click on the date of the issue. Ordering information appears at the bottom of the page.

The Evolution and Transformation of Customers

Customers are stepping out of traditional roles to become co-creators as well as consumers of value. This table maps their evolution through three stages and several key dimensions.

	Customers As Passive Audience			Customers As Active Players
	<i>Persuading predetermined groups of buyers</i>	<i>Transacting with individual buyers</i>	<i>Lifetime bonds with individual customers</i>	<i>Customers as creators of value</i>
Time frame	1970s, early 1980s	Late 1980s & early 1990s	1990s	Beyond 2000
Nature of business exchange and role of customer	Customers are seen as passive buyers with a predetermined role of consumption.			Customers are part of the enhanced network; they co-create and extract business and value. They are collaborators, co-developers and competitors.
Managerial mind-set	The customer is an average statistic; groups of buyers are predetermined by the company.	The customer is an individual statistic in a transaction.	The customer is a person; cultivate trust and relationships.	The customer is not only an individual but also part of an emergent social and cultural fabric.
Company's interaction with customers, and development of products and services	Traditional market research and inquiries; products and services are created without much feedback.	Shift from selling to helping customers via help desks, call centers, and customer service programs; identify problems from customers then redesign products and services based on that feedback.	Provide for customers through observation of users; identify solutions from lead users, and reconfigure products and services based on deep understanding of customers.	Customers are co-developers of personalized experiences. Companies and lead customers have joint roles in education, shaping expectations and co-creating market acceptance for products and services.
Purpose and flow of communication	Gain access to and target predetermined groups of buyers. One-way communication.	Database marketing; two-way communication.	Relationship marketing; two-way communication and access.	Active dialogue with customers to shape expectations and create buzz. Multilevel access and communication.

Reprinted from *Harvard Business Review*, January-February 2000

The following is a list of recent journal articles written by University of Michigan Business School faculty. To purchase a reprint of an article, contact MITS at the University of Michigan's Hatcher Graduate Library: (fax) (877) 329-6487; (phone) (734) 763-5060; (e-mail) MITS.mail@umich.edu. There is a \$12 fee per article and, on occasion, an additional copyright royalty.

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Theresa Welbourne

In the Know on IPOs

Welbourne Finds HR Strategies Predict Long-Term Survival of Start-ups

Theresa Welbourne is an HR executive who knew, in order to prove her theories, she had to become an HR scholar. As an associate professor of organizational behavior and human resource management, she tracks the human resource practices of initial public offering (IPO) firms and quantifies the effects of employee management strategies on firm survival (stock price growth) and financial performance (earnings growth).

"I believed I had the answer to start-up success," Welbourne says. "My answer is people. But I did not have the details I needed, so I decided to arm myself with research that would be compelling."

Welbourne, who earned her Ph.D. in 1992, is an expert on employee management strategies in entrepreneurial, high-growth and high-change organizations. She chose to focus her research on IPO firms because they are inherently small, and their performance varies considerably.

Welbourne needed variance to study cause and effect. "I also knew that when a firm does an IPO it has to provide lots of information in the form of a prospectus," she adds. "That information is valuable to me."

She conducted her first IPO study in 1992 by collecting data on all 130 firms that had gone public in 1988. She studied

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firm survival in terms of the "human resource value" or the degree to which individual firms valued people in relation to other assets. "Survival is the ultimate performance variable," she says. With that first study, Welbourne launched what has become the largest database on IPO firms and their survival rates in the United States.

Of the companies that went public in 1988, Welbourne found only 60 percent were still in business in 1993. "We ran our analysis to see what predicted survival five years later and, to the surprise of many, the only thing that significantly predicted survival was the HR value," she says. "Firms high on that variable had a 92 percent chance of survival; firms with a low HR value had a 32 percent chance of survival."

Paradoxically, the same factor that predicted long-term survival—the HR value—had a negative effect on the firm's initial stock price.

Welbourne knew she needed more data. She analyzed all the firms that went public in 1993 (535) and in 1996 (approx. 1,000). She and her team of researchers now are collecting data on 1999 IPO firms and plan to continue the research for firms going public in 2000 and beyond.

Paradoxically, the same factor that predicted long-term survival—the HR value—had a negative effect on the firm's initial stock price.

"I would love a database that has prospectus data every year from 1988 to the present and then continue. We could look at how companies change over time," she says. "For instance, we could find out how management teams change over time, how risk profiles have evolved, or when women show up on the executive teams (or as CEOs) and the roles they play on the executive team."

Welbourne's IPO database includes all IPO firms that went public in 1988, 1993, 1996 and 1999, making the sample representative of all industries, all sizes and all ages of firms. "These are not all dot com start-ups," she says. "My work is really about high-growth organizations. The lessons learned are applicable to larger firms that are experiencing change."

Welbourne's research proves a direct correlation between employee satisfaction and overall organizational performance. To

continued on page 46

Everything's Coming Up Roses

Alessis Renovate the Courtyard

The University of Michigan Business School Courtyard has been transformed. Literally. And the inviting, new setting bears the name of the couple who made this transformation possible: Keith E. and Valerie J. Alessi.

In part to mark his MBA Class of 1979's twentieth anniversary, in part to support the Business School's 75th Anniversary Challenge to improve the institution for future generations and in part to continue their personal commitment of giving to his alma mater, the Alessis donated \$500,000 to completely renovate the courtyard.

"The creation of beautiful space is truly a wonderful thing," Dean B. Joseph White told those assembled at the dedication of the Keith E. and Valerie J. Alessi Courtyard last October. "We just couldn't be more grateful."

The courtyard, which unites the exteriors of Davidson Hall with Kresge Library, Wyly Hall and the Paton Center, is bricked in red and gray with granite benches, new landscaping and lighting. The architectural firm Johnson, Johnson and Roy designed the area.

"When I was a student, I met all my friends in the courtyard," Keith Alessi says. "All my best friends had last names that began with A through CRI. That's how we were sectioned in those days."

The Alessis live in Lexington, Virginia, and commute frequently to Ann Arbor for football games and other special events. Keith is chairman and CEO of TeleSpectrum Worldwide Inc., a "traditional call center business," as Alessi describes it, for a wide range of Fortune 1000 companies. Valerie is a commercial artist and watercolorist. She runs a local art center and also is involved in several charities. The couple has two children.

"I've always pointed to my experience at the University of Michigan Business School as being the most important event in my life—it set me on course for life," he says. "Doors were opened by virtue of the degree."

Alessi came to Michigan as a scholarship student after completing his undergraduate degree at Wayne State University. The couple married the summer between the first and second year of the MBA program. They lived in married student housing while Keith finished his MBA and Valerie her studies in art. "Val and I support causes that are meaningful to us, and education is a big one," he continues. "Others helped us when we needed it and we believe there's

an obligation to help the next guy in line. Some people can do it by giving their time, others with financial means."

Since those early years, Keith Alessi has given his time as a member of the Alumni Board of Governors and as Master of Ceremonies at the annual Scholarship Dinner. He and Valerie also are generous donors. In 1998, they endowed a professorship bearing their name that is currently held by Brian Talbot, professor of operations management and associate dean for Executive Education.

Keith Alessi is known as a "turnaround specialist." In 1997, he was named president and CEO of Jackson Hewitt, a company now owned by HFS Corp. that offers tax preparation services to low-income Americans through a nationwide franchise network. With Alessi at the helm, the company's stock climbed from \$4.75 per share to \$68 in a matter of months. The 13-fold increase made it the nation's best-performing stock



Michael J. Schimpf

for a company with a market capitalization of \$100 million.

When Alessi joined TeleSpectrum in 1998, the stock value jumped 40 percent. The company provides multi-channel customer relationship management solutions; customer acquisition, retention and care programs; interactive voice response promotions; customer satisfaction measurement; and call center management for a variety of industries, including financial services, telecommunications, technology, insurance, utilities, health care and pharmaceuticals, and government entities.

“Our business hasn’t been considered glamorous in the past, but with the Web, big companies are recognizing they must provide service to those customers,” he says. “We put technology together with people.”

With the courtyard renovation, the Alessis are bringing people together on a daily basis at the University of Michigan Business School. “This is the first gift we received for the 75th Anniversary Challenge,” says Gautam Kaul, associate dean and head of the challenge project, “and it probably will be the most everlasting.”



Michael J. Schimpf

Once completed, the Alessi Courtyard became an instant hit among students, faculty and staff. It is the new meeting ground of choice for the Business School—just as it was in Keith and Valerie’s day.

Alumni and Friends Honor Gilbert and Ruth Whitaker



As a result of the generosity of many friends and admirers, the University of Michigan Business School is pleased to announce the establishment of the Gilbert and Ruth Whitaker Professorship. The professorship honors the couple for their pivotal and long-lasting contributions to both the Business School and the University.

As dean of the Business School for nearly 12 years, Gil Whitaker is credited with transforming the institution, both intellectually and physically. Under his leadership, the breadth and quality of the faculty was expanded. As provost of the University of Michigan, he spearheaded the rebuilding of central campus and instituted a new financial management system that modernized and streamlined the University’s infrastructure.

Through these challenges and achievements, Ruth Whitaker served as a hands-on silent partner, investing considerable time and talent in the realization of Business School and University goals. Within the Ann Arbor community, she made things happen too, holding leadership roles at the Genealogical Society of Washtenaw County, the Ann Arbor Women’s City Club, the Thrift Shop Association of Ann Arbor, the Ann Arbor Summer Festival, the Ann Arbor Area Community Foundation, St. Joseph’s Hospital, Matthaei Botanical Gardens and Nichols Arboretum.

“As dean and provost, Gil made many truly outstanding contributions to our community,” says Dean B. Joseph White. “Ruth was an incredibly active and supportive partner in all that Gil achieved. Without question, the University of Michigan and its Business School is a much better institution as a result of the Whitakers’ accomplishments.”

A lasting way to pay tribute to outstanding individuals is to name a professorship in their honor. The Gilbert and Ruth Whitaker Professorship honors its namesakes in perpetuity, will reward a faculty member for excellence in his or her field and furthers Gil Whitaker’s greatest wish and constant priority—to continually build a better faculty.

Those interested in contributing to the endowment for the Gilbert and Ruth Whitaker Professorship should contact Frank Wilhelme, assistant dean for development, at 734-763-5775 or fcwill@umich.edu.



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“Give Me Equity Or Give Me Death!”

Jeff Rich, BBA'82

Jeff Rich epitomizes the entrepreneurial spirit.

At age 29, while at Citibank in 1989, he raised \$8 billion in five days to finance one of the largest attempted takeover bids in Wall Street history—Paramount Communications' hostile raid of Time/Warner. But Rich wasn't satisfied. "Being a Midwesterner, I knew I didn't want to raise a child in Manhattan," Rich says. He also knew the opportunity he wanted most—to build a company from the ground up—would elude him as long as he remained at Citibank. The other challenge for Rich was to create equity for himself and his family.

So he left a skyrocketing career at Citibank to become senior VP and CFO of Affiliated Computer Services Inc. (ACS), a fledgling data processing firm catering to the banking industry in Dallas. "I've never known anyone to get rich on a salary and a bonus. If you want to get truly wealthy, you have to have equity and that's why I went to ACS. I looked around and decided I would rather be a customer of the bank than be the bank, because the customers have more money. I also wanted to get some operating experience; to see what life was like on the other side and really try to build something and make a difference."

In 1989 ACS derived more than 80 percent of its annual revenue from banks or thrifts—frightening in light of the fact that between 1988 and 1995



Michael J. Schimpf

Texas lost more than 400 banks and 130 thrifts to failures. "I was going to join this great computer services management team that had just started a new company to build a big bank data-processing company. Little did I know that the Texas banking market was going to just die...fast! It was a death watch. At that point, I was too naïve, too stupid, to be scared." Yet, Rich stayed with ACS, and through diversification and entrepreneurial spirit, ACS thrived. In 1995, he was named president and CEO.

When asked why he chose to go with ACS, Rich credits a Citibank colleague's advice: "Whenever you have a new opportunity, walk through the door because you can always go back and do what you know how to do." When asked why he stuck with ACS through tough times: "One of my Business School professors also said the best time to grab market share is in a down economy. We are all loyal creatures and we remember those who help us when we are down. That same philosophy works very well in business relationships."

Currently, ACS is one of the largest system integration firms in the country and the second-largest operator of automated teller machines outside the banking industry.

Whenever you have a new opportunity, walk through the door because you can always go back and do what you know how to do.

ACS went public in 1994 and its stock has outperformed that of archival EDS. Its portfolio has expanded, acquiring more than 40 companies and extending its reach into everything from healthcare to telecommunications to government. ACS now employs more than 17,000 workers. Jeff is convinced that ACS can take on some of the glamour of its dot.com rivals. "Our goal is to be perfect in quality and to drive more and more quantity. That's what our business is all about—how to perform services cheaper and better. To keep the entrepreneurial spirit alive, we always remind ourselves that we are a service firm and clients are the reason we are in business...they pay our wages, they give us money to do things, and what we do for them is whatever it is they want us to do for them. That's the way you build long-term successful client relationships."

Looking back, Rich doesn't view leaving Citibank as a big risk. "I never really thought about what fostered or endangered my entrepreneurship. One of the nice things about Citibank was that I got to meet a lot of great CEOs. They all are independent thinkers, strong decision-makers and good consensus builders. They do a million things pretty well, but the main thing they do is

ALUMNI AT LARGE

ALUMNI AT LARGE

trust their instincts, and they don't necessarily worry too much about following the crowd. Usually, when you follow the crowd, you get what the rest of the crowd gets—and that's average."

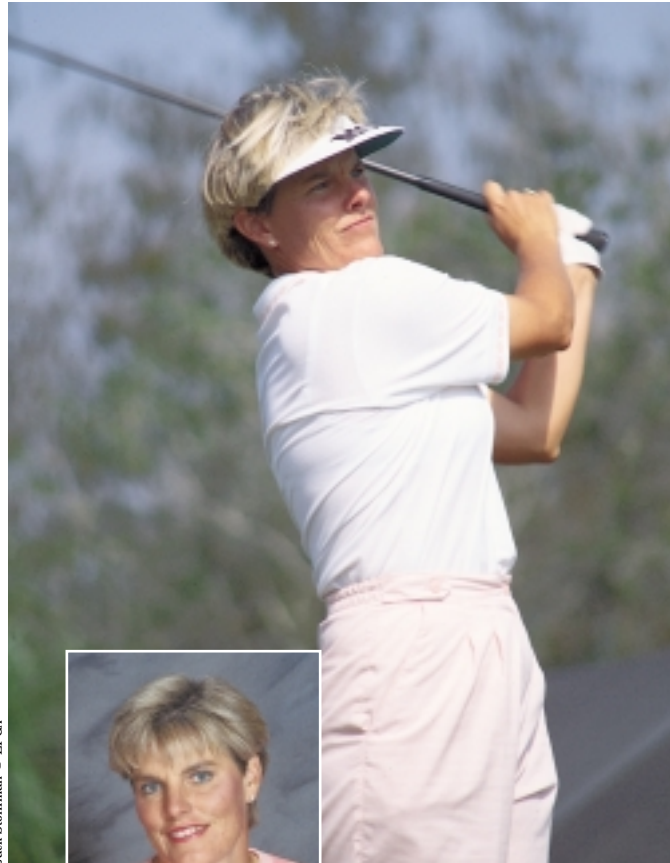
To Rich, "The far bigger risk in life is not to chase your dreams. Life is short. You have to love what you do and you must have passion for it. And if it's not there, you have to find it because life is way too short, and it's never too late. You can be 55 and become an entrepreneur. Is it possible to be an entrepreneur at age 60 today? You bet! I have a great life. Are you kidding me? I'm the luckiest guy on the planet!"

In the Swing of Things

*Elaine P. Crosby,
BBA '80*

When Elaine Crosby was growing up in nearby Jackson, her brother attended the University of Michigan and her parents had tickets for all the games. "Michigan was the only school I applied to," says Crosby. "My dad was in sales, and I was always interested in business but didn't know what actually would happen." Crosby played on the tennis team for two years and then joined the golf team, not realizing at the time that this decision would eventually lead to a rewarding career in the Ladies Professional Golf Association.

"I'd been around golf a lot as a child but hadn't really played much when I decided to join the Michigan team," says the all-around athlete. "As graduation approached, I went through the interview process but didn't have experience with



Jack Stohlman © LPGA



Alex Anton © LPGA

internships and such because my sports activities precluded those opportunities. In 1980, times were tough in Michigan so I moved to Arizona."

Crosby stayed in Arizona for only four months. Golf had become her passion and she decided to return to Jackson. "I played in many amateur tournaments then went to Florida and played some mini-tour events as an amateur," explains Crosby. "The pro from Jackson was in Florida, and I worked with him. Another friend was a pro in Saginaw, so I went there in the summers of 1982 and 1983." In between, she again played the mini-tour in Florida. "I played the full year on the mini-tour in 1984, got my tour card in fall 1984 and

joined the LPGA in 1985," says Crosby.

Crosby ranks 42nd on the career list in earnings with two tournament wins—in 1989 and in 1994. Her best year was 1994 when she finished 11th in the standings with a 71.93 scoring average and earnings of \$344,735. "My athletic endeavors have given me the self-discipline to manage my finances," says Crosby. "My degree helped me get on the LPGA executive committee, where I was involved in business, budget and pension affairs." Crosby served as vice president in 1993, president in 1994 and remained on the committee through 1998.

Since then Crosby has been playing 26 to 32 tournaments per year, but is backing off and will play maybe 15 tournaments this year. "At 41, I'm semi-retiring from the tour, but

everyone is different when they reach this point. If I'm making lots of money, maybe I won't retire, but that takes a lot of work. The top players are playing the same as they did five or 10 years ago, but the 50th player is just so much better than five years ago, and that makes it difficult. With Title IX, it took this long to really kick in," she explains.

My degree helped me get on the LPGA executive committee, where I was involved in business, budget and pension affairs.

Crosby is looking at other opportunities. "I want my own company, and might aim toward the Internet. It may or may not be golf related. Another possibility is a senior tour. There is none in the LPGA, but there is some activity by players to create one. I've also kept in close contact with people I've played with, have many corporate contacts, am a partner in a marketing company owned by my brother and might even start broadcasting. I have the enormous luxury of not having to rush to look for something," she says. "I take the opportunities that come my way and try to make the best of them."

Crosby explains champions put a lot of pressure on themselves, and the ability to handle that pressure sets them apart. "That's just an inherent trait. It's not necessarily that the physical abilities are different, there is just so much more of a mental challenge compared to the physical challenges at the top level of sports."

In typical Michigan style, Crosby is, indeed, a champion.

By Fred P. Wessells



Learning and Laughing, Michigan-Style

Some came for the professional development seminars. Others came to socialize. Most graduates of the University of Michigan Business School came back for both.

Reunion '99, October 21-24, proved to be the biggest, most-well-attended reunion in the school's 75-year history. A star-studded line-up of Michigan faculty led professional development classes that were filled to capacity months in advance and required more sections to be added. In total, 10 professional development seminars and two panel discussions were offered.

C.K. Prahalad, the Harvey C. Fruehauf Professor of Business Administration and a favorite among students past and present, kicked off the weekend with his keynote lecture, "Competing in the New Economy."



Reunion 99



This event drew far more than the 800-seat Hale Auditorium could accommodate. Alumni, current students and staff overflowed onto the stairs and clustered at the doorways to hear his thoughts on this topic. “Given that half the world’s population is in emerging markets of China, India and Brazil,” he said, “the question so many managers need to ask is: How can you convert poverty into consumerism?”

In answering that question, Prahalad suggested managers take into consideration what he calls the six major issues of the new millennium: Deregulation, globalization, emerging markets, convergence of technologies (such as fashion and pharmaceuticals), the Internet and digitalization. “We must visualize an active market when all that currently exists is abject poverty,” he said.

Three faculty members who are writing books for *The University of Michigan Business School Management Series: Innovative Solutions to the Pressing Problems of Business*, gave seminars on their topics. Anjan Thakor, the Edward J. Frey Professor of Banking and Finance, discussed *Unlimited Value Creation: Lifting the Bottom Line to the Top*.

Michael D. Johnson, the D. Maynard Phelps Professor of Business Administration, led the seminar, *Creating a Customer Measurement and Management System: Using Customer Data to Improve Financial Performance*. And Wayne E. Baker, professor of organizational behavior and human resource management, shared his findings and techniques for *Achieving Success through Social Capital: How to Tap the Hidden Resources in Your Personal and Business Network*. The publication date for the three books that expand upon each of these topics is July 2000.

Both the *Entrepreneurship Panel*, moderated by Thomas Kinnear, the Eugene Applebaum Professor of Entrepreneurial Studies and executive director of the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies, and *Future Directions of the University of Michigan Business School: Dean’s Dialogue with Alumni* were of high interest. Finding old friends and networking with new ones filled the session breaks.

The anniversary classes of 1959, 1974, 1979, 1989, 1994 and 1998 gathered by class for special dinners at the Michigan League. One treat of the evening was **Scott Wyler, MBA ’89** and a professional stand-up comedian, who delighted fellow graduates with his humor.





Members of the class of 1959



continued on page 24

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Reunion 99



On Saturday, it was tailgate time—football and fight songs. Most graduates attended the Michigan vs. Illinois game (we won't go into the final score), while others, especially those with very young children, cheered for the Wolverines at the Big Screen TV Party at the Executive Residence. That evening, while football fans rehashed the gridiron contest, hockey devotees suited up for game two of the annual Student/Alumni Hockey Series.

The scores? Game 1: Students, 10; Alumni, 6.

Game 2: Students, 2; Alumni, 8.

On Sunday, a farewell brunch gave everyone the chance to say good-bye and, of course, make plans for next year's return: Reunion 2000—October 12 to 15.



Photos by Michael J. Schimpf

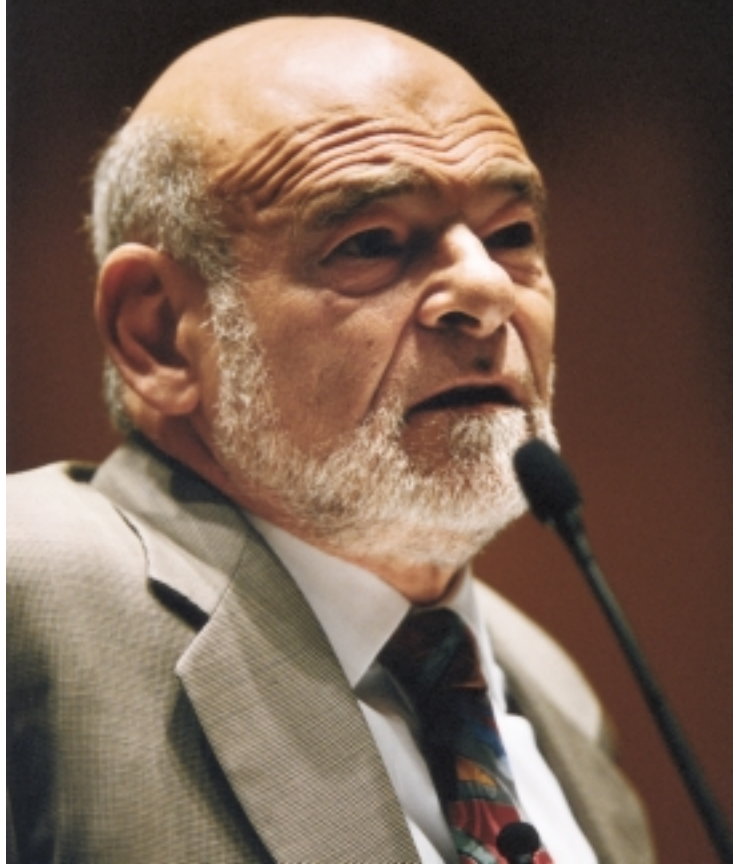
“**W**ith the founding of the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies, two of this century’s greatest entrepreneurs inspire us to teach the innovative, risk-oriented enterprise growth and development practiced so effectively by these two business icons.”

Dean B. Joseph White, at the dedication of the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies, October 5, 1999.





Photos by Michael J. Schimpf



Tough Guy Sam Zell

Puts His Money Where His Heart Is

Sam Zell is one tough guy. The man is bold, decisive and irreverent; he didn't make his fortune being meek. But listen carefully to him and you'll find he is not only exceedingly smart, but also very wise.

Zell visited the University of Michigan Business School last October. He and Ann Lurie, the widow of his dear friend and business partner Robert Lurie, came to dedicate the new Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies, which they established with a gift of \$10 million. The Business School, in turn, honored Zell with its 42nd Annual Business Leadership Award. "Sam's business career defines and illustrates what entrepreneurship is all about," says Bob Larson, a principal at Lazard Freres and a friend,

colleague and occasional competitor of Zell's. "Sam Zell and entrepreneurship are synonymous."

How so? First, Zell at 58 is a self-made billionaire. He is the founder and chairman of Equity Office Properties Trust, the nation's largest publicly held owner and manager of office properties with 76.6 million square feet of space in 23 states and the District of Columbia. He also is founder and chairman of Equity Residential Properties Trust, the nation's largest real estate investment trust with 525 properties containing more than 190,000 units in 35 states. All told, he is the chairman of 14 public companies, ranging from American Classic Cruise Voyages to Manufactured Home Communities.

In his Business Leadership address and later in an interview with *Dividend*, Zell said nothing about business plans, venture capital or the particulars of entrepreneurial activity. Rather, he spoke candidly and fervently about the philosophy of entrepreneurship as he lives it. “Entrepreneurship,” he says, “is a subject very near and dear to my heart and was very near and dear to the heart of my deceased partner, Bob Lurie.”

By his own count, Zell considers nine personal characteristics essential to the successful entrepreneur:

- **High energy level**
- **The self-confidence to look at a something and say, “I can probably do that better.”**
- **A vocabulary that doesn’t include the word “failure”**
- **The ability to quantify the downside of risk**
- **The ability to say “no” fast**
- **The self-awareness to know you are fallible**
- **The self-control not to worry and not to look back**
- **The cold eye of a realist, no matter what the circumstances**
- **The strength of character to survive the loneliness that comes with going left when everyone else is going right**

“Bob Lurie and I never had a real job, we never had a boss,” he says. “In the 20 years we worked together, we actually spent quite a bit of time talking about what that meant and how we were different from our peers. We wanted to know how we could inculcate that culture, those essential characteristics, in the people around us, particularly the people who worked for us. Part of the thesis for creating the institute is our belief—our hope—that by creating the right kind



University of Michigan President Lee C. Bollinger (left) talks with Sam Zell, AB '63, JD '66 (center), Herbert D. “Ted” Doan, president, The Herbert H. and Grace A. Dow Foundation (center right), and David T. Shelby, BBA '62, MBA '64, and manager of the Wolverine Venture Fund (right), at the dedication of the Zell-Lurie Institute.

of environment we can, in fact, foster these characteristics on a large scale and discover all kinds of entrepreneurial dormancy at the University of Michigan Business School.”

Zell cultivates his reputation as a wild, hard-charging iconoclast—he disdains neckties and unwinds by traveling the globe via motorcycle with compadres frequently referred to as “Zell’s Angels.” Years ago, he gave himself the nickname “Grave Dancer” to describe his ability to profit in real estate where others had failed. At his core, however, he is a realist, a master at separating fact from frill. Zell can assess a deal with a clarity that is nearly crystal clear. He prides himself on this well-honed skill and derives his greatest intellectual pleasure from the endeavor. Risk and reward drive this man.

“I look for incremental opportunity,” he says. “What do I mean by incremental opportunity? One plus one equals three. All I do as a businessman is think about how actions can change value. When one plus one equals two, which is conventional and highly predictable, value isn’t created. The value gets created by virtue of marrying one plus one to get three.

“The risk/reward ratio is the most significant factor in the scenario of the kinds of risks we take. I’m very willing to take very large risks as long as I get very large returns,” he says. “And I am willing to take small risks for small returns. I just don’t want to take large risks for small returns.”

Zell warns would-be entrepreneurs to steer clear of the theoretical and the hypothetical as well as their own prejudices. All three characteristics cloud a clear eye. He speaks from experience. Not too long ago, he spent a year attempting to acquire Ducati Motorcycles. Anyone who knows anything about Sam Zell knows one of his passions is racing his own Ducati through the European countryside. He has a red Ducati on display in his Chicago office. If love of a machine could propel a deal, this was the machine.



But it was not to be. Zell's determination of the risk/reward ratio, not his love of the bike, decided the outcome. "The most important aspect of that process was to separate my interest in motorcycles from my interest as a businessman," he says. "History shows there are a whole bunch of skeletons belonging to people who were vulnerable to both and bit the bullet."

Zell pays close attention to history; it is one factor in his uncanny ability to predict trends and business opportunities. But he has no patience for what is often the by-product of the study of history—conventional wisdom. "Conventional wisdom is always a great frame of reference because, in effect, it tells you what not to do."

In a *New York Times* article, Zell was described as having "a peculiar capability of seeing around the corner." By his own admission, he is a good observer and a good processor of information. This has earned him a reputation as a visionary in national and international business. He says successful entrepreneurs must be transactionally oriented—capable of doing the shrewd deal—and they must be conceptually oriented. They must be able to see around the corner, through the rabble to the sweet, hidden opportunity.

Zell's opportunities are inefficient markets. First it was commercial real estate, then residential real estate, then manufactured housing, then...the list goes on and on and includes Jacor Communications, a 17-station radio company.

Five years ago, when deregulation hit the telecommunications industry, Zell instructed his people to buy every station they could beginning the day the legislation was passed.

Zell knew deregulation portended consolidation; those owning the most stations stood the most to gain. "The result was Jacor went from 17 to 230 stations," he says. "It went from a \$50 million company to a company we sold for \$6.4 billion four years later. This was all about recognizing what was happening and then executing."

When Bob Larson introduced Sam Zell in Hale Auditorium on October 5, the day Zell was presented with the 1999 Business Leadership Award, he said: "We know you are making a major personal commitment, not only of your resources, but also your personal time, name, energy

All I do as a businessman is think about how actions can change value. The value gets created by virtue of marrying one plus one to get three.

and advice to the University, the future of the students and, to my way of thinking, the future of the American way of life."

Zell is taking a risk, and he is quick to point out he expects big rewards. The Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies is, for him, a testament to his and Bob Lurie's shared desire to make a difference and their belief "that change can be awesomely beneficial not only to the individual, but also to the Business School, the country and society."

The gift is also the celebration of priceless friendship: "Even now, I will be someplace and, without thinking, I'll say, 'gee, I want to call Bobby and tell him about this.' We shared information and we shared risk and that was extraordinary. It also was irreplaceable. We basically fed off one another and what resulted was one plus one equals three."

By Cynthia Shaw

Devoted Mother, Committed Philanthropist

Ann Lurie Gives Generously to the Business School



To meet Ann Lurie is to make the acquaintance of a lovely woman. To know Ann Lurie is to understand personal strength that is both generous and unwavering.

Ann Lurie and Sam Zell have given \$10 million to the University of Michigan Business School to establish the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies. Lurie made this gift, nine years after her husband's death, because she knew he wanted to further the study of entrepreneurship, and he wanted the work done at Michigan. With this gift, Lurie advances the couple's desire to further what she calls "transformational philanthropy," or philanthropy that engenders change. For her, the new business development and wealth creation that will inevitably grow from the Zell-Lurie Institute is not an end in itself. Rather, it is the jobs these new businesses yield and the life-enhancing technologies they make available to people that matter most. "New, entrepreneurial approaches to business must be developed in order to maximize the benefits of what is being discovered and developed, particularly in medicine and biotechnology," she says.

"We discussed all sorts of contingencies relative to having a big family," said Lurie referring to the couple's six children, "including the investment of time it would require from each of us, the financial considerations, even the safety aspects of

being able to keep track of a lot of children...but we never talked about what if something happened to one of us.”

Something did happen to Bob Lurie. The devoted husband and father, the shy and brilliant financial and organizational strategist, the trusted friend and life-long business partner of Sam Zell was diagnosed with colon cancer. “Bob’s father died when he was 11,” Lurie recalls. “When Bob got sick his only thought was ‘I can’t believe my children are going to have to feel what I felt’...it was so painful for him.” In 1990, her beloved husband died at age 48, leaving Ann and their children, ages five to 15.

Ann Lurie has proven she can deal with almost anything. Testimonies to this are her children, now 15, 17, 19, 21, 23 and 25—all of whom are thriving. Working from home to be near them, she juggles mothering teens with her work, spreading the family fortune for philanthropic ends.

Lurie learned much from her mother, the daughter of a lumber camp manager in northwestern Saskatchewan. It was a frontier existence; self-reliance was the way of life. Marion Elizabeth Blue moved from Canada to Miami where, as a single parent, she raised her daughter, Ann. One of Lurie’s most vivid memories of her

*“My resources enable me to do things that really will make a difference,” Lurie says.
“My motivation is the pleasure of seeing something change for the better.”*

mother was her appalled reaction to segregation in Florida. “My mother had the attitude that people were people and everyone deserved the same sort of rights,” she says. “Anything else that was used to judge people was something to which she would be extraordinarily critical.”

Just as her mother taught fairness by example, so did she teach Ann about service to others. In the days before intensive care units, critically ill hospital patients were cared for

by private-duty nurses. Lurie’s mother was a private-duty nurse. “She would come home and talk to me about her patients, and I remember how involved she would get. She often would work seven days a week for months if she was caring for someone who was really ill,” Lurie recalls. “Whenever she told me about a patient, she never referred to anything in regard to their racial background or their financial status. She would talk about their medical problems and what was being done. Her attitude toward people became a major influence in my life.”

Ann followed in her mother’s footsteps and earned a B.S. degree in Nursing from the University of Florida. After graduation, she worked in Pediatrics and Public Health before



Ann Lurie and her children

relocating to Chicago to work in Pediatric Intensive Care at Children's Memorial Hospital. After her "retirement," she recalls, "Bob used to laugh at me because I kept up my nursing license. But I keep it renewed because I have always felt women have to be sure they have a fallback position. It is nice to always know, if push comes to shove, you can go out there and do it yourself."

Ann met Bob Lurie while living in the same apartment building. Bob had moved to Chicago to work with Sam Zell. The two became good friends in the 1960s as University of Michigan students and fraternity brothers. It was as students in Ann Arbor that they formed their first business venture—an apartment cleaning company that over the years grew into an empire yielding millions for each man in real estate, oil, gas, insurance and other industries.



cared for the children. However, when Bob got home, there was absolutely no question that his priority was his family. He was a very maternal father."

"A good word to describe Bob would be unique," Lurie continues. "There aren't a lot of men who have the set of personality characteristics, intellect and passion he possessed. He touched people in all walks of life because he was so open and unassuming."

Before Bob Lurie died, the couple established a family foundation with six categories for giving: medical research and services, child-related medical organizations, basic services such as food and shelter, education, the arts and "wild things."

The University of Michigan counts Ann Lurie among its most generous benefactors. In 1993, she made a \$12 million commitment that led to the construction of the Robert H.

Lurie Engineering Center and the landmark Ann and Robert H. Lurie Tower, both of which were dedicated in 1996. In 1999, she endowed the Marion Elizabeth Blue Professorship in Social Work in honor of her mother, and she and Sam Zell each gave

\$5 million to the Business School to create an institute for entrepreneurial studies. Lurie's transformational reach extends beyond the University. She has devoted considerable resources toward cancer prevention and treatment research at the Robert H. Lurie Comprehensive Cancer Center at Northwestern University and recently established a preschool in a remote area in southeastern Kenya.

"My resources enable me to do things that really will make a difference," she says. "My motivation is the pleasure of seeing something change for the better."

By Cynthia Shaw

"New, entrepreneurial approaches to business must be developed in order to maximize the benefits of what is being discovered and developed, particularly in medicine and biotechnology," ...

Bob Lurie and Sam Zell were well on their way to building their empire when Ann entered the picture. "Bob and I had a conversation before we had children," she recalls. "I said, 'I'm not signing up for this if you are going to be an absentee parent', because I was determined, having grown up in a situation where there wasn't a father, that my children would have two parents—pretty much two full-time parents."

The Luries made it work, and for 17 years it worked well. Every evening, he took the 5:35 train from downtown Chicago, and she met him at the station. "We each did what we did best," she says. "During the day, traditional gender boundaries applied in that he went to work, and I

Entrepreneurship in Action

Michigan Students Lead the Charge



Dave Weinerth

Late at night, the lights burn brightly in the basement of a 1950s-style ranch home not far from the University of Michigan Business School. Hunched over his computer keyboard, Dave Weinerth types in fits and starts from a clutter of loose papers, books and scribbled notes. Each keystroke brings him closer to his goal—launching his own technology start-up.

“I always thought someday that I’d be an entrepreneur,” says the 33-year-old Weinerth, who left an industry job with British-owned BOC Gases to begin work on his MBA at the Business School two years ago. “At first I considered buying a company. But since entering Michigan, I’ve changed my mind. Now I want to start one.”

Weinerth is one of a new breed of business students who have set their sights on becoming entrepreneurs. Rather than climbing the corporate ladder at a Fortune 500 firm, these self-motivators dream of starting or buying their own companies, with the ever-elusive hope of achieving the megabuck success of America Online’s Steve Case or GeoCities’ **David Bohnett, MBA ’80** (*see story, page 3*).

Business School administrators, faculty and generous friends are arming people like Weinerth to realize their dreams. Most notable is the \$10 million gift from Sam Zell and Ann Lurie to create the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies (*see related stories beginning on pages 28 and 31*).

This major gift has enabled the Business School to build upon its already well-established entrepreneurial studies curriculum with

- additional MBA-level courses
- expanded opportunities for students to gain firsthand experience working on new business ventures
- a broader research agenda that focuses on testing the myths of entrepreneurship
- greater commercialization of the intellectual capital generated at the University of Michigan
- active participation in the institute by some of the nation’s most successful entrepreneurs, including Sam Zell

“As you might suspect, making this kind of contribution is also a personal endorsement of the extraordinary program the University of Michigan Business School has created,” Sam Zell, chairman of Equity Group Investments, said in a radio interview shortly after he and Ann Lurie made their gift to the Business School. “My goal here is to make it better.”

Entrepreneurial studies have become one of the most popular fields among business school students nationwide. Michigan is a case in point. Last year, 5 percent of graduating MBAs went to work for start-up companies. Another 15 percent joined technology-oriented corporations such as Dell Computer. Many more leave the Business School with plans to start a business at some stage in their lives.

In January, 80 MBA students—nearly a quarter of the first-year class—attended the First Annual Entrepreneurial Career Fair sponsored by the Zell-Lurie Institute. There, students met with representatives from 16 start-up or venture-capital companies in hopes of landing a summer internship. “Faculty are noting a sizable increase in the number of students indicating they intend to start or join entrepreneurial ventures directly out of MBA school,” says Karen Bantel, managing director of the Zell-Lurie Institute for Entrepreneurial Studies and adjunct associate professor of corporate strategy and international business.



Patti Glaza

As an MBA student, Weinerth says he has taken full advantage of the Business School’s comprehensive course offerings to move his start-up idea through the beginning stages of business development. With the technological expertise of his partner, University of Michigan engineering doctoral student Mike Stucky, the two have founded Eberwhite, a wireless telemetry technology for the industrial gas industry to facilitate remote, Web-based inventory management.

Over the last year, Weinerth has learned from a series of classes how to write a business plan, secure private equity and venture capital, develop a database, formulate a Web prototype and start an e-business. Augmenting his knowledge base has been his extracurricular involvement in the Business School’s 150-member Entrepreneur and Venture Capital Club.

“The entrepreneurial track at the Business School has given me a head start on product development and writing a business plan,” he says. “I will graduate at the end of April, and by then plan to have the company operating out of my house.”

In contrast, when Patti Glaza entered the Business School two years ago, becoming an entrepreneur was not her number-one priority. Her interest was piqued, however, when

she worked with a small Israeli start-up company as part of a Global Projects course. Then, last summer, she took a job as an analyst for Avalon Investments, an Ann Arbor-based venture-capital company founded by **Rick Snyder, MBA ’79**, where she worked with current and prospective portfolio clients.

“Having come from a traditional consulting and Fortune 500 background (Andersen Consulting), I was interested in breaking into the world of small, high-growth entrepreneurial companies,” says Glaza. Through her internship, she was able to see firsthand various young companies at different stages of development. Her consulting skills came in handy when she analyzed the financial implications of structuring small-company growth.

The Business School’s new e-Lab has provided BBA senior Victor Kim and four other students the computer equipment and resources they needed to launch a new interactive Website last December called Orangesorbet.com. The online marketplace enables students from six university campuses to post ads for used textbooks and household items, list rental housing availabilities and connect with interested buyers/renters. “We are trying to get the user base established first,” explains Kim. “In the future, if we get enough users, we will sell ads to companies looking at a specific demographic of the college market.”

E-Lab Director Michael Gordon, professor of computer and information systems, reports 10 companies currently are using the lab’s infrastructure to develop, test or deploy new Web-based stores or services. “It’s very exciting; the phone is ringing off the hook with calls from students who have e-commerce interests,” says Gordon, who is now finalizing an investment fund to provide seed capital for student businesses.



Partners at Orangesorbet.com: (clockwise from top) Jessica Oliver, Victor Kim, Amy Liu and Justin Lee.

Gordon's new e-biz fund will be the perfect complement to one of the Business School's premier entrepreneurial programs, the Wolverine Venture Fund. The WVF has experienced a dramatic increase in the number of Michigan students, faculty and alumni seeking venture-capital funds for start-up companies, according to Karen Bantel, the fund's faculty advisor. Now in its fourth year, the fund's capital pool is expected to increase from \$2 million to \$5 million this spring. To date, it has provided venture capital for four start-up companies:

- Intralase (makes lasers for connective eye surgery)
- Centromine (develops medical software for behavioral-health organizations)
- Versity.com (provides various services for students at 100 universities)
- ZuluSports.com (an adventure travel and sports Internet portal)

As a member of the fund's student advisory board, Eric Stoermer says he has gained valuable hands-on experience from evaluating business start-ups, deciding how much to invest and structuring new ventures.

"Working for the Wolverine Venture Fund has given me the chance to apply classroom concepts to the real world," says Stoermer, a first-year MBA student, who previously worked

for McKinsey & Co. and InfoUSA. This summer he hopes to find a job with a small high-tech company in the Seattle area. Next year after his graduation, he plans to return to the corporate world for a few years to build up his knowledge base and contacts before starting his own business.

As for the future of entrepreneurship at the Business School, Bantel foresees strong interest for several years and then a leveling off as students begin to mature in their thinking.

"Eventually, students will stop looking at entrepreneurship as an either-or proposition," Bantel says. "The distinction between the corporate and entrepreneurial worlds will begin to blur as corporations become more entrepreneurial and as alliances are formed between corporations and start-up companies."

Sam Zell, no doubt, will be pleased.

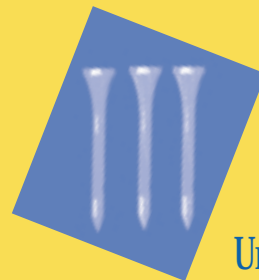
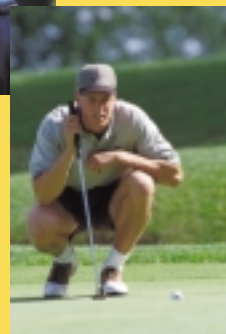
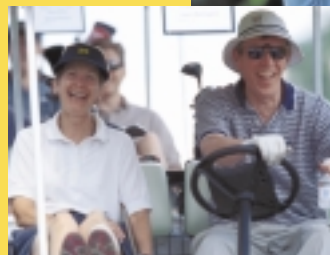
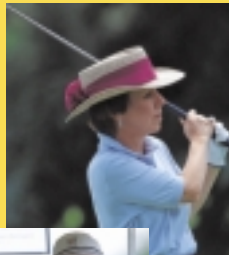
By Claudia Capos



Mark Your Calendar for June 16, 2000!

Come enjoy a fun day of golf, visit with faculty and alumni, play on the acclaimed University of Michigan Golf Course, and support the Business School's Scholarship Fund.

For additional information on the Golf Outing, visit the Alumni Relations website at www.bus.umich.edu/alumni/.



3rd
Annual
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Alumni
Golf
Outing

SAN FRANCISCO



Kathi O'Leary

Jerry Nightingale, MBA '70

Last August, the San Francisco Bay Area Club presented a seminar on "Personal Financial Planning" with **Jerry Nightingale, MBA '70**, the president of Nightingale Financial Advisory. The event was organized by **Martha Mesa, MBA '94**, the professional development chair.



THAILAND

Professor Gunter Dufey joined **Lady Waree Hawanonda, MBA '59**, **Kamchorn Sathirakul, Econ '59**, **Ananda Ketkasemsuke, MBA '72**, **John Spooner, MBA '74**, **Sathist Sathirakul, MBA '91**, **Vichien Kulvaraporn, MBA '97**, **Napit Teeparak, MBA '97**, **Wachairachai Koonnamwattana, MBA '97**, **Mr. Watanaraj, MBA '97**, **Mr. Sawichar, MBA '96**, and **Visarn Chaowchuevej, Eng '56**.

FRANCE

Business School alumni, their guests and visiting faculty enjoyed a reunion dinner on Saturday, Feb. 26, at the Paris home of Mr. and Mrs. Cyril Pineau-Valencienne. Among the guests were Professors Gunter Dufey and Priscilla Rogers, as well as **Syou-Yun (Sue) Hung, MBA '97**. Sue is Alumni Relations' official alumni contact in Paris.



Kathi O'Leary

Renee Esquivel, MBA '96, **Sam Park, MBA '98**, **Jeff Lee, MBA '97**, **Elisabeth Stiefel, MBA '97**, and **Thomas Savage, MBA '97**

Elisabeth Stiefel, MBA '97, and **Andy Wong, MBA '97**, are officers of the San Francisco Bay Area Club, which sponsored a panel discussion during the West Coast forum that featured Michigan graduates involved in start-up ventures.



DETROIT

On November 30, 1999, the Club of Detroit sponsored a presentation entitled "Emerging Auto Supplier Networks" featuring **Robert Oswald**, President and CEO of the Robert Bosch Corporation; **James Mateyka**, Vice President for Automotive Practice at A.T. Kearney; and **Anel Karnani**, Michigan Associate Professor of Corporate Strategy and International Business. More than 250 alumni, students, faculty and friends of the Business School discussed transition in the automotive industry and companies' use of mergers and acquisitions. The evening event was organized by **David Andrea, MBA '85**, chief economist at CSM Worldwide and a director of the Business School Club of Detroit.

TWIN CITIES

The Twin Cities Alumni Club welcomed Dean B. Joseph White to Minneapolis on October 26 with a reception at the Minneapolis Athletic Club hosted by Stephen Sanger, chairman and CEO of General Mills Inc. Sanger's presentation was titled "The Challenges of Today's Chairman and CEO."



Steve Sanger, Laurie Spindler MBA '96, past president of the club and Dean Joe White.

LOS ANGELES



Harry McElroy, MBA '78, President of the Business School Club of Los Angeles; Ann LaCivita, director of Alumni Relations; Paul Smith, BBA '80 and MBA '84, alumni host at Sony; and George Vrabeck, MBA '89, speaker.

George Vrabeck, MBA '89, spoke on "Action, Failing and Career Management" at an event sponsored by the Club of Los Angeles last July. Vrabeck is managing director at Emerge Corp., in charge of Emerge's national Internet and information technology M&A practice. **Paul Smith, BBA '80, MBA '84**, and Executive Vice President of Columbia Tri-star Motion Picture Group, hosted the event at Sony Pictures Plaza in Culver City.



Harry McElroy, MBA '78,

Michigan at USC: On February 17, 2000, more than 70 alumni, newly admitted students and guests joined Club of Los Angeles president **Harry McElroy, MBA '78**, for the club's First Annual E-Merge. The event was held at Egg Company 2, an incubator for start-up companies in new media at the Annenberg Incubator Project on the USC campus.

NEW YORK



Manny Valencia, MBA '99, and Chris Parlamis, MBA '99, new co-leaders (along with Rohit Bery, MBA '98 *not shown*) of the Business School's Club of New York.

The Club of New York concluded 1999 with a social event welcoming recent graduates to the area and reuniting metro-area New York graduates and friends. On October 7, 1999, MBA and BBA alumni gathered at the Park Avenue Country Club, the official New York location of UM football watch-parties. In attendance were more than 85 alumni from the NYC metro area. The event gave alumni the chance to meet, greet and make plans for the upcoming millennium celebrations. Highlights of the event included a bongo drum performance by **Derek Martin, MBA '99**. The Club plans to host several social outings during 2000.

CHICAGO

In addition to sponsoring several successful happy hours in Fall 1999, the Club of Chicago hosted "Getting to Know Your Executive Recruiter," a professional development event held in October at the University Club of Chicago. The event was organized by **Norman Sigler, MBA '92**, who has succeeded **Liz Canis, MBA '97**, as president of the Club.

1934

Robert M Work Jr., MBA '34

"Nothing spectacular happening," reports the retired grad, "just our four children, eight grandchildren, 10 great grandchildren (with two more on the way) and celebration of our 62nd year of marriage on October 1, 1999. Everyone seems to be healthy." It sounds pretty spectacular to us, though, and if you agree, contact Bob at work@misslink.net.

1953

Kenneth A. Knudson, BBA '53

who received his MBA from Case Western Reserve University in 1964, is retired from his position as treasurer of Independent Explosive Company in Cleveland and resides in Parma Heights, Ohio.

1956

Donald L. Packard, MBA '56

is now teaching part-time at Roosevelt University's Robin campus in Schaumburg, Illinois. You can reach Don at dongoblu@aol.com.

Kenneth I. Shevin, BBA '56, MBA '57

is president of Kenneth I. Shevin, CPA, PA, in Naples, Fla. "My wife, Harrilee, and I are completing our 10th year of residency in Naples where I continue to practice public accounting," says Ken, who also is an officer of the University's Alumni Club of Southwest Florida.

1957

Dean S. Eiteman, BBA '57, MBA '58

retired in May 1999 as a full-time faculty member teaching accounting at Indiana University in Pennsylvania. Along with service in the U.S. Army, Dean had some 35 years of full-time teaching at various institutions of higher education, mainly at Wright State University in Dayton. He resides in Indiana, Pa.

1961

Richard E. Alstrom, BBA '61

"After years in corporate life and multilevel marketing, I have been working on my own for the past 13 years and am the toughest boss I've ever had," says Richard. "Prepaid legal offers the best business opportunity that exists for the next 20 years." Contact Richard at alstrom@freewwweb.com.

Richard H. Chamberlain, BBA '61

"I took early retirement from Pharmacia & Upjohn at the end of 1997 and am now working as an instructor for school programs at the Kalamazoo Nature Center," says Richard.

Michael R. Losey, BBA '61, MBA '62

is president & CEO of the Society for Human Resource Management in Alexandria, Va. He was recently elected president of

the World Federation of Personnel Management Associations, an organization linking the interests of more than 50 HR organizations around the world. He also has been named chair of the President's Committee on the Employment of People with Cognitive Disabilities and the U.S. Treasury U.S. Savings Bond Chair for Associations. You can reach him at m.losey@shrm.org.

1965

Peter Demayo, MBA '65

retired on March 1 from Lockheed Martin as vice president, contract policy, and corporate officer.

Peter W. Teitelman, BBA '65

"After 30 years in the healthcare field, I entered the field of higher education in 1997 and am director of planning and research at the College of Mount St. Joseph, a private college of 2,200 in Cincinnati," reports Peter. "We have lived in Cincinnati for 12 years. My wife, Kathy, is an elementary school teacher. Our children are Amy, 23, a caseworker with a mental health agency; Anne, 20, a junior at Indiana University; and Susan, 16, a high school junior." You can reach Peter at peter_teitelman@mail.msje.edu.

1966

Larry W. Beaupre, MBA '66

retired three years ago from Ford Motor Company where he worked for 30 years in technical management. He is currently general manager of a small engineering services company (Millard Design) which is owned by a worldwide automotive plastics manufacturing company (Venture) in Michigan. He lives in Melbourne, Australia, and can be reached at beaupre@tpgi.com.au.

Thomas J. Hindelang, MBA '66

has just accepted new responsibilities as associate dean for graduate and professional studies in the LeBow College of Business at Drexel University in Philadelphia. He continues as the George Francis Distinguished Professor of Finance. You can reach him at thomas.hindelang@drexel.edu.

1969

Erik R. Eybye, MBA '69

is director of compensation & expatriate services for Elf Atochem NA in Philadelphia. "I will soon retire at 65, boat the Chesapeake and travel with my wife Lena," says Erik. Their daughter Marianne is a research scientist at SmithKline Beecham, and son Tom is a 2nd Lt. in the Army stationed in Germany. "Tom graduated with a BS in business administration from the U of Delaware, a mini U of M," says Erik proudly. "I'm looking forward to visiting Ann Arbor this year, haven't been back since 1969." You can make plans to meet him on campus at eeybye@ato.com.

Charly Heavenrich, MBA '69

"I moved to Boulder, Colo., in 1993 where I am exploring the wide open spaces of the rest of my life. Just finished my 22nd season as a raft guide in the Grand Canyon," says Charly, who recently published *Dancing on the Edge*, a personal growth message. "I also give presentations using the Grand Canyon and the natural world as metaphors, do consulting and training on change and keep fit for my work," adds Charly. He'd love to hear from classmates at cheavnrich@aol.com.

Thomas P. Kurlak, BBA '69, MBA '71

is managing director of Tiger Management in New York City. "After 20 years as a security analyst following semiconductor stocks at Merrill Lynch, I joined Tiger Management, where I head the technology research team and manage a \$350 million tech stock hedge fund. So far my fund is up 35 percent," says Tom.

1971

Isadore J. King, BBA '71, MBA '74

recently was appointed president and CEO of Comprehensive Health Services (The Wellness Plan). Licensed as a CPA and ASM, he has 21 years' executive and administrative experience, the last 14 with The Wellness Plan.

1972

Allan Jones, MBA '72

is director of college recruiting for AMS Inc. in Fairfax, Va., which annually hires more than 800 college graduates. Contact Allan at allan_jones@amsinc.com.

1973

Heidi B. Allen, BBA '73, MBA '76

is a CPA in Ft. Lauderdale. In 1999 she ran in both the Disney Marathon and a marathon in the Fiji Islands, and has plans for other international marathons in the near future. To catch her, e-mail HBASpirit@aol.com.

1975

J. Bryan Downey, MBA '75

has been appointed principal at Austin Consulting, a division of the Austin Company, based in Schaumburg, Ill., where he will lead their manufacturing practice.

Robert D. McTaggart, BBA '75

is an attorney with Palmer, Allen & McTaggart, LLP in Dallas. He was elected the 1999 chairman of the real property law section of the Dallas Bar Association. You can reach him at rmctaggart@pamlaw.com.

1977

Thomas G. Page, BBA '77

is president and chairman of the board of Phone Bank Systems Inc. in East Lansing. "We have just finished the 17th year of the business we founded, and I feel my BBA was

instrumental in my success because of the analytical and critical thinking the school helped develop," says Tom.

1979

Timothy P. Collins, BBA '79

"After 12 years of practicing law, I now work for Media One as regional VP for telephone and high-speed Internet services," says Tim, who is responsible for the launch of new telecommunications services over broadband networks. "It's much more fun than practicing law," he adds. You can, of course, reach him by cable modem at tcollins@mediaone.com.

Leslie (Warshaw) Harris, MBA '79

"I am the busy mother of two small children, Molly and Sara, and work part-time at the Lazar Group, a powerhouse qualitative marketing research group which focuses on Fortune 500 companies."

1980

Karen K. Kukla, BBA '80

"I married Jay Staiger in 1997 in Livonia. My brother Brian and I watched Michigan kick off against Notre Dame an hour before my dad walked me down the aisle," says Karen. "The television shared table space with my wedding cake as we kept track of the score while greeting reception guests. At dinner, we toasted a Wolverine victory." Jayson Grant Staiger (Class of 2020) was born in September 1998 and celebrated his first birthday by watching Michigan beat Syracuse. Karen and Jay's (BS, Penn State, '73) marriage has survived three football seasons. To congratulate Karen, who is an attorney in Fayetteville, N.Y., especially after Michigan beats Penn State, contact kkubed@yahoo.com.

Clarke Macy, BBA '80

"I live in Saline with my wife and two sons and was recently promoted to CFO of AT&T's College & University Solutions strategic business unit in Ann Arbor," says Clarke. You can reach him at cmacy@att.com.

Ronald L. Seigneur, MBA '80

"After 18 years practicing as a traditional CPA, I now focus on business valuation and expert witness work," says Ronald, who also notes his golf handicap is finally in single digits. "My wife Beverly and daughters Chelsea, 13, and Sydney, 12, make life most enjoyable in beautiful Golden, Colo.," adds Ron who can be contacted at ron@cpavalue.com.

1981

Paul S. Hoge, BBA '81

is partner/associate broker with Signature Associates-ONCOR International in Southfield, Mich. As a founding member and top-performing broker, he averages between 65

and 85 transactions per year. His 1998 transactions totaled \$51.2 million. Paul also handles some administrative and managerial duties as a member of their executive committee.

1982

Jane (McKinley) Gardner, MBA '82

is adoption facilitator for International Family Services in Northville, Mich. She lives in Northville with her husband and three children and has been working in the adoption field for nearly six years. You can contact Jane at 248.349.4430 or janegard@aol.com.

1983

James D. Bokshan, BBA '83

is president of Association Member Benefits Inc., an insurance consulting and brokerage firm in Troy, Mich. Jim also has started a second business with his brother rehabilitating older homes in Detroit. He and his wife Lucrezia now have two-year-old twins, Anthony and Alexis, joining Amanda, 7. "I'm still active with Theta Chi and, of course, football," says Jim, who can be reached at abgi@compserve.net.

David Buss, BBA '83

is a partner in the law firm of Piper Marbury Rudnick and Wolfe, where he heads the tax group in the New York City office. He lives in Port Washington with his wife Janine and three children. You can reach him at David.Buss@piperRuick.com.

1984

Edward Coppola, MBA '84

"I have relocated to London for the next year, which is part of the strategy of Zurich U.S. Political Risk (part of Zurich Financial Services of Switzerland) to expand its operations and get closer to our customers in Europe," says Ed, who can be reached at edward.coppola@zurichus.com.

Tom Jacques, BBA '84

is a marketing strategist with PCMC in Green Bay, after receiving his MBA in 1996 from the U of Wisconsin-Oshkosh. "I've been working at expanding our international sales network, traveling to Europe and South America," says Tom, "and am also working on the launch of two revolutionary new products for the printing industry for flexible packaging. When I have time, I get on my Nighthawk and go cruising just to get a new perspective on life. I always come back refreshed." Contact Tom at tomjacques@pcmc.com, but even he can't help you get Packers season tickets.

D. William Pumphrey, MBA '84

was promoted to president of Lear Corporation's Electronics and Electrical Division in Dearborn. You can reach him at bpumphrey@lear.com.

1985

Kevin Christ, MBA '85

is a partner with Deloitte Consulting and recently relocated with his wife, Dorothea, and three sons from Detroit to Dallas to serve as the Information Technology Practice leader for the south region. He can be reached at kchrist@dtus.com. "To stem the many inquiries, yes, I'm keeping my football tickets," emphasizes Kevin.

Jonathan K. Maples, MBA '85

was appointed deputy chief executive of the Detroit Public Schools, helping in the reform effort of the 80,000-student school district. Jon is a vice president at DaimlerChrysler and will remain on their payroll for two years. He will be leading purchasing and procurement practices for the school system.

1987



Stuart-Rodgers Ltd.

Mark E. Bookman, BBA '87

was recently named a partner with Ernst & Young. "I specialize in providing tax consulting services to real estate companies," reports Mark. "My wife Mary and I live in Chicago, and I can be reached at mark.bookman@ey.com."

Lisa L. Cooley, MBA '87

was associate director of purchasing for Procter & Gamble but has just moved to Geneva for a new three-year assignment with P&G. You can reach her at cooley.ll@pg.com.

1988

Ron Krassin, MBA '88

is director of marketing for Remington Products in Bridgeport, Conn. He and Merryl are happily married with three wonderful boys, Zachary (11), Noah (5) and Jesse (4). You can reach him at krassinr@remingtonproducts.com.

Maria Ann Thompson, MBA '88

is president of T/J Technologies, a small, minority-owned firm in Ann Arbor that designs, develops and manufactures advanced materials and devices for electrochemical energy storage and conversion. The firm recently received \$50,000 as one of the winners of the



alumni opportunities

Get involved in the University of Michigan Business School's Global Blue alumni community! For more information about alumni activities in your area, call or email your regional contact or club leader, or contact Alumni Relations at 734.763.5775 or alumni@umich.edu.

UMBS Alumni Clubs & Regional Contacts

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Venezuela - Beatriz Meiggs, MBA '99
58.2.285.5211, bmeiggs@yahoo.com

AFRICA and MIDDLE EAST

Israel - Murray Grant, BBA '49
972.9.885.1136, murray@netvision.net.il
West Africa (Ivory Coast) - Bernard Kouassi, Ph.D. '83, 226.36.5713
sadaoc.se@fasonet.bf

ASIA

Beijing - Fan Zhang, MBA '93
86.1.06.463.8550, fanzhang@public3.bta.net.cn
***Hong Kong** - Richard Chow, MBA '97
852.2.918.7828, richchow@hotmail.com
India - Atul Bahadur, MBA '87
91.11.462.7505, Avcotpl@giasdl01.vsnl.net.in

***Japan** - Takeo Suzuki, MBA '76
81.54.202.2222, tacsuzu@chabashira.co.jp
Philippines - Paul Piedad, MBA '95
63.2.894.7837, ppiedad@hotmail.com
***Singapore** - Ng Tock Hiong, BSECO '94
65.371.9519, tock1@singnet.com.sg
***South Korea** - Sang-Wook Ahn, MBA '94
82.2.527.7326, Sangwook.Ahn@kellogg.com
Thailand - Sathist Sathirakul, MBA '91
66.3.615.0194 x6, sathissa@cementthai.co.th
Vietnam - Myhao Nguyen, MBA '97
84.8.856.9197, Myhao_Nguyen@cargill.com

Get Involved!

Become a UMBS Alumni Contact.

Be a contact for the Business School and fellow alumni in your city, country or region. Help counsel prospective students, advise new graduates, welcome summer interns, and arrange alumni events. To volunteer, contact us at alumni@umich.edu.

Attend Reunion 2000! Reunion '00 will be celebrated on October 12-15, 2000. This year, we are especially celebrating the Classes of '60, '75, '80, '90, '95 and '99. Visit the Reunion website and register online at www.bus.umich.edu/reunion2000/.

Join a Planning Committee for Reunion 2000. If you are a member of an anniversary class (see above) and would like to help plan Reunion 2000 activities, please contact Julie Antis at 734.763.5775 or antisj@umich.edu.

Participate in the Day in the Life (DITL) program. Host a first-year MBA or BBA student for a day at your company. Contact Kathie East at 734.763.5775 or eastk@umich.edu for more information.

Sponsor a MAP Team. Contact David Ardis at 734.763.2463 or dardis@umich.edu to sponsor a MAP team of first-year MBAs at your company.

Be a Mentor. For information about the Michigan Business Women's Mentoring Program contact Alumni Relations at alumni@umich.edu.

alumni services

www.bus.umich.edu/alumni
mtrack.bus.umich.edu

M-Track Services

M-Track is the password-protected online directory for alumni and other members of the University of Michigan Business School community. M-Track provides a searchable database of information for and about UMBS students, alumni, faculty and staff.

Currently, alumni can use M-Track to:

- develop personal and professional contacts;
- gain insights about companies and industries;
- access job opportunities and recruit other UMBS alumni for positions in their companies;
- identify other alumni working in a given career area, industry, company or city.

New M-Track Log-in!

As of January 2000, log in to M-Track by entering your username and password at the log-in screen. To obtain an M-Track username, please send an email message to Alumni Relations at alumni@umich.edu or call Alumni Relations at 734.763.5775. When contacting us, be sure to give your current name, your name while at school, your degree and year of graduation.

If you have purchased UM-Online, you may log in to M-Track using the username and password provided through that service. If the log-in does not work, your username may not have been added yet to our database. Contact Alumni Relations, and we will be happy to add it for you.

Address Updates

You can update your address and professional information in M-Track using Personal Profile. Any changes

you make will be reflected immediately in our database.

If you would like Alumni Relations to update your address and contact information for you, then connect to the Alumni Relations website at <http://www.bus.umich.edu/alumni>. Click on *Address Update*. Complete the form for both home and business information and then click on *Submit Form* at the bottom of the page.

Career Services

Career Center
Office of Career Development
Phone: 734.764.1373
Fax: 734.647.9324
E-mail: ocd@umich.edu

Find a Job

Career opportunities for both new and experienced alumni can be found online at <http://mtrack.bus.umich.edu/>. At the M-Track homepage, click on *Alumni Menu* and then on *Career Services*. From *Career Services*, click on *Job Postings* to view employment opportunities.

Post a Job Opening

Employers can post positions for alumni or current students. All postings will remain online for 60 days. This service is free to employers. To post a job online, visit our *Companies and Recruiters* site at <http://mtrack.bus.umich.edu/>. Click on *Web Recruiters* and select *Post a Job Opening*.

Kresge Business Library — Online Resources

Alumni can access Kresge Business Library's online career resources and business information at <http://lib.bus.umich.edu>. Career information includes links to 600 company web sites, U.S. job sites, international job

Alumni Relations
Phone: 734.763.5775
Fax: 734.763.9170
Email: alumni@umich.edu

Ann LaCivita, Director
ADL@umich.edu

Kathie East
Assistant Director
eastk@umich.edu

Nancy Booth
Reunion Manager
nrbooth@umich.edu

Julie Antis
Program Coordinator
antisj@umich.edu

Diana Munoz
Alumni Relations Assistant
dmunoz@umich.edu

Terry Horner
Database Clerk III
thorner@umich.edu

sites, a relocation guide, and information about career fields. For business information, click on *Databases* and then link to extensive business web sites. The Kresge Library site also includes web links to Mentor, the library's catalog, and other University of Michigan library resources.

Alumni Career Packets

Contact the Career Center in the Office of Career Development for career packets containing search-firm contacts, Internet career sites, and guides for resumes and cover letters.

UMBS Marketplace

Alumni Relations is pleased to introduce the UMBS Marketplace, a new place to shop for distinctive gifts, clothing and business items from the University of Michigan Business School. Shop online at www.bus.umich.edu/alumni/UMBSmarket/.



University
of Michigan
Business
School





Rodney L. Brown

first NASA Glenn Garrett Morgan Commercialization Initiative Assistance Awards Program, which will be used to help engineer, design and market its ultracapacitor technology.

1989

Valerie M. Barker, MBA '89

was recently appointed VP of marketing and public relations for Chicago's Museum of Science and Industry, where she is responsible for overseeing marketing, advertising, media relations, publications and group sales. She is an active member of the National Black MBA Association and was named Chicago Chapter Member of the Year in 1995.

Loren V. Heckelman, MBA '89

moved to Washington, DC, in March 1999 and was promoted to Captain in September 1999. "I'm currently working on the staff of the Chief of Naval Operations in the Pentagon developing the Navy's Future Years Defense Plan," says Loren, who reports he's still looking for information from classmates for the section's Global Blue newsletter. Contact him at heckelman.loren@hq.navy.mil.

LaShelle (Chambers) London, MBA '89

is a real estate consultant with EQUIVA Services/Shell Oil Co. in Tinley Park, Ill. "My husband and I welcomed our first child, Leah Cherise London, into the world on May 10, 1999," reports LaShelle. Congratulations can be sent to her at ldondon@equiva.com.

Mark Mahoney, MBA '89

writes that he and Phillis are adjusting to Florida life. Phillis is kept very busy with her corporate counsel work for Siemens ICN. Mark is searching for a marketing/product management opportunity in a creative environment with products or processes that are complex. Job leads or fellow alums who would like to help on their home renovation will find Mark at 21 Grove Way, Delray Beach, FL 33444. You can phone him at 561.279.7533 or e-mail him at markpmahoney@netscape.net.

1990

Tom Kushner, MBA '90

is executive director of Warburg Dillon Read, the investment banking division of UBS AG. He recently organized their Senior Policy

Forum featuring Eisuke Sakakibara, former vice minister of finance for Japan. During their day-long program, they realized they had more in common than just their interest in world financial markets: Mr. Sakakibara received his doctorate in economics from Michigan in 1973.

Mark T. Long, BBA '90

is now a shareholder of The Myers Associates, P.C., a certified public accounting firm based in Seattle. The firm has a broad tax and small-business consulting practice as well as an accounting and auditing practice specializing in not-for-profit organizations.

Jorge Meszaros, MBA '90

has just moved to Caracas, Venezuela, with his wife and two children to work as marketing director in charge of strategic planning for detergents in Latin America for Procter & Gamble. You can reach him at meszaros.j.z@pg.com.

David Rich, MBA '90

is director of Nuance Communications in Menlo Park, Calif. He and Meg announced the birth of their son, Thomas Edward, on October 13, 1999. They live in northern California, and you can send your congrats to drich@nuance.com.

Kenny Robinson, MBA '90

"I've been working at Jergens (Kao Consumer Products U.S. subsidiary) since I left Maybelline in 1995," says Kenny. "At Jergens I launched and now manage the Biore facial care brand. Buy more pore strips!"

Roy Schuster, MBA '90

"My wife and I moved to Dallas at the beginning of this year after eight years in Chicago. In October I was given geographic responsibility for Dallas for Lante Corp., an e-commerce consulting firm headquartered in Chicago," reports Roy, who looks forward to meeting alums in the Dallas area. You can contact Roy at rschuster@lante.com.

1991



Kirsten Cook, BBA '91

has been appointed a research associate for Compass Group Hever, a global executive search firm headquartered in Birmingham, Mich. She is responsible for administering research activities for their Birmingham

and Chicago offices. Kirsten formerly was with Michigan National Corp. and Health Alliance Plan. You can reach her at kcook@compassgroup.com.

Diana Diel, MBA '91

"Tim and I had our second child (Carly Michelle Choppin) in September 1998, and she loves playing with her big sister Katie, who turned 4 last October. Together they join forces to torment their parents, but they are an unending source of joy and delight," says Diana, who resides in Silver Spring, Md.

Todd Penner, MBA '91

is director of marketing for Dell Computer Corp. in Round Rock, Texas. "I live in Austin with my wife Nancy and two daughters, Abby, 5, and Zoe, 2," says Todd, who can be reached at todd_penner@dell.com.



Sathist Sathirakul, MBA '91

is leaving Siam Guardian Glass Co. to become administrative manager of a new company, a joint venture between Siam Cement Group and Hayes Lemmerz Germany, that will produce steel wheels for pickup trucks and passenger cars. He can be contacted at sathissa@cementhai.co.th or at 252 SPE Tower, 11th Floor, Phahloyothin Road, Phrayathai, Bangkok 10400; phone 6150194-6; fax 615-0197.

Mark H. Weintraub, BBA '91

has joined KPMG LLP, the accounting, tax and consulting firm, as a senior manager. As a CPA, he will provide assurance services to clients in the financial services industry in the Detroit metropolitan area.

1992

Rainer Braumann, MBA '92

"After working for two years with Procter & Gamble in Germany, I've spent the last five years with Booz Allen & Hamilton doing general management consulting work in Latin America," says Rainer. "I'm currently living in Caracas, Venezuela, with my wife, Marisol, and two daughters, Leslie Ann and Linda Cristina. You can best reach me at Braumann_Rainer@bah.com."

Michael T. Fridholm, MBA '92

Michael and Kate Fogarty (MBA '92) were married in Napa Valley on October 24, 1999,

and now live in Old Town in Chicago. Mike is VP of account management at Information Resources Inc., and Kate is a director working on customer satisfaction at United Airlines. Congratulations can be sent to michael.fridholm@infores.com.

Jim Golematis, BBA '92

received his MBA at Michigan State in 1998 and is working for GMAC as a financial analyst. You can discuss the merits of the next UM vs. MSU game with Jim at james.golematis@gm.com.

Eric J. Jacobs, MBA '92

recently was appointed vice president of sales for Extraprise, an e-services firm focused on unifying the online with the offline to provide new opportunities for customer-driven businesses. Previously he was VP of sales and marketing for new services at Cambridge Technology Partners, an e-business systems integrator.



Michael J. Schimpf

André H. McKoy, MBA '92

recently left Citicorp to join the first minority-owned, publicly traded Internet company, and is now executive VP of DME Interactive Holdings Inc., which specializes in advanced technology solutions by creating digital products and services, including Web site development, maintenance, turnkey e-commerce solutions, online advertising and software creation. DME just announced they will partner with America Online to launch a new, co-branded urban-oriented online service—Place of Color—which will be powered by CompuServe 2000 and provide Internet access and customized content to minority communities. In the midst of all this excitement, André reports that Marion, Wesley (3) and Njairé (5) are doing very well. To learn all about the new ventures, contact him at Amckoy@dmeinteractive.com.

1994

Lauren Hauck, MBA '94

has moved to Sydney, Australia, where she is a director in the syndications area at National Australia Bank, focusing on project finance transactions. "I'd love to hear from Michigan friends, especially if you'll be in Sydney for the 2000 Olympics," says Lauren, who may be reached at lauren.hauck@naq.national.com.au.

Michael Little, MBA '94

announces the arrival of Matthew Wade Little and Annika Marjorie Little in Singapore on August 13, 1999.

Charles Senteio, MBA '94

is a senior manager at Andersen Consulting in Dallas, focusing on e-commerce strategy for communications and high-tech clients. Charles also plays a lead role in Andersen's recruiting activities for first- and second-year Michigan MBAs. You can reach him at charles.senteio@ac.com.

Tim Sullivan, MBA '94

recently accepted a position with IBM Global Services as a siebel systems (customer relationship management/salesforce automation) consultant. "After gaining weight during my years at Hershey Foods Corp., I figured it was time to move on. Please contact me at 717.566.1420 or tsullivan@us.ibm.com."

1995

Michael B. Adams, MBA '95

was recently promoted to director of business development/six-sigma for Brazeway Inc. He has returned to Adrian, Mich., after spending the last two years in Europe as general manager of the company's international division. In his new dual role, Mike initially will focus on developing and implementing a six-sigma program throughout the organization. He also will be responsible for growth vehicles and the strategic direction of the corporation's growth in coordination with the board of directors. You can contact Mike at madams@brazeway.com.

Edward T. Hightower, MBA '95

is product manager for the 7 and 5 Series car lines at BMW of North America. "I'm enjoying living on the east coast and am active in the New York City chapter of the National Black MBA Association," reports Ed, who adds, "I recently coached a group of high school students to a first-place win in a recent business case competition." If you wish to discuss BMW's hot Z3 sports car, or the even hotter car coming out soon, you can reach Ed at edhigh@ix.netcom.com.

Steven & Rayme (Valentine) Jacobs, MBA '95 (both)

"We welcomed our first child, Noah Benjamin, into the world on November 14, 1999," our new parents write. "He is a terrific little boy, growing and changing daily. We are truly enjoying parenthood, and already are telling him the Wolverines are the best football team in the world."

Marlene Konkoly BBA '95

has held multiple positions for Daimler-Chrysler Corp. at their world headquarters in Auburn Hills, including systems analyst/programmer, transportation analyst/buyer and currently as buyer responsible for seats and

seatbelts. Marlene also wants her classmates to know she took the big plunge in 1999 and bought her first home, and she is still single. To celebrate her purchase, you can contact her at solavino@hotmail.com.

1996

Mark Primmer, MBA '96

is logistics account manager for Stolt-Nielsen Transportation Group in Greenwich, Conn. "1999 was a great year. I got married in May to Nicole, honeymooned for two weeks in Tahiti and ran my third marathon in New York City in November," reports Mark. To find out how he did, contact Mark at mprimer@stolt.com.

1997

Ashutosh Gunderia, MBA '97

is a senior financial analyst with Daimler-Chrysler in Detroit and can be reached at agb@daimlerchrysler.com.

Pamela Mayer, MBA '97

is now in the final stages of developing the new Web company—2Busy.com—which will become the ultimate communication and transaction portal in the home: easy to use and capable of handling 10 to 15 routine activities for you. Participation in the venture start-up is welcomed, and you can contact Pam at 734.213.5668 or e-mail mayer.pamela@worldnet.att.net.

Rob Vieyra, MBA '97

was promoted to director of marketing, current products, at Sprint PCS in September 1999. "I am responsible for consumer marketing of all current products and services," says Rob, who adds, "but for more exciting news, my wife Jen and I were blessed with a daughter, Mikaila Hope, who fortunately has her mother's looks." Send your congrats to Rob at rvieyr01@sprintspectrum.com.

1998

Rosanne M Kurmaniak, BBA '98

started out in a Chase Manhattan investment banking training program in New York then began working as an analyst in Chicago in fall 1998, transferred to the New York branch in 1999 and now has accepted a new position at Solomon, Smith, Barney with broader investment opportunities and experience.

1999

Frank Chong, MBA '99

reports that after graduation he visited friends on the east coast, went camping in the Rockies with his brother, then took trips to Chicago and Cincinnati and now has started a new position as product manager for China in the Optical Networking Group of Lucent Technologies in Holmdel, N.J. You can reach Frank at fkchong@lucent.com.

**Wilbur K.
“Bill” Pierpont
MBA ’38, PhD ’42**



Bill Wood

Wilbur Pierpont, Professor Emeritus of Accounting and University Vice President Emeritus, died on January 26 at age 85 while golfing in Sarasota, Fla. After he received his MBA, Pierpont held a Brookings Institute Fellowship in Washington, D.C. In 1941, he returned to the Business School and received his Ph.D. in 1942. He served in the U.S. Navy and, upon his return, he was appointed assistant professor at the Business School. From 1947 to 1950 Pierpont served as controller of the University and was named VP and CFO in 1951. During his 26-year tenure in that position, the University’s endowment went from \$34 million to \$200 million, the budget increased from \$40 million to \$385 million and assets rose from \$147 million to \$844 million.

In 1962 Pierpont was elected the first president of the National Association of College and University Business Officers. He also held several positions in the American Council of Education, and served as adviser/consultant on university administration and financial affairs to the Rockefeller Foundation, the Sloan Foundation and several other universities and state educational commissions. He was a trustee of the College Retirement Equity Fund and the Kresge Foundation. He was awarded an honorary doctor of laws degree from Central Michigan University in 1958 and an honorary doctor of letters degree from Hope College in 1977.

Pierpont stepped down as VP/CFO in 1977, returned to the Business School as a Professor of Accounting and retired in 1980. In 1986, the Business School established the Wilbur K. Pierpont Scholarship

for MBA students. In 1992, he received the University’s Outstanding Achievement Award. In 1996, the North Campus student center was named Pierpont Commons in honor of Bill and his wife Maxine. In his typical modest manner, Pierpont was quoted at the time saying, “Of course, it’s a very pleasant surprise.” In 1999, colleagues, friends and foundations contributed \$500,000 to establish the Wilbur K. Pierpont Collegiate Professorship of Business Administration.

Dean B. Joseph White said, “Bill Pierpont was an extraordinary University of Michigan leader. The greatest honor of my career has been to hold the Wilbur K. Pierpont Collegiate Professorship. He was one of the most wonderful people I’ve ever known. The achievements of his career were matched by the quality of his character and the great affection felt for Bill by so many friends and colleagues.”

President Lee C. Bollinger noted that, “As Vice President and Chief Financial Officer, Dr. Pierpont helped lead the University through a period of tremendous growth. He will be remembered not only for his integrity and superb management skills, but also for his compassion and concern for faculty, students and staff.”

Pierpont is survived by his wife Maxine; son and daughter-in-law, James W. and Judith Ann Pierpont; and daughter and son-in-law Ann Nelson Mack and Kenneth Mack; as well as three grandchildren and several great grandchildren.

Former Dean Gilbert R. Whitaker Jr. said, “Bill Pierpont was a mentor and an inspiration to me. He was the person who convinced me to come to Michigan. He

was a key advisor in all the important decisions made in the early days of my deanship. More important, he was one of the finest human beings I have ever known. I will miss him greatly.” And so will the entire University community, upon which Pierpont has left an indelible mark.

**Clayton James
“Jim” Pilcher
BBA ’42, MBA ’47,
PhD ’55**

Jim Pilcher passed away on July 25, 1999, at age 78. After receiving his BBA, Jim entered the U.S. Navy where he served as a blimp pilot during World War II. He returned to Michigan in 1945, married Jane Scheerer Pilcher, a childhood friend, in 1946, received his MBA in 1947 and moved to New York to work as a financial officer on Wall Street. Dr. and Mrs. Pilcher returned to Michigan after one year, and Pilcher began teaching finance at the Business School.

In 1987, forty years and some 10,000 students later, Pilcher retired. One of those students, Ray E. Newton, a lifetime admirer, established the C. James Pilcher Scholarship in 1987, dedicated for MBA students. Pilcher served on the board of directors of Great Lakes Bank, and was a member of the Financial Executive Institute and American Finance Association. He also was a member of Rotary International and the UM Athletic Board of Control.



Jim Pilcher's photograph, taken in front of the Peace Palace in the Hague while he was on sabbatical in Holland, became the cover of the first issue of *Dividend* published in the spring of 1969.

He also was a deacon and elder of the First Presbyterian Church, and thoroughly enjoyed gardening and traveling. He is survived by his wife and their five children, Jim Jr., Joel, John, Jerry and Jane; two sisters and 15 grandchildren.

The endowed scholarship established by Ray Newton epitomizes the effect Pilcher's

distinguished, 40-year career had on his thousands of students. "He was greatly loved by his students, and many felt he strongly influenced the direction of their careers," said one colleague. Pilcher was a good friend to many, but above all he was a Professor in the truest sense of the word—a man whose teachings will long be remembered.

In the Know on IPOs

continued from page 14

measure this correlation for individual companies, she needed more than the traditional employee survey. So she developed her own.

Using proprietary software and Internet links, she formed a Web-based company called eePulse, which is a business-to-business Internet company. It tracks employee opinions and concerns, through targeted, one-on-one e-mail interaction. "The correlation between the employee and high job performance is not about being happy but being energized," she says. "Employee energy levels predict employee performance in the areas of absenteeism, turnover, performance appraisal scores and goals being met."

Welbourne's research proves a direct correlation between employee satisfaction and overall organizational performance.

Welbourne develops and sends a series of e-mail messages from eePulse servers to her clients' employees. The messages are specifically tailored to query on subjects of particular interest to the client company. All responses are confidential. eePulse gathers the responses, sorts and analyzes them by topic and gives the results to the CEO.

Welbourne encourages the CEO to be responsive. If there is a groundswell for cleaner bathrooms, for example, then the CEO should make that improvement immediately. She finds that rapid response is a motivator and confidence builder among employees, who then become more candid in their responses to future eePulse questions. Depending on client goals, the e-mail/response cycle can be weekly, bi-weekly or monthly.

E-mail responses may contain information on problems in the making. "Things gone wrong are expensive to remedy in terms of dissatisfied and lost customers, bad press, product recalls, unplanned capital allocations for product and systems redesign, employee turnover, increased absenteeism and sexual harassment lawsuits," she says. "Things about to go wrong can be fixed."

For more information, e-mail Theresa Welbourne at twelbour@umich.edu or you can leave a phone message at 734-996-2321.

Share Your News... And Send a Photo!

Your classmates want to hear from you and see you in the next issue of *Dividend*.

There are many ways to submit a Class Note:

- 1) Fill out the Alumni Network Update on the last page of this issue and send it—along with a picture, if possible—in the postage-paid, self-addressed envelope inserted in the magazine.
- 2) E-mail your submission to cshaw@umich.edu.
- 3) Fax your submission to (734) 647-2401.
- 4) Mail your news to *Dividend*, University of Michigan Business School, 701 Tappan Street, Suite D-2201, Ann Arbor, MI 48109-1234.

Thank You!

alumni network update

GET CONNECTED with your classmates and ensure you receive all Business School correspondence. Keep your contact information up-to-date with Alumni Relations.

Alumni Relations
University of Michigan Business School
701 Tappan St., Ann Arbor, MI 48109-1234
Phone: (734) 763-5775 Fax: (734) 763-9170
Email: alumni@umich.edu

Please Print Legibly

BUSINESS INFORMATION

Name: _____

Degree(s) & Year(s): _____

Job Title: _____

Employer: _____

Business Address: _____

Business Phone: _____

Fax: _____

Preferred Email: _____

HOME INFORMATION

Name While in School: _____

Degree(s) & Year(s): _____

Home Address: _____

Home Phone: _____

Date: _____

____ I consent to posting my business address and email in the alumni directory and on my class website, if one exists. Both are located in M-Track, the password-protected portion of the Business School website.

____ I consent to posting my home address and email in the alumni directory and on my class website, if one exists. Both are located in M-Track, the password-protected portion of the Business School website.

NETWORKING CODES

To get connected with alumni and students, you must identify your networking codes. Select one function and one industry code.

FUNCTION

- Accounting
- Buying/Purchasing
- Computer Info. Systems
- Consulting-General
- Consulting-Info. Technology
- Consulting-Internal
- Consulting-Operations
- Consulting-Strategy
- E-Commerce
- Engineering Management
- Entrepreneur
- Finance-Commercial Banking
- Finance-Corporate
- Finance-General
- Finance-Investment Banking
- Finance-Investment Mgmt.
- Finance-Sales/Trading
- Finance-Venture Capital
- General Management
- Human Resource Mgmt.
- International Business

- Management Info. Systems
- Marketing-Advertising
- Marketing-Financial Services
- Marketing-General
- Marketing-Product Mgmt.
- Marketing-Research
- Marketing-Sales/Retail
- Marketing-Tech./Industrial
- Operations Management
- Real Estate
- Strategic Planning

INDUSTRY

- Manufacturing**
- Aerospace
 - Agribusiness
 - Auto./Trans. Equipment
 - Chemicals
 - Computer
 - Construction/Bldg. Materials
 - Consumer Goods

- Diversified Manufacturing
- Electronics
- Engineering Design
- Energy/Petroleum/Mineral
- Healthcare Products
- Machinery & Equipment
- Metals/Metal Products
- Paper/Wood/Glass
- Pharmaceutical/Biotechnology
- Rubber/Plastics
- Textiles

Services

- Advertising
- Business Services
- Computer Services
- Consulting/Research
- E-Commerce-B2B
- E-Commerce-B2C
- Education
- Entertainment/Leisure
- Environmental

- Finance-Commercial Banking
- Finance-Insurance
- Finance-Investments
- Finance-Services
- Finance-Venture Capital
- Government-Federal
- Government-International
- Government-State/Local
- Healthcare
- Hotel & Restaurant Mgmt.
- Import/Export
- Law
- Non-Profit
- Public Accounting
- Real Estate
- Retail
- Search Firms
- Software/Printing/Publishing
- Telecommunications
- Transportation
- Utilities
- Wholesale/Distribution

Please take a moment to respond to the information on the following page.

alumni network update

Name: _____

Get Involved:

- I would like to help plan my next reunion.
- I am interested in finding out more about alumni activities in my area.
- My company may be willing to sponsor a reception/event for alumni or prospective students.
- I am willing to counsel prospective students, current students and alumni regarding the Business School experience and/or career opportunities. I understand my home and business contact information may be released for this purpose.

Join the Entrepreneurship/E-Commerce Networks:

Add me to the online networking group in M-Track.

Entrepreneurship E-Commerce

Add me to the email/mailling list regarding these activities at the Business School.

Entrepreneurship E-Commerce

I am willing to act as an advisor for students or alumni involved in projects and seeking career advice. I understand I will be listed as an advisor in M-Track and that my home and business contact information may be released for this purpose.

Entrepreneurship E-Commerce

Share your news. . . and send a photo!

Your classmates want to hear from you and see you in the next issue of *Dividend*.



By providing my information, I consent to publishing my Class Note, photo and email address in *Dividend* magazine and on my password-protected class website, if one exists.



THE WORLD HAS CHANGED
HAVE YOU?

A three-day executive education program offering an overview of the latest concepts being taught to today's MBA students at the University of Michigan Business School.

How much has the business world changed since you graduated? New technology. New rules. New competitors. New business models. What do you really need to know to compete in the new economy? Many University of Michigan alumni have expressed an interest in returning to campus to learn the new management concepts and tools being taught to current students. In response, Executive Education is offering a new program scheduled for **Oct. 25-27**. It offers the very latest knowledge from members of the world class UMBS faculty. The program has been designed for managers who graduated at least five years ago. The program fee is \$3,320, and includes tuition, books, instructional materials, meals and living accommodations.

For more information, please contact Melanie Barnett at (734)615-2162



University
of Michigan
Business
School



University
of Michigan
Business
School

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Venture Capitalist Speaks

Dixon Doll Addresses Class of 2000



One of the nation's leading venture capitalists and the strategic manager of the University of Michigan Business School's Growth Fund—Dixon R. Doll—shared his views on the revolutionary technological changes and the unprecedented transformation taking place in business today when he addressed the Class of 2000 at their commencement on April 28.

Doll, who earned his Ph.D. in engineering at the University of Michigan, is the founder of Doll Capital Management. For more than 30 years, he has served as the lodestar for entrepreneurs, investors and executives in the telecommunications industry. He has been an active technology venture-capital investor, focusing on early-stage opportunities in communications, networking and the Internet, for more than 20 years. He also is a well-known writer, lecturer and educator.

Prior to founding Doll Capital Management in 1996, Doll was a co-founder of the Accel Telecom Fund, where he directed telecom investing from 1985–1994. During his career, he has been instrumental in helping to organize, fund and grow some of the networking industry's most successful companies, including Bridge Communications (3Com) and Centillion Networks (Bay Networks).

In 1989, Doll became a venture investment manager for the Business School's Growth Fund, a volunteer position that, over the years, has enabled him to draw upon his vast consulting experience and investment expertise.

"Dixon Doll serves the Business School exceptionally well," says Dean B. Joseph White. "As one of the managers of the Growth Fund, he has made investments of our endowment funds that have grown from a value of several hundred thousand dollars a decade ago to over \$10 million today."

Commencement for the Class of 2000 was held on Friday, April 28, at Crisler Arena. Look for coverage of the event in the fall issue of *Dividend*.