

STEPHEN M. ROSS SCHOOL OF BUSINESS AT THE UNIVERSITY OF MICHIGAN

Dividend

FALL 2005



Climate Change

**The Debate Heats Up:
Jobs, Trade and National Security**

Plus—Tom Jones: Transforming BBA Education



Strategic Human Resource Leadership

EXPLORE THE NEW HR VALUE PROPOSITION WITH A WHO'S WHO OF HUMAN RESOURCE THOUGHT LEADERS.

The Ross School of Business is pleased to announce the return of David Ulrich from a three-year sabbatical. Dave was recently ranked #2 in the 2005 Excellence 100 for HR leadership, excellence and consulting, and was named the #1 management educator and guru by *Business Week* in 2001. He resumed his faculty position as Professor of Business in July 2005 and also will co-direct two executive education programs for the Center for Strategic Human Resource Leadership.

Redefining HR for the 21st century

The human resource field is being split, as traditional transactional and administrative HR functions—payroll, benefits, training, etc.—are being outsourced, reengineered and automated, leaving HR professionals with more strategic responsibilities and roles. Recognizing this seismic shift, and informed by insights gained from the Ross School of Business Human Resource Competency Study with a global database of 30,000 HR professionals (the world's largest), the Center for Strategic Human Resource Leadership is actively defining the future of HR.

Center faculty Wayne Brockbank and Dave Ulrich have developed a novel way of defining, assessing and expanding the role of HR in the 21st century organization. Their *HR Value Proposition* now guides the Center's executive development programs and research agenda, presenting and exploring new ways to help HR professionals deliver value to both internal and external constituencies. Their work will help employees be more competent and committed, line managers accomplish their business strategies, customers buy more and investors gain confidence.

PROGRAMS

» Advanced Human Resource Executive Program

Michigan's preeminent program for senior HR executives

DATE: October 31–November 11, 2005 » FEE: \$18,900

» Human Resource Executive Program

Preparing HR managers to become strategic partners

DATES: December 5–16, 2005 | March 13–24, 2006 » FEE: \$18,300

» Strategic Human Resource Planning

Integrating your business challenges with HR strategies

DATES: October 10–14, 2005 | April 10–14, 2006 » FEE: \$7,600



Tom Jones: Transforming BBA Education

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20 “Our Brains Were in Overdrive”

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24 1st Target Case Competition

Pitching business solutions to retail executives is the real deal for BBA seniors.

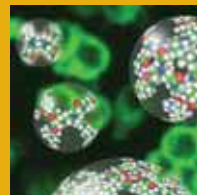
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Climate Change



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Although *Dividend* strives for accuracy, we fell short in the Spring '05 issue when we misspelled the name of the chair of the Alumni Society Board of Governors and reported an incorrect graduation date for her in an article on page 15. We apologize to all our readers, particularly to Jacquelyn A. Levin, MBA '87, president and CEO of AFB International.

Dividend

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Stephen M. Ross School of Business
Web site: www.bus.umich.edu

Across the Board

CONSTRUCTION Facility Plans Move Forward

Teams of Ross School faculty, staff and students worked closely with architects this spring and summer on a schematic design for new facilities to be presented to the Regents this fall.

Upon final Regental approval of the project and completion of fundraising, what promises to be a hectic but exciting two years of construction on the west side of the business school campus begins. The tentative timetable is to begin in May 2006 to allow the early work to be completed while students are away for the summer.

MBA classes will be held a block away in Wylie Hall, which houses modern classrooms originally designed for the Executive MBA and Executive Education programs, during the construction period, says Graham Mercer, assistant dean for strategic planning and special projects.

To make room for the MBA and PhD programs, the Executive Education and Executive MBA programs are relocating from Wylie Hall to 28,000 square feet of new space in the Michigan Information Technology Center (MITC) on South State Street. Built for high-tech conferences and offices, MITC is within minutes of the campus.

Circular staircase in Wylie Hall



For all students, it will be business as usual in the recently renovated Kresge Library. The Executive Residence dining room will become the student lounge with expanded food service, and faculty and program offices will move to former Executive Residence hotel rooms.

In February, Regents approved the Ross School's \$145 million proposal for a new facility and the hiring of Kohn Pedersen Fox Associates PC (KPF) of New York as project architect.

More than half the cost of the project will be funded by \$75 million of a \$100 million gift from **Stephen M. Ross**, BBA '62, for facilities and endowment. Although University officials have said financing a portion of the building is a possibility, the school has to raise at least \$40 million more for facilities before breaking ground. The new facility is part of the Ross School's \$350 million campaign, which started in 2000. So far, \$260 million has been raised.

SATISFACTION ACSI Celebrates Milestone

Since it was introduced 10 years ago, the American Customer Satisfaction Index (ACSI) has gauged the quality of American products and services as seen through consumers' eyes and shed light on how buyer satisfaction affects future purchases and the performance of firms, industries and the overall economy.

At the 10-year mark, Claes Fornell, director of the National Quality Research Center and founder of ACSI, reflects on ACSI findings in a monograph titled *The American Customer Satisfaction Index at 10 Years, A Summary of Findings: Implications for the Economy, Stock Returns and Management*.

Data confirm that companies with high customer satisfaction are rewarded financially by repeat business from buyers and more capital from investors. Many of the ACSI leaders — Google, eBay, Domino's, Amazon, Dell and Hyundai — also have been among the most financially successful. Companies in industries with high levels of complaints and low ACSI scores,

such as telecommunications and airlines, have struggled.

The ACSI also predicts GDP growth from consumer spending. The degree of satisfaction people get from shopping, buying and consuming tells us how they spend their money, more so than income, wealth, credit, consumer confidence or any other economic variable, says Fornell, professor of business administration and of marketing.

Over the years, the financial implications of customer satisfaction have become much clearer. "Customer satisfaction enhances repeat business," says Fornell. "It tends to lower employee turnover and marketing costs, creates cross-selling opportunities and puts price pressure on the competition."

Fornell dispels misconceptions about the causes of customer dissatisfaction and suggests ways managers can avoid common pitfalls. For example, he finds no evidence that rising customer expectations are to blame for low or slipping satisfaction. Nor does he support the notion that firms should always devote additional

resources to the areas their customers say are most important to them. Rather, he advises managers to concentrate on places

where improvements lead to the greatest marginal increase in customer satisfaction at the lowest cost.

Mergers more often than not lead to deteriorating customer satisfaction, warns Fornell, who cautions against relying on price cutting and discounting to boost satisfaction levels. Trying to exceed customer expectations all the time comes at the price of diminishing returns, he says.

Fornell also is concerned about the large trade deficit and the risk it poses. For some time now the United States has been in danger of losing its longtime economic advantage in the ability to borrow and trade goods in dollars with foreign creditors bearing all the currency risk. Shifting demand from imports to domestic goods and services is essential to reduce the gap and make the American economy less dependent on the costs of production and more focused on building strong customer relationships, he concludes.

To learn more about ACSI or to order the monograph, visit www.theacsi.org/.



VALUES

Action, Lights, Camera

Wayne Baker, author of *America's Crisis of Values: Reality and Perception*, was featured on *Book TV* in April and May. The program was taped before a live audience on April 12 in Phelps Lounge at the Ross School and aired multiple times on C-SPAN2.

Baker, professor of management and organizations and director of the Center for Positive Organizational Scholarship, began working on the book in 1996. It was published shortly after the 2004 presidential election. Before and after the election, the media and politicians trumpeted the idea of the United States being a bitterly divided nation. Debunking what he called a "pack of lies" to sell newspapers, boost ratings and market share, Baker said, "We are not divided. In fact, we are united when it comes to important values and attitudes. Americans tend to have traditional values, though they want to express these values in their own ways."



MARTIN VLOET

Wayne Baker

FACULTY

Recognized for Research, Teaching and Service

Eight Ross School faculty members were honored on April 6 for research, teaching and service.

Professor C. K. Prahalad received the Senior Faculty Research Award for research in the field of business, includ-

ing his most recent book, *The Fortune at the Bottom of the Pyramid: Eradicating Poverty through Profits*, and his contributions to building and maintaining a strong research environment at the Ross School. Prahalad also was honored in July by the Regents, who named him a Distinguished University Professor, the highest honor the U-M bestows on its faculty, for his originality, scholarly achievement, demonstrated teaching skills, breadth of interest and achievements.

Other business school faculty honored in April:

- James R. Hines Jr., professor of business economics and research director of the Office of Tax Policy Research at the Ross School, was named Researcher of the Year at the school's annual faculty awards dinner. The award recognizes his substantial research contributions in the last three calendar years and the significance of his scholarly publications.
- M. P. Narayanan, professor of finance, received the Victor L. Bernard Teaching Leadership Award. Established in 1994 in memory of Professor Victor Bernard, the award recognizes teaching, work with PhD students and colleagues, and course design.
- Michelle Hanlon, assistant professor of accounting, was named the Bank One Corporation Assistant Professor of Business Administration. The one-year appointment recognizes and supports promising non-tenured faculty.
- Sendil K. Ethiraj, a Hallman Fellow and assistant professor of corporate strategy and international business, was named the Sanford R. Robertson Assistant Professor of Business Administration. The one-year named professorship recognizes early career achievement and encourages outstanding performance in teaching and research. **Sanford Robertson**, BBA '53, MBA '54, is principal founder of Francisco Partners in Menlo Park, California.
- Jan Svejnar, the Everett E. Berg Professor of Business Administration, professor of corporate strategy and international business and professor of business economics, received the Contribution to the Research Environment Award for his creative, substantive and high-impact contributions to the Ross School's research



D.C. GOINGS

C. K. Prahalad

environment. He was executive director of the William Davidson Institute from 1996 to 2004.

- Francine Lafontaine, professor and chair of business economics and public policy and professor of economics, has been named the Jack D. Sparks Whirlpool Corporation Research Professor. The professorship, established in honor of the former chairman, president and CEO of Whirlpool Corp., recognizes Lafontaine's outstanding record of scholarship and ongoing research program.
- Brian Talbot, the David B. Hermelin Professor of Business Administration, professor of operations and management science and co-director of the Erb Institute MBA/MS Program, received the Andy Andrews Distinguished Faculty Service Award. The award was created in memory of Richard W. (Andy) Andrews, associate professor of statistics, who died on May 29, 2002. Talbot serves on the school's Executive Committee.

KUDOS

Doctoral Grads Honored

The Ross School celebrated its 10 newest PhDs and honored alumnus **Harbir Singh**, PhD '84, at the school's fifth annual Doctoral Recognition Program and Distinguished PhD Alumni Award presentation in April.

In his keynote address, Singh, the Edward H. Bowman Professor of Management at the Wharton School of the University of Pennsylvania, encouraged the graduates to focus their scholarship on areas that will have the most impact.

“Make sound choices about where you work. Seek to create more impact on public policy,” he said. He also advised the future professors to maintain their relationships with teachers and advisers and cultivate a “college of colleagues” as a support network.

Singh, co-director of the Mack Center for Technological Innovation at Wharton, is a leading researcher on strategic alliances and strategies for corporate renewal. He has consulted to and held executive workshops for Bell Atlantic, IBM, Merck and AT&T. His current research includes strategies for corporate acquisitions, corporate governance, joint ventures, management buy-outs and corporate restructuring.

The Doctoral Recognition Program, established in 2000, honors all doctoral candidates who will defend or have defended their dissertations this year.



MARTIN VLOET

Doctoral honorees, left to right, Christa Bouwman, Seung-Yoon Rhee, Ravi Subramanian, Associate Dean Izak Duenyas, Chris Marquis, Sunil Mithas, Xinxin Hu and Zheng (Jane) Zhao. Not pictured: Amrita Nain, Wei (Vicki) Tang and Harris Wu.

COMMENCEMENT Landmine Survivor Shares His Story

April 12, 1984, was a gorgeous day in northern Israel when **Jerry White**, 20 years old and a junior at Brown University, and two friends were returning to Jerusalem from a backpacking trip and the ground exploded under White’s feet.

“I thought it was a terrorist attack. It was then that I learned what landmines do. They were invented to rip off body parts—not to kill, but to maim. My right foot was blown off. I kept shouting: ‘I have no foot! I have no foot!’”

Bone fragments from his right foot had become projectiles peppering his lower body. His left leg also was blown open; bones jutted out of his calf. “I was bleeding to death,” White told fellow Ross School graduates during his April 29 commencement address in Crisler Arena.

White, executive director of Landmine Survivors Network (LSN), was among more than 1,100 graduates to receive degrees in the ceremony that also recognized a distinguished alumnus, teaching award winners and student leaders.

White, who thanked his Executive MBA classmates for making him a better manager, described the man-made epidemic that has become his obsession: 80 million landmines buried in more than 80 countries. Eighty percent of landmine victims are civilians, including thousands of women and children. Every 22 minutes someone steps on a landmine.

White survived, thanks to two friends who carried him out of the unmarked minefield that had been laid during the 1967 Arab-Israeli war. After spending six months in Israeli hospitals, White returned to and graduated from college. He worked for 10 years as a nonproliferation analyst, tracking the spread of nuclear, biological and chemical weapons for the Wisconsin Project on Nuclear Arms Control before he and landmine survivor Ken Rutherford founded the LSN. The LSN is a leader in the International Campaign to Ban Landmines, which won the 1997 Nobel Peace Prize.

“I didn’t set out to help landmine victims,” White said. His passion to change the world was sparked by a Cambodian girl, also an amputee. When she noticed him adjusting his prosthesis and said in Khmer “You are one of us,” White said he realized he could no longer distance himself from the suffering of amputees in Cambodia and other countries around the world.

“Today, April 29, is the anniversary of the day in 1970 that President Nixon ordered an invasion of Cambodia,” said White. Cambodians still live with the aftereffects. “All of us are connected to that Cambodian girl in Phnom Penh.” White called on his fellow graduates to use their managerial skills to help heal a hurting planet.

As part of the ceremony, **Ronald N. Weiser**, BBA ’66, who served as U.S. Ambassador to the Slovak Republic from



STEVE KUZMA

Jerry White

2001 to 2004, was presented the David D. Alger Alumni Achievement Award, which recognizes alumni whose professional successes have brought distinction to themselves, credit to the school and benefit to fellow citizens. Weiser is founder, chairman and CEO of McKinley Associates Inc., a national real estate investment company.

Five faculty were recognized by students for teaching excellence:

- **Gautam Ahuja**, PhD ’96, a Hallman Fellow and chair and professor of corporate strategy and international business (MBA award)
- James M. DeSimpelare, lecturer of accounting (MAcc award)
- Sendil K. Ethiraj, a Hallman Fellow and assistant professor of corporate strategy and international business (PhD award)
- Victoria Johnson, Fellow of Society of Scholars and visiting assistant professor of management and organizations (BBA award)
- **Thomas C. Kinnear**, PhD ’72, the Eugene Applebaum Professor of Entrepreneurial Studies, professor of marketing and director of the Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies (Executive MBA award)

CLASS OF 2005 Gift Supports Facilities, Action- based Learning

An annual gift-giving tradition launched 25 years ago reached a major milestone this spring as members of the Ross School of Business Class of 2005 presented checks totaling a record \$812,840 to Dean Robert J. Dolan, who accepted the donations and pledges on behalf of the school.

Of the total, \$280,240 was raised by graduates in the day and evening MBA,



PHOTOS BY STEVE KUZMA



TOP Left to right, Nancy Stano, Adam Nielsen, Ben Johnston, Danielle Tomassini, Sarah Ettinger, Adam Tymowski and Dean Robert J. Dolan

BOTTOM Left to right, Dean Robert J. Dolan, Executive MBA graduates Ken Davis, Anna Bousouris, Mitch Henderson, Amy Rhine-Pallas, John Kennedy and Professor Susan Ashford, academic director of the Executive MBA Program

MAcc and BBA programs and is earmarked for the facilities fund. The remainder was donated by Executive MBAs. Speaking on behalf of his classmates, **John Kennedy**, president of Autocam Corp. in Kentwood, Michigan, and Hayward, California, noted that all 56 members of the Executive MBA class contributed to its \$532,600 gift. “We’re a small class, but we’re going to do great things,” Kennedy predicted. The gift will endow Executive Multidisciplinary Action Projects and provide additional resources for alumni programming.

Graduates presented their gifts and pledges at an April 29 celebration under the portico prior to commencement. “We can’t tell you how much your gifts mean to the school,” said Dolan. “We appreciate the nature of the investment you’re making.”

Class Gift Campaign leaders were:

- BBA — **Damian Kim** and **Nancy Stano**
- MBA — **Adam Nielsen** and **Ben Johnston**
- Evening MBA — **Danielle Tomassini**

- MAcc — **Sarah Ettinger** and **Adam Tymowski**
- Executive MBA — **Anna Bousouris**, **Ken Davis**, **Mitch Henderson**, **John Kennedy** and **Amy Rhine-Pallas**

FORE!

Author’s Goal: Make Gender Bias Gauche

The hardest and most bitter lesson Martha Burk says she has learned as chair of the National Council of Women’s Organizations (NCWO) is that leaders in corporate America who engage in sex discrimination do so without fear of reprisal from consumers or employees.

Speaking at the Ross School in March, Burk, the author of *Cult of Power: Sex Discrimination in Corporate America and What Can Be Done About It*, said, “I’m here to talk about dishonesty in corporate America, dishonesty that affects us all, dishonesty that has to end.”

The NCWO is a network of nearly 200 national women’s groups that collectively represent 10 million women. Burk explained how a brief letter from the NCWO in 2002 to the Augusta National Golf Club — host of the prestigious Masters Tournament — expressing concern over its all-male membership sparked a national argument regarding the club’s then-secret roster of high-ranking corporate executives.

Burk includes in her book the Augusta National Golf Club 2002–2004 membership roster that was faxed to her anonymously after she sent the letter to the golf club. The list includes America’s rich and powerful. Fourteen are members of the Council on Foreign Relations, Burk said.

If the Augusta National Golf Club practiced racial rather than sex discrimination, Burk said, America’s business, government, philanthropic and media leaders who belong to the club would be forced by public pressure to resign or lose their



Martha Burk

jobs, and Masters Tournament sponsors would withdraw support for the nation’s premier golf event.

The talk was sponsored by University Housing, Division of Student Affairs and the Ross School.

SURVIVAL

Automotive Exec: Adapting Is Key

Although developing countries such as China and India are important to the future of auto companies, the firms’ relationships with the developed world remain vital, Dieter Zetsche, head of the Mercedes Car Group of DaimlerChrysler AG, told a Ross School audience this spring.

Zetsche, who ran the Chrysler Group from 2000 until September 1, shared lessons learned during his 28 years in the auto industry and from the merger of Daimler-Benz and Chrysler Corp.

“Despite many political differences, the ties between Europe and America are as important and as tightly woven as ever before — especially the economic ties,” he said. Global competitiveness is increasing each year with more nameplates and models in the market. This may lead some to think “only the strong survive,” Zetsche said, paraphrasing Darwin. But Zetsche reminded the audience that Darwin also said those who are “most responsive to change” survive.

“Adapting to compete in the new order is the key to survival,” he said. The 1998 merger of Daimler-Benz and Chrysler was necessary for the survival of both companies. It didn’t immediately solve problems but “created an opportunity for us to blend our organizations, expertise and technology know-how in the search for solutions to survive in this hyper-competitive global market,” Zetsche said.

Executives at the new DaimlerChrysler learned many lessons, he said, including:

- Success or failure may be less about the business model you choose and more about how well you execute your model.
- In a global merger, protect your brands and integrate your operations. Merging two companies but then running them as separate entities doesn’t make sense. “That’s not a marriage, that’s just roommates,” he said with a smile. The merger didn’t mean the company was going to put a Mercedes badge on a Chrysler or vice versa. However,

some operations were transparent and could be integrated and streamlined. The company's Procurement and Supply group, separated into three divisions and run by one executive, is an example of the new state-of-the-art processes created by the merger.

- When it comes to merging companies, it's all about business. Merging the American and German operations was not difficult; merging the corporate cultures was. Both companies had their strengths and had to learn from each other. Chrysler had to adopt the discipline of Mercedes without losing its creative spirit. The automaker called the concept "disciplined pizzazz," a term that has "stuck with our employees and made us a better company."
- Never take your eye off your core business. "When you're competing against global competition, taking your eye off the ball, even for a moment, can cost you big," Zetsche said. Also, in a globally competitive market a company can't be satisfied to simply work in its home market "while the competition brings the fight to you. You have to take the fight to the competition. You can only do that successfully if you first get the product right."
- Although the business world is more competitive than ever, there's also a new world of opportunity for those who are prepared, willing and eager to take advantage of it. Zetsche said global companies need talented people with

a good education, experience or demonstrated ability, and the attitude to succeed. A bachelor's degree is required in the global business

world and a master's degree is preferred. "People need to have knowledge in other fields." For instance, engineers should know something about finance, and economics majors should know about marketing. Studying abroad also is favored by global companies, and speaking a for-



Dieter Zetsche

eign language, even if it's just the basics, can go a long way in the business world, he said.

His talk was sponsored by the William Davidson Institute and the University's European Union Center.

LEADERS & BEST

School Recognizes Outstanding Alumni

Lesa Chittenden Lim, MBA '86, of Gulph Mills, Pennsylvania, and Edward "Ted" Michael, BBA '67, MBA '68, of Vero Beach, Florida, are the 2005 recipients of the Charles H. Ihling Memorial Service Award, which recognizes retiring and former board members for extraordinary service. The awards are to be presented at the Alumni Society Board of Governors' October meeting.

Chittenden Lim, president of the management consulting firm LMCL and a professional artist, is being recognized for her outstanding contributions as chair of the Alumni Society Board of Governors. She completed her term as chair in fall 2004. She served as an engagement manager at McKinsey & Company, director of strategic planning at FMC and vice president and general manager of the \$500 million specialty chemical division at Allied Signal before starting LMCL.

Michael is being recognized for his long-term commitment to the school and his service as chair of the Alumni Board Membership Committee. He served as CEO of Diamond Brands Inc. from 1989 until his retirement in 1998. Previously, he had served as the Diamond Brands' chief financial officer, as vice president for finance for the Bekins Co. and as an audit manager for Arthur Andersen LLP.

Other 2005 alumni award recipients:

- Former U.S. Ambassador to the Slovak Republic **Ronald N. Weiser**, BBA '66, of Ann Arbor, founder of McKinley Associates Inc., received the David D. Alger Alumni Achievement Award at commencement in April.
- **Thomas C. Jones**, BBA '68, MBA '71, of Ann Arbor, who retired as president of CIGNA's Retirement & Investment Services Division in 2002, received the Bert F. Wertman Alumni Service Award at the school's annual Scholarship Recognition Dinner in March. See page 16.

PROMOTION

Janet Weiss Named Graduate School Dean

Janet A. Weiss, the Mary C. Bromage Collegiate Professor of Organizational Behavior and Public Policy at the Ross School, became dean of the University's Horace H. Rackham School of Graduate Studies and Vice Provost for Academic Affairs-Graduate Studies on August 1.

Weiss, who joined the business school faculty in 1983, served as associate provost for academic affairs from 2002 until her promotion. As associate provost, she was responsible for faculty promotion and tenure, family friendly policies affecting faculty and students, facilities planning and strategic planning. Weiss founded and directed the University's Nonprofit and Public Management Center from 1998 to 2002. She was associate dean of the business school from 1992 to 1997 and before that served as associate director of Michigan's Institute of Public Policy Studies, the forerunner to the Ford School. She also taught at Yale University.

Weiss received a PhD from Harvard University in psychology and social relations and a BA from Yale University. Her research focuses on public management and public policy, including the roles of information and ideas in the policy process, the challenges of public management, and the interplay between policy design and the management of public programs.

As dean, Weiss will work with the deans of the University's other 18 schools and colleges to improve the quality of graduate education and to create conditions that allow graduate students to do their best work. As vice provost, she will advocate for policies, funding and initiatives that support graduate and professional education. **M**



Janet A. Weiss

Business Can Foster and Profit from Sustainable Peace

BY CINDY A. SCHIPANI

Schipani is a professor of business law and chair of the Law, History and Communication area at the Stephen M. Ross School of Business. Her research focuses on corporate governance with an emphasis on social responsibility and fiduciary obligations. In 2004, Cambridge University Press published *The Role of Business in Fostering Peaceful Societies*, which Schipani co-authored with Timothy L. Fort, who was an associate professor of business ethics and business law at the Ross School and is now the Lindner-Gambal Professor of Business Ethics at George Washington University. The book introduces a novel area of scholarship that examines the underlying factors linking international business activity, organizational behavior and harmonious societies.

Peace is good for business—where there is peace there is more stability, less poverty and fewer obstacles to economic expansion. And there is compelling evidence business can foster peace by promoting and adopting certain attitudes, activities and values that correlate with peaceful societies. These include participatory governance, operational transparency, a sense of community, equity for women in the workplace, opposition to corruption and sensitive management of environmental issues.

This idea that companies can lay the foundation for peace—and that it is in their best interest to do so—may seem naive given that globalization continues to spawn intense suspicion and violent protests. The 9-11 attacks are a painful reminder of the brutal era we live in. Meanwhile, companies are accountable for delivering consistent profits, often not for the betterment of society.

When this issue was introduced at the Ross School symposium “Corporate Governance, Stakeholder Accountability and Sustainable Peace” in November 2001, corporate leaders who participated said fostering peace is the role of government, not business. At the same time, representatives from government and non-governmental organizations said they are powerless to compel multi-



Cindy A. Schipani

national companies to adopt practices that would promote peaceful societies. The symposium was sponsored by the William Davidson Institute, the Aspen Institute and Erika O. Parker, in memory of her late husband, Edwin C. Parker Sr., BBA '54 and MBA '55.

What if a case could be made that fostering peace is an effective business strategy?

Factors Related to War

Let's start with economic, political and societal factors that can be linked to a nation's propensity for war or peace. Then let's look at how corporations influence these factors.

CORRUPTION: The non-governmental organization Transparency International (TI) evaluates the level of corruption in nations based on bribes paid to international corporations and other factors. The Heidelberg Institute for International Conflict Research produces an index gauging conflict around the world. Between 1975 and 2000, countries with the least corruption were the least likely to resolve conflicts violently. In these “least likely” nations, only 14 percent of their conflicts escalated to violence or warfare. Meanwhile, the most corrupt nations resorted to violence or war in 60 percent of their conflicts. This does not prove corruption causes violence, but it does show they are linked: Corporations that engage in or tolerate corruption are operating in an environment prone to bloodshed and societal instability.

ECONOMIC DEVELOPMENT: Just as there is a correlation between corruption and violence, “there is a highly positive correlation between underdevelopment and armed conflict,” wrote



J. Lewis Rasmussen, former program officer at the United States Institute of Peace, in *Peacemaking in International Conflict: Methods & Techniques*. A 1999 World Bank report reinforces this. It showed a strong correlation between under-development and violence. Critics of globalization downplay the advantages corporations bring with them to a country. I believe it can be argued that a lack of economic opportunity exacerbates poverty and that poverty contributes to the propensity for warfare. When basic needs such as food, clean water, shelter, security, health and literacy are unmet, violent conflict often results.

DEMOCRATIC VALUES: Historians Spencer Weart and Dean Baps have shown that well-established democracies have never made war against one another. Three reasons have been offered to explain this phenomenon:

- Democratic republics are pluralistic, so no single group's outrage is likely to trigger violent outbursts.
- Democracies generally behave more peacefully toward other nations than autocracies do.
- Democratic leaders are accustomed to compromise, a leadership style that tends to extend to international relationships and disputes.

GENDER EQUITY: A comparison of the Heidelberg Institute's index gauging the propensity of nations for violent conflict with the United Nations' Gender Development Index shows a correlation between countries that resolve conflicts peacefully and those that support the economic empowerment of women. Similarly, nations that rank as more violent have greater gender inequity. It also has been shown that involving women in the economy as wage earners improves productivity and reduces overall poverty. This, in turn, promotes stability and fosters more peaceful societies.

ENVIRONMENTAL PRESSURES: Ecological issues are directly linked to warfare in various ways.

- The scarcity of natural resources has fueled violent competitions throughout history and continues to do so today.
- Ecological degradation can exacerbate regional tensions.
- Increasing population and industrialization can adversely affect ecological stability and cause conflicts.

The Role of Business in Promoting Peace

Corporations can justify making sustainable peace a business objective because peace fosters economic enterprises. Peace underpins stability, and stability drives profitability. Given that, how can multinational corporations have an impact on the factors that influence peace?

The first way for companies to work for peace is to do what they do best: foster economic development. When companies build for the long term, they can improve the local standard of living, alleviate poverty, contribute tax revenues and convey skills and technological know-how to the local people.

Companies also can ease tensions between nations by serving as an unofficial channel of communication between governments. Due to diplomatic protocol, government leaders generally talk with other government leaders, limiting the flexibility of negotiations between countries engaged in a dispute. On the other hand, "track two" diplomacy allows a third party to relay unofficial messages to governmental officials. *The New York Times* columnist Thomas Friedman reported that the 2002 nuclear showdown between India and Pakistan was mitigated, at least in part, by business executives who convinced the Indian government of the need for a peaceful resolution.

Another type of track two diplomacy casts businesses as unofficial ambassadors for their countries and constructive citizens advocating values such as environmental responsibility, respect for human rights and education for employees. A third type occurs in the workplace when corporations bring together people of diverse ethnic backgrounds to work toward a common goal.

Companies also can foster peace by modeling democratic principles so those values spill over into society. For example, corporations that operate with transparency may contribute to a social environment in which violence is less likely to occur. Transparency undermines corruption, which requires secrecy to thrive, and bolsters the rule of law, which is necessary for a successful free market. Economist Jane Jacobs has argued that countries with strong commercial values — including promise-keeping in contracts, respect for property and nonviolent, negotiated resolution of disputes — tend to be more peaceful.

More than 90 percent of post-Cold War conflicts have occurred within the borders of existing nation-states. These battles have been fought on the basis of ethnic, cultural and religious identity, according to the 1998 report "Sustainable Peace: The Role of the U.N. and Regional Organizations in Preventing Conflict." When a group feels its security and identity are threatened, extremism can take hold and violence can erupt. For businesses, this reinforces the need to nourish a sense of community by creating a connection among people within an organization and providing a sense of security and identity to those who work there.

The causes of war are multifaceted, of course, and no single business or set of businesses can eliminate them. On the other hand, corporations can help mitigate the factors that threaten peace and stability. The evidence suggests that standard ethical business practices may reduce bloodshed while unleashing entrepreneurial opportunities that can change the world for the better. **M**

CORRUPTION AND CONFLICT

Countries with the highest rankings in Transparency International's "Corruption Perception" ranking and the Heidelberg Institute's index gauging propensity to resolve conflicts peacefully in 2000:

1	Finland
2	Denmark
3	New Zealand
3	Sweden
5	Canada
6	Iceland
6	Norway
6	Singapore
9	Netherlands
10	United Kingdom
14	United States

And the countries with the lowest rankings:

81	Mozambique
82	Kenya
82	Russia
84	Cameroon
85	Angola
85	Indonesia
87	Azerbaijan
87	Ukraine
89	Yugoslavia
90	Nigeria

Mapping the Best Route to Technological Breakthroughs

There are various ways for firms to obtain technological capabilities that fuel innovation and invention—including acquisition, collaboration and internal development. Gautam Ahuja, professor and chair of corporate strategy and international business at the Stephen M. Ross School of Business, sheds light on strategies that drive innovation, create technological advantages, produce profits—and perhaps open the door to insider trading.

Breakthrough inventions permanently alter the technological landscape, ignite entrepreneurship and provide companies with potentially inimitable competitive advantages. Unfortunately, the research and development strategies that help established firms succeed also may inhibit their ability to produce fundamentally groundbreaking innovations.

Gautam Ahuja, a Hallman Faculty Fellow at Michigan, examined how companies create breakthrough inventions in a study published in *Strategic Management Journal* in June 2001. Through an analysis of patenting activity in the global chemicals industry from

1980 to 1995, Ahuja found evidence that three common organizational tendencies impede the creation of breakthrough inventions—favoring the familiar over the unfamiliar, preferring the mature over the new and searching for solutions similar to existing approaches rather than adopting novel ideas.

“We call these three pathologies the familiarity trap, the maturity trap and the propinquity trap,” Ahuja and his co-author wrote. “Each of these is grounded in significant immediate benefits for firms, but eventually constrains their ability to create breakthrough inventions that hold the key to future performance.”

Experimenting with novel, emerging



MARCIA LEDFORD

Professor Ahuja, PhD '96, was selected by MBA students to receive the Teaching Excellence Award in 2005 and achieved the unusual distinction of winning two teaching awards in one year, from both doctoral and MBA students, in 2004. He also was selected as Best Professor in the MBA program at the University of Texas-Austin in 1997, 1999, 2000 and 2001 and at Michigan in 2003.

His research has received several international awards including the *Free Press* Award for outstanding research in strategy, the Sage-Pondy and West Publishing awards for organization theory and the Best Dissertation Award from the Institute for Operations Research and the Management Sciences.

and pioneering technologies can help companies overcome these traps and produce significant innovations, Ahuja says. This approach gives an organization an understanding of a wider array of technological options, a larger problem-solving arsenal and new paradigms and insights—while increasing its risks and costs. “Having resources available to take these chances,” Ahuja says, “is a key determinant in the creation of breakthroughs.”



Shopping for a Technological Advantage

Firms often try to secure a technological advantage by acquiring assets from another company, rather than through internal research and development. This approach, however, is not always a recipe for success.

Ahuja and a colleague evaluated nearly 300 technological acquisitions—defined as corporate acquisitions in which technology was part of the acquired firm’s assets—from 1980 to 1991. The success of an acquisition, they found, was influenced by the size of the body of knowledge that was acquired, the relative size of the two firms and the overlap in the companies’ areas of technical expertise. The study, published in an earlier issue of *Strategic Management Journal*, concluded:

- The larger the acquired base of knowledge, the greater the resulting “innovative output.” Ahuja suggests this may occur because a larger research base produces increased economies of scale, decreased duplication of effort, invention spawned by combinations of the two firms’ newly integrated knowledge and an enhanced ability to tap into external knowledge.
- The closer the two companies are in size, the less innovation will result from their merger. Mergers of near equals produce weaker results, Ahuja says, because they are likely to generate more ambiguity about corporate roles. In addition, a greater proportion of the merged companies will be affected by corporate turbulence; and a smaller proportion will avoid disruption and remain focused on the core business.
- Technological acquisitions work best when there is a moderate amount of overlap between the two firms’ knowl-

* * *

Ahuja found evidence that three common organizational tendencies impede the creation of breakthrough inventions: “We call these three pathologies the familiarity trap, the maturity trap and the propinquity trap.”

edge and expertise—not too much and not too little. The ability to integrate knowledge bases is optimized, the study says, when there are common skills, shared language and similar cognitive structures that facilitate technical communication and execution. When the knowledge is disparate, on the other hand, it can be difficult to assimilate and exploit.


Foresight Fuels Insider Trading

What happens when managers recognize that their firm’s technological capabilities have generated an imminent breakthrough that promises to generate profits and boost the company’s value? Often, they buy shares of the company’s stock (presumably to profit from this knowledge), conclude Ahuja and colleagues from Emory University in a paper forthcoming in *Strategic Management Journal*.

What’s less clear, Ahuja says, is whether this insider trading is deleterious to common shareholders.

The study, which examined patent activity and insider trading data from 1,269 publicly traded companies, found that insider stock purchases increase in relation to:

- The number of patents the company has applied for. This suggests managers view extensive patent activity as a sign their firm is well positioned to benefit under a variety of potential market conditions.
- The number of citations the firm’s top patent receives in later patents, which measures its potential as a platform for subsequent innovation and a trailblazer with significant profit potential.
- The number of claims made in a patent application regarding the potential innovativeness of the patent. This signifies its potential as a technological breakthrough.

The bottom line is that managers have foresight about technological breakthroughs, which represents knowledge unavailable to the market at large, and they trade on that information before patent applications are filed. Additional research is needed, Ahuja says, to determine the degree to which this hurts other shareholders. 

Dave Wilkins

Warnings About False Claims May Backfire with Older Consumers

Telling people, especially older adults, that a consumer claim is false can make them mistakenly remember it as true.

A study featured in the *Journal of Consumer Research* raises concerns that attempts to correct false and questionable claims about consumer products actually may lead to negative consequences for older adults.

Carolyn Yoon, assistant professor of marketing, and Norbert Schwarz, professor of marketing and of psychology, and colleagues from the University of Toronto and the University of Illinois found that the more often older adults were told a given claim was false, the more likely they were to incorrectly remember it as true after several days had passed—especially when the warning pertained to a claim with which they were already familiar.

The researchers tested how age and time delay interact with repetition to lead to a greater likelihood of misremembering false statements as true. They exposed 32 younger adults, ages 18-25, and 32 older adults, ages 71-86, one time or three times to claims that were explicitly labeled either false or true.

After three days, older adults misremembered 28 percent of false statements as true when they were told only once that the statement was false. However, they misremembered 40 percent of the false statements as true when they were told three times that the statement was false.

This tendency to misremember false claims as true—the “illusion of truth” effect—could put the older generation at considerable risk for consumer fraud and advertising scams, the researchers say.



Carolyn Yoon



Norbert Schwarz

“Suppose an advertising campaign promises that taking a certain herbal supplement reduces people’s arthritis pain,” says Yoon. “When there is no evidence for such beneficial effects, a typical warning would tell consumers, ‘It is not true that taking the supplement will reduce your arthritis pain.’ This type of warning repeats the claim’s link between the supplement and reduced arthritis pain in order to add the new information that the claim is false.


“Unfortunately, this repetition has an unintended consequence—it makes the claim seem more familiar when consumers hear it again. Once their memory for the details of the warning fades, all that may be left is an increased feeling of familiarity when consumers later see the misleading claim in an advertisement.”

Familiar statements are more likely to be accepted as true than unfamiliar ones, the researchers say. Hence, repeated warnings can backfire: The more often consumers are told a product claim is false, the more likely they are later on to accept it as true. This is particularly likely for older adults.

“Detailed memory for the warning fades more quickly for older adults than it does for younger adults,” Yoon says. “Once the contextual details about the claim’s validity are lost, the remaining feeling of familiarity fosters the acceptance of false claims as true, rendering older adults particularly susceptible to this bias.”

In essence, it appears people become increasingly susceptible to the illusion of truth as they age because they experience declines in memory for the context or source of information, but not for familiarity with it, the researchers say.

This has important public policy implications for protecting elderly consumers. “Whenever possible, education campaigns should focus on what is true and avoid reiterating what is false,” Schwarz says. “In addition, it may be useful to provide people, particularly older adults, with written materials or visual imagery to supplement or improve memory.”

Contact Schwarz at nschwarz@umich.edu and Yoon at yoonc@umich.edu. 

Earnings Surprises Catch Wall Street Analysts Off Guard

Companies that report large positive earnings surprises continue to outperform the market and beat analysts’ expectations up to three years later, according to research by Russell Lundholm, professor of accounting.



Russell Lundholm

In contrast, firms that disappoint Wall Street by delivering extremely bad news perform poorly afterward, producing negative stock returns over the subsequent three-year period.

“Firms that report a large positive earnings surprise do much better than expected in the future, and firms that report a large negative earnings surprise do somewhat worse than expected,” Lundholm says.

“In subsequent years, firms with extremely good news tend to have persistent earnings surprises in the same direction, strong growth in cash flows and earnings, and large increases in analyst coverage relative to firms with extreme negative earnings surprises.”

Lundholm and colleagues from the University of Utah and Stanford University examined 159,789 firm-quarters between 1988 and 2000 and reported average future returns for each of 10 portfolios of earnings surprises, ranked from the top 10 percent of firms with the largest positive earnings surprises down to the bottom decile.

To qualify for the “extreme” positive

earnings label, a company must beat the consensus-forecast quarterly earnings per share by about one-half percent of the price per share at the end of the fiscal quarter.

The study found that after controlling for risk and other market-related effects, the estimated return associated with a positive earnings surprise is about 10 percent after one year, 16 percent after two years and nearly 20 percent three years later. Beyond this time, there is little additional return.


A hedge portfolio that takes a long position in the top decile of earnings surprises and a short position in the bottom decile returns 14 percent in the year following the earnings announcement, 20 percent two years later and 24 percent after three years.

Holding a long position in the portfolio of firms with the largest positive earnings surprises proved to be a good investment strategy, generating two-thirds of the hedge return, according to Lundholm.

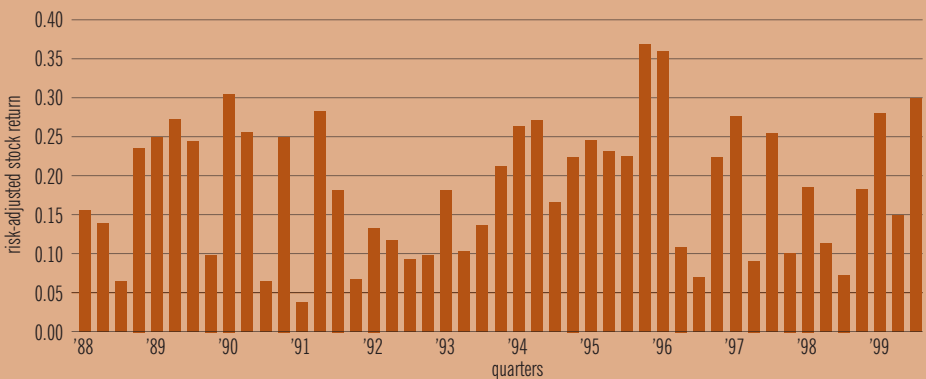
Exactly why the market seems “asleep at the switch” and takes up to three years to correct the earnings-surprise pricing is somewhat perplexing, he says.

However, Lundholm says this may happen because firms in the extreme earnings surprise portfolios are classic “neglected stocks.” These companies are generally smaller, with higher book-to-market ratios and less analyst coverage than firms in the other surprise portfolios.

“It appears extreme positive earnings news is less transitory than the market anticipates, and as firms with large positive surprises continue to outperform financially, they attract more analyst attention, which eventually eliminates their under-pricing,” Lundholm says.

Contact Lundholm at lundholm@umich.edu. 

TWO-YEAR RISK-ADJUSTED STOCK RETURN ON HEDGE PORTFOLIO FOLLOWING EXTREME EARNINGS SURPRISES





“ Though our study does not establish that wage differentials among male and female IT professionals are on account of systematic gender discrimination by employers, persistent gaps in salaries attributable to gender should serve as a wake-up call for understanding the determinants of the salary gulf between males and females.”

M. S. Krishnan, a Hallman Fellow and chair and professor of business information technology, talking about his 1999–2002 study of 55,000 high-tech workers in the United States that showed women earned 7.8 percent less than men with similar jobs, education and work experience.
—*The Economic Times*, June 6, 2005

“ If you recognize salt because you saw it on a billboard 20 times, you might say, ‘Oh, I saw that on a billboard,’ and you can discount it. But if you can’t remember why it looks familiar or don’t even think about why it looks more familiar, you just think, ‘I must like that more.’ It’s easier for you to see because you’ve seen it before. Incidental advertising is an incredibly powerful tool in advertisers’ toolkits.”

Christie L. Nordhielm, associate clinical professor of marketing, discussing the efficacy of ads designed to keep consumers from recognizing they are being exposed to advertising, such as passing buses, grocery store floors and the back of receipts.
—*Chicago Tribune*, March 15, 2005

“ You don’t shift \$200 million of precious metals off your inventory and then buy it back. You just don’t. I hate to say it, but this is bad.”

Eugene Imhoff, the Ernst & Young Professor of Accounting and director of the Paton Accounting Center, commenting on accounting irregularities discovered at Delphi, the world’s largest auto supplier, which sold and recorded as sales inventories of precious metals used in auto parts with the understanding that the assets would be repurchased later.
—*The New York Times*, March 12, 2005

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“ Companies are looking for ways in which they can compete that are better than before. It’s not about the product or service; it’s the customer’s experience that matters.”

Venkatram Ramaswamy, professor of marketing and of business information technology, talking about firms’ efforts to gain an edge in a competitive business climate.
—*Detroit Free Press*, April 11, 2005

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“ The public looks at Detroit as behind the times, guys who can’t shoot straight and don’t deserve any government money to bail them out. I’m afraid we are witnessing the decline and fall of the domestic U.S. auto industry.”

Gerald Meyers, adjunct professor of management and organizations and former chairman of American Motors Corp., commenting on the nation’s response to the American automobile industry’s financial problems.
—*The Detroit News*, May 8, 2005

“ Evasion is a big problem because it undermines the fairness of the tax system, and it makes some people who voluntarily comply feel like suckers.”

Joel Slemrod, the Paul McCracken Collegiate Professor of Business Economics and Public Policy, responding to an Internal Revenue Service study that suggests tax cheating is on the rise.
—*The Wall Street Journal*, March 30, 2005

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“ The more compassionately they are treated, the more committed they are, the more they intend to stay and the less stress they feel.”

Jane Dutton, the William Russell Kelly Professor of Business Administration, professor of management and organizations and professor of psychology, talking about how compassion and understanding for an employee who is grieving can help the person heal and become a better worker.
—*The Boston Globe*, March 27, 2005

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“ One reason students are going back is because opportunities are so tremendous. They say, ‘I can stay in the U.S. and work for a consulting firm and have a slow-growth career, or I can go home and have the opportunity to really dominate a market.’”

Robert Kennedy, executive director of the William Davidson Institute and professor of business administration, explaining a study he conducted of Harvard MBAs from developing countries that showed 56 percent of the class of 1997 had returned to their home region.
—*The International Herald Tribune*, April 16, 2005

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“ Most mergers leave customers less satisfied, and as a result, at least in some measures, shareholders lose as well. There has been tremendous loss in shareholder wealth for the last merger activity of any note between 1995 and 2000. I’ve seen estimates of up to a trillion dollars lost. And a good deal of this is probably due to the fact that something is going on with the customer base. We find, looking at our data, that high levels of customer satisfaction and shareholder value go together.”

Claes Fornell, the Donald C. Cook Professor of Business Administration, professor of marketing and director of the National Quality Research Center, elaborating on the effect of corporate mergers on customer satisfaction and shareholder wealth.
—*Talk of the Nation*, National Public Radio, February 9, 2005

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“ The Chinese Communist Party is no longer a communist party as we know it to be; it is a Chinese bureaucratic capitalist party where the officials have enormous incentives to make the economy grow, attract foreign investment and increase industrial production. This is basically a pragmatic authoritarian system focused on maintaining economic growth for another 20 years without having a social meltdown.”

Kenneth G. Lieberthal, the William Davidson Professor of International Business and professor of political science, talking about China’s economic development since it embraced economic reforms 25 years ago.
—*Agence France Presse*, May 18, 2005

Accentuating the Positive

JOHN KIM, BBA '83



COURTESY OF PRUDENTIAL RETIREMENT

Imagine working for a company that values people more than products and consistently rewards their commitment and delivers criticism in a way that is healthful, not hurtful.

To Prudential Retirement President John Kim, the visionary management approach known as Positive Organizational Scholarship (POS) is the key to building and sustaining a world-class organization. Working with the Ross School's research team, he has rolled out a customized program for Prudential Retirement's top 100 managers, who share Kim's enthusiasm.

"At its core, POS encourages people in the organization to exhibit 'positive deviance.' For generations, corporations have focused on negative deviance; that is,

telling people what they are not doing right, and forcing them to adhere to some pre-set norm," Kim explains. "POS emphasizes communication that renews energy and builds trust. If we give managers the tools for more positive interactions, this will have a spiraling effect, benefiting individual employees and, as a result, the organization.

"You can't mandate positive behavior," he adds. "You must embody it personally and lead by example."

This is no stretch for Kim, who is enterprising and optimistic by nature. Born in Korea, he traveled in the United States as a child while his father earned an advanced degree. The family settled in Port Huron, Michigan, where Kim developed an early interest in commerce. At 11, he sold flower and vegetable seeds door to door, and later developed his own lawn mowing and snow removal business. One memorable summer during high school he worked two full-time jobs, operating a hotel elevator and bagging groceries.

"Then like many dutiful Korean sons, I came to Michigan to become a doctor," he relates. "Second-semester inorganic chemistry put an end to those aspirations. But an economics course turned me on to the excitement of business, and I've never looked back."

One of his most valuable undergraduate experiences occurred outside the classroom. Hired as materials

manager for the business school's Executive Education program, Kim handled set-up, prepared handouts and did other behind-the-scenes duties for the seminars and workshops. Working with corporate executives from all levels exposed him to various leadership styles, and increased his ease in working with people.

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"If there is one word to capture what I do, it's 'leverage.' The opportunity to lead nearly 2,600 employees managing on behalf of 4,000 institutional clients serving three million individual customers and being responsible for \$130 billion in assets is both daunting and exciting."

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Following Michigan, Kim earned an MBA at the University of Connecticut and pursued a career in investment management. He joined Aetna Inc. in 1983, serving as president and CEO of its investment subsidiary in 1995–2001. He also was president of CIGNA Retirement & Investment in 2002–04 before becoming president of Prudential Retirement in 2004 after

Prudential acquired CIGNA's retirement business.

"It's a great job," he declares. "If there is one word to capture what I do, it's 'leverage.' The opportunity to lead nearly 2,600 employees managing on behalf of 4,000 institutional clients serving three million individual customers and being responsible for \$130 billion in assets is both daunting and exciting."

Outside work, Kim's priorities are his wife Diane, a 1986 graduate of the U-M College of Engineering, and children Andrew, Emily and Caroline. "I am doing my best to brain-wash them," he notes. "The first song they learned was 'Hail to the Victors.'" He's a 15 handicap golfer, and estimates that at least one-third of the 40 rounds he plays each year are business-related.

Establishing the right vision, delegating and communicating effectively are tasks he takes very seriously. He is excited about Prudential's pioneering role in applying POS in a real-world context. "This is not going to be one and done," he declares. "It will be an ongoing initiative to improve our culture. It's already a strong culture, and it's going to get better." **M**

Pat Materka



Banking on Relationships

J. MICHAEL DAVIS, MBA '93



STEVE KUZMA

During a dozen years of investment banking, J. Michael Davis served as adviser to some 270 domestic and international clients. He implemented mergers and acquisitions, private placements and public offerings totaling more than \$8.2 billion.

But Davis does not measure success in numbers. “The best part was working directly with the people who owned the companies,” he relates. “And it was fascinating that each of these transactions encompassed virtually all important facets of the company’s daily operations, from accounting to marketing to human resources.”

What better preparation could there be for his current position? As president and CEO of National City Bank of Michigan, he is now involved in every aspect of a single business. Davis over-

sees 5,000 employees statewide, and being accessible to each of them is among his highest priorities.

“You must be proactive and schedule that time,” he says. Besides meeting with senior bank executives, he holds monthly “town hall” forums for employees in different parts of the state. Some 50 to 100 bank staff attend the gatherings, and Davis welcomes the opportunity to field their questions and concerns.

Listening is a skill he honed as a student at Michigan. “I enjoyed the intense focus on business and the opportunity to hear new perspectives and opinions from my peers,” he reflects. Although he specialized in corporate strategy and finance, he now regards the

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“I enjoyed the intense focus on business and the opportunity to hear new perspectives and opinions from my peers,” Davis says of his time at Michigan.

* * *

organizational behavior courses as the most valuable. In his current role, the emphasis has shifted from managing transactions to managing relationships.

It fits with his enthusiasm for teaching. Davis, who lives in Metro Detroit, has taught on the Ann Arbor campus since fall 2000. His course, “Entrepreneurship via Acquisitions—Finding and Evaluating a Business for Acquisitions,” is always highly rated and over-subscribed. He has combined the paths of his mother, one of several generations of teachers, and his father, a Chrysler engineer who advanced into management.


Both parents encouraged his early interest in business, but at his high school the

business classes were limited to typing and “school store.” So his father enrolled him in a “How to Start Your Own Business” class at the local community college. “I know that I was 15 at the time,” he recalls, “because my dad had to drive me to and from the course.”

Davis went on to earn a BA, cum laude, in economics and English from Albion College. He joined PricewaterhouseCoopers, finished his MBA in 1993, and then worked at Raymond James and later First of Michigan (now known as Oppenheimer) as head of investment banking and executive vice president. He joined National City in 2002, where investment banking grew significantly under his leadership. In 2004, he became president and CEO, charged with making National City the leading market share bank in Michigan. After three years in Cleveland, the promotion brought Davis back to south-east Michigan.

In his volunteer activities, as with his work, Davis measures success by the quality of relationships. He is a board member of Detroit Renaissance, the Detroit Economic Club and Southwest Michigan First, and active in a large number of organizations focused on providing access to education and improving the lives of children. “Every kid deserves an equal start in life,” he declares.

“Every city faces challenges, and Detroit has all of them. The city has to survive in order for the rest of Michigan to thrive. There is a lot of enthusiasm around the Super Bowl in 2006, as there was for the All-Star game,” Davis reports. “I see plenty of signs of hope and progress.”

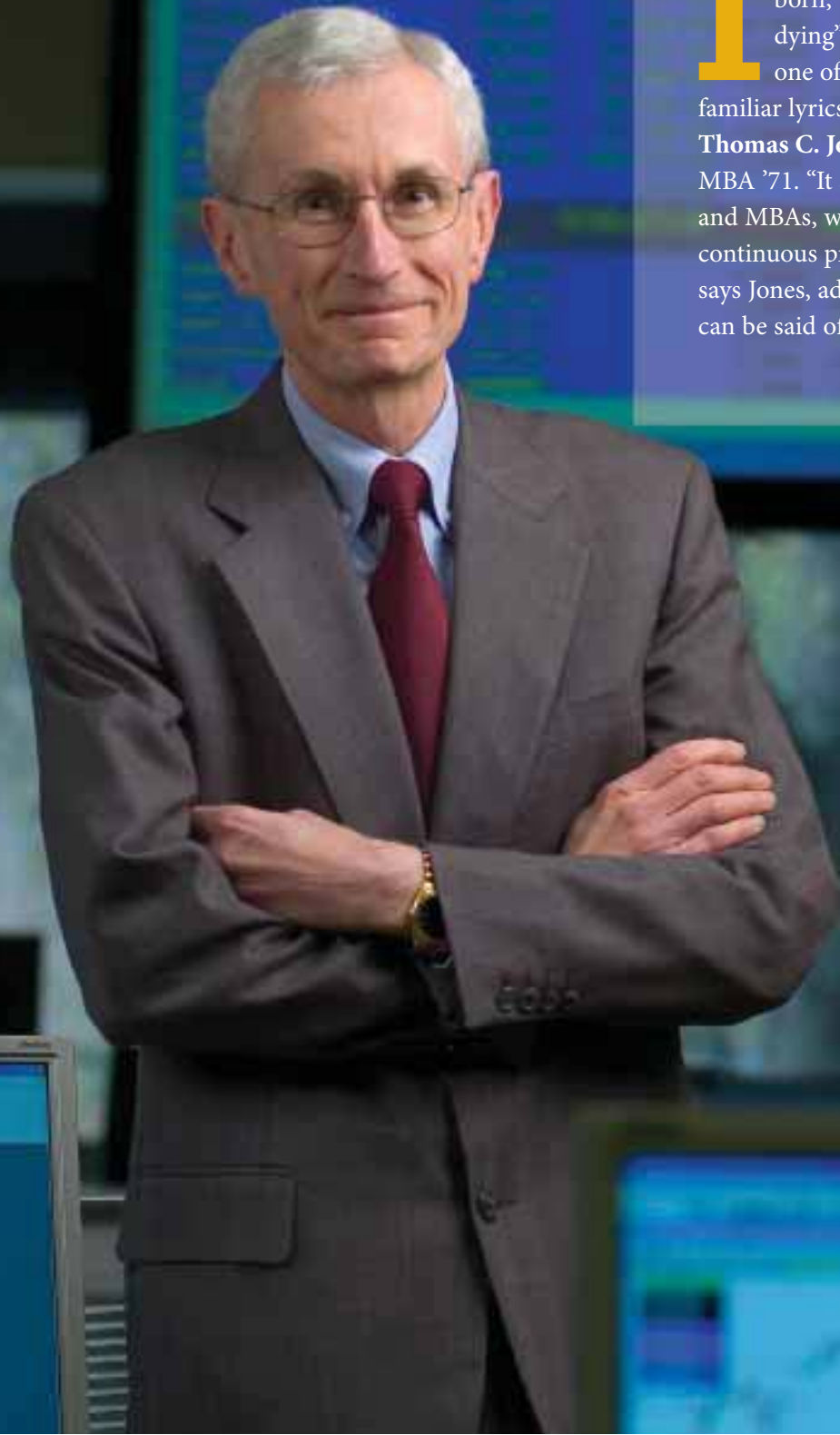
Contact Davis at j.michael.davis@nationalcity.com. 

Pat Materka



A Grateful Tom Jones Donates \$10 Million

**Coming Soon:
More Oomph to BBA Program**



“**I**f you are not busy being born, you are busy dying”— a paraphrase of one of Bob Dylan’s more familiar lyrics — rings true with **Thomas C. Jones**, BBA ’68, MBA ’71. “It applies to BBAs and MBAs, who must be in a continuous process of renewal,” says Jones, adding, “The same can be said of organizations.”

Acting on what he learned in 2003–2004 as the Ross School's first BBA Program director and first executive-in-residence, Jones this spring gave \$10 million to the school—the largest donation ever to an undergraduate business program. His goal: to transform undergraduate business education.

“One of the challenges of world-class research universities like Michigan is to make sure we devote enough attention to motivated undergraduates. I want the Ross School to take undergraduate business education to a new level, to develop the leadership the nation needs in government and business,” says the retired insurance executive.

Jones moved to Ann Arbor from Hartford, Connecticut, in 2002, after retiring as president of CIGNA Retirement & Investment Services. Michigan is a comfortable fit for the trim, silver-haired strategy expert who had visited Ann Arbor many times over the years, as a recruiter and as a past member of the business school's Alumni Society Board of Governors. He co-chaired his 25th class reunion in 1996 and serves on the Ross School's Visiting Committee.

“I knew I wanted to be part of the University community. It is an interesting mix of Midwestern values and global perspective. I like the stimulation of being in a university town, the diversity of people and the cultural offerings,” says Jones, who before he retired had discussed the idea of creating an office to serve undergraduates with Dean Robert J. Dolan.

“Having someone with Tom's leadership experience and expertise in the area of strategy and organizational alignment on our leadership team has been invaluable,” says Dolan.

Jones served on the seven-member task force that recommended significant structural changes in the undergraduate program. In fall 2006, the school will admit about 70 students directly from high school, and also begin a transition from undergraduates typically beginning their association with the school as juniors to starting as sophomores. Historically, Michigan undergraduates have spent two years in the College of Literature, Science, and the Arts (LSA) and applied to the business school during their sophomore year for admission as juniors.

The new coordinated experience will allow business students to study business fundamentals early in their undergraduate career and take upper-level business

and LSA courses as juniors and seniors. Jones is pleased with changes in the BBA Program. He believes more action-based learning and cohesiveness in coursework will make the BBA Program, already ranked among the top three in the nation, even stronger.

“Our graduates won't live in a world of finance or management. They must learn the basic disciplines and be able to blend them together to solve business challenges. The success of the gift ultimately will be measured by the impact it has on the lives of students and how it strengthens their development while they are here,” Jones says. “I don't want to prescribe what must be done. I want to challenge our students and faculty to take BBA education to the next level.”

The gift of cash and a bequest, Dolan says, will be used to establish the Thomas

co-create new programs that prepare our graduates for a rapidly changing business environment,” Dolan says.

University President Mary Sue Coleman says, “Tom's generous gift certainly raises the bar for business education at the undergraduate level, here and elsewhere. We are grateful for his incredible generosity and vote of confidence in our students and faculty, Bob Dolan and the Ross School.”

Building Community

Jones, a graduate of Downers Grove High School in Downers Grove, Illinois, grew up in a business-oriented family. His father worked in the purchasing department of General Motors' Electro-Motive division for nearly 30 years and ran a business that installed seat covers in automobiles. In 1996, Jones gave \$1 million to endow the Jane M. and Chester R. Jones



STEVE KUZMA

Left, Richard Kus, BBA '04, MAcc '05, and his mother Kim, brother Ryan and father Paul chat with Tom Jones at a reception honoring graduates prior to commencement. “Tom has been supportive of me in every thing I've done. He helped me reach my career goals. It is clear he really cares about the business school community,” says Richard Kus, who received a CIGNA scholarship his junior year and a Jones scholarship the next year. “I sent a thank-you note to CIGNA and shortly after met Tom. I appreciate all the advice he has given. We've continued to talk; he really is like a friend to me,” says Kus, who works at PricewaterhouseCoopers in financial services.

C. Jones Center for BBA Education “to enhance the core experience via a set of activities that allow for the development of students in extraordinary ways”—activities above and beyond the school's existing responsibility to deliver to BBA students a quality core educational experience.

“With his endowment for the new BBA center, Tom supports the strategic direction of the school and ensures that our undergraduate students will benefit from action-based learning and leadership development that characterize our MBA program. His gift also makes it possible for faculty and BBAs to

Undergraduate Scholarship in memory of his parents. He also has donated \$500,000 to the Dean's Innovation Fund to finance innovative faculty and student projects and programs.

Speaking at the Ross School's annual Scholarship Recognition Dinner in March, Jones said his Michigan experience “changed his life” and gave him the “skills, tools, polish and confidence” to be a successful business leader. “I would not be the person I am today without the guidance and support I received from the Michigan faculty and staff,” Jones said. “And because of all they've given me, I wanted to give something back.



LEFT Jason Beyer, Ryan Levine, both BBA '05, and Tom Jones at the reception.

RIGHT Jones congratulates Brian Shimmerlik, BBA '05, after the April 29 commencement ceremony at Crisler Arena.



PHOTOS BY STEVE KUZMA

“Like all Ross School of Business graduates, I think of myself as a builder, someone who understands that shaping a winning organization — university, business or career — requires strategic thinking. Thinking strategically demands that you not only visualize the future, but also invest in a focused and disciplined way to make sure your vision comes to life.”

For Jones, scholarships are strategic investments in talented students and in the growth and development of the Ross School of Business. “They’re investments based on the belief that people make a difference and that attracting and retaining top talent is critical to an organization’s success,” said Jones, who received the Bert F. Wertman Alumni Service Award at the dinner. Established in 1989, the award honors **Bert F. Wertman**, BBA '28, and recognizes outstanding service to the business school or University.

Jones attended Northwestern Michigan College in Traverse City, Michigan, before transferring to the University of Michigan, where he concentrated in labor relations. He still has ties to the Traverse City area and serves as a fellow at the community college.

“The culture of the business school was very different when I was a student. There were not as many activities or an emphasis on building community. It was not as cohesive,” Jones recalls.

Bursley Residence Hall on North Campus was not quite finished when he moved there in 1967 as a resident adviser (RA). Jones went on to become resident director (RD). “It was my first job supervising people; I had four RAs. Both jobs helped develop leadership skills and required getting people to work together. I spent a

lot of time working to create community. The RA and RD roles complemented my business school classes and allowed me to practice what we were learning.”

Thinking Strategically

Labor relations, management and organizations courses taught Jones how to approach people to move them forward. Armed with two business degrees and a teaching certificate from the School of Education, Jones considered two other career paths — K-12 teaching and labor management relations — before pursuing the third, government, which he chose because it would allow him to give back and have an immediate impact.

Starting as assistant education adviser in the Office of the Governor in 1971, Jones worked on school finance reform. A year later he moved to the Commerce Department, first as assistant director and then deputy director, where he applied what he had learned in strategy courses to policies related to finances, power plants, workers’ compensation and economic development.

“Even in those days we were concerned about diversifying Michigan’s economy,” recalls Jones, who Governor William Milliken appointed Commissioner of Insurance in 1975. In that post, Jones devised and implemented a strategy to restore the financial strength of Blue Cross/Blue Shield of Michigan and decrease pressure on state healthcare costs. The measure defused a major political controversy for Milliken.

Working in government is similar to running a business, says Jones. “You’re leading people and dealing with strategy issues. It also provides tremendous opportunity at a young age to accomplish things and move ahead quickly.”

Jones made the public-to-private job transition in 1979, working briefly at an insurance brokerage before moving into the reinsurance business. In 1985, Jones became a founding board member and chief operating officer of NAC Re Corp., a publicly traded property and casualty rein-

surer, where he played a key role in four successful public stock and bond offerings.

Jones joined CIGNA Corp. in 1994 as president of CIGNA Reinsurance Property & Casualty, where he organized and led a review of strategy alternatives that resulted in the firm’s decision to increase shareholder return by selling the property and casualty reinsurance business. He also served as president of CIGNA Individual Insurance, president of CIGNA Investment Management and president of CIGNA Retirement & Investment Services, one of the nation’s leading asset management and retirement services firms with assets of more than \$80 billion.

He left CIGNA Retirement & Investment Services in the capable hands of another Ross School alumnus whom he had recruited: **John Kim**, BBA '83. As part of a repositioning strategy, CIGNA sold Retirement & Investment Services to Prudential. The firm is now known as Prudential Retirement, and Kim is its president. See page 14.

Jones and his CIGNA team are featured in *Building the Bridge as You Walk on It* (Jossey-Bass, 2004), written by Robert E. Quinn, the Margaret Elliott Tracy Collegiate Professor of Business Administration and professor of management and organizations, in the chapter titled “Transforming Others by Transforming Self.” In the book, Jones recounts how he and his senior team applied ideas from Quinn’s previous book, *Deep Change*, and challenged themselves to change as individuals. “I really believe one person can move a system,” Jones says.

“Tom has one of the finest strategic minds I’ve encountered,” Quinn says. “His integrity is such that the people who work for him are incredibly loyal and supportive. Tom is a quiet, humble man, but when you come to know him, you discover this treasure trove of capacity and accomplishment.” **M**

Mary Jo Frank

TOM JONES: Those Who Anticipate Will Flourish

Everyone needs to be an agent of change,” says Thomas C. Jones, who has studied the work of C. K. Prahalad, the Harvey C. Fruehauf Professor of Business Administration and author of *Competing for the Future*.

In a keynote speech to the seventh annual Business Tomorrow conference in New York City in 1996, Jones predicted: Those who ignore change will not survive for long. Those who react incrementally to change will struggle to survive. Those who anticipate change will flourish.

“Today’s BBA graduates are going out into a different world than I did. The talent in this community of students is considerable,” says Jones. “Their quality, maturity, focus and drive have improved dramatically since I was here. People who have not worked with BBAs are shocked at how mature they are. It is also striking how organized they are when it comes to juggling classes, jobs and extracurricular activities. I’ve often told our students that it would be fun to run a business again and have the opportunity to hire them all.”

As BBA Program director, Jones initiated focus groups to learn students’ needs and aspirations, and in the process he became an adviser and mentor to many.

“Once Tom opened his door, the BBAs flooded in,” says Scott A. Moore, director of the BBA Program, Arthur F. Thurnau Professor and associate professor of business information technology. “Before he took an interest in BBA students, they had been somewhat lost in the shuffle. Now the BBA Program has a

Michael Phillips, BBA '05



STEVE KUZMA

faculty director, program associate and two advisers.”

Michael Phillips, BBA '05, former vice president of BBA affairs in student government, says of the focus group sessions, “Discussions like that quickly can turn into rant sessions for students who want to complain. However, Tom put in the time and effort to understand the basis of the complaints, and he didn’t stop taking feedback.”

Phillips, who is now an analyst with A. T. Kearney in Washington, D.C., says Jones also personally reviewed his resume. “The fact that Tom took time to tell me what he thought I could do to improve was pretty special since he has been in the position to hire and fire people.”

Jennifer Trepeck, BBA '05, says, “When our business fraternity brother Joe Hadeed passed away, Tom contacted

* * *

“Today’s BBA graduates are going out into a different world than I did. The talent in this community of students is considerable. Their quality, maturity, focus and drive have improved dramatically since I was here.”

* * *

us about organizing a memorial. Tom arranged for a bus so we could go to the funeral home together. He helped us organize a vigil and worked with us on the bench in memory of Joe so it would be what we wanted it to be.” The memorial bench is in the Keith E. and Valerie J. Alessi Courtyard.

When he is not helping students or thinking about organizations, Jones, who participated in the Advanced Management Program of Harvard University’s Graduate School of Business Administration, keeps up with the latest in the insurance field as a director of CUNA Mutual Group, the leading financial services provider to credit unions and their members. “I’m very comfort-



MARTIN VLOET

Jennifer Trepeck, BBA '05

able with CUNA Mutual because it combines business and public service — a nice mix of my interests,” says Jones.

Jones also likes to read, particularly biographies and history. One of his favorites is the biography of statesman Alexander Hamilton, George Washington’s secretary and aide-de-camp during the American Revolutionary War and the nation’s first secretary of the treasury. “Alexander Hamilton was quite extraordinary. Without a word processor, he wrote most of the *Federalist Papers* while running his own law practice. He was a BBA-type person — driven, the original multi-tasker,” Jones says. **M**



MARCIA LEDFORD

Above The memorial bench bears the inscription “To know your limits is to realize you have none. In memory of Joe Hadeed, BBA 2004, 1982–2004.”

“Our Brains Were in Overdrive”

Undergrads
Look at
Corporations
through
a Global
Lens



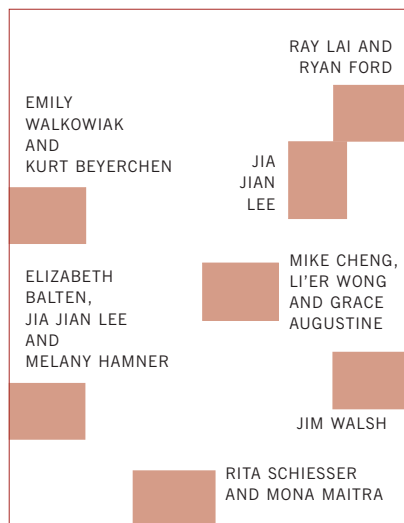


When Charles Spiekerman, Emily Walkowiak and Ray Lai were picking classes last winter, Professor James P. Walsh's course, "The Corporation in Society," sounded promising. And that was before they knew about an optional trip to learn about companies' roles in society from an Asian perspective.

Walsh's class and the May trip to Hong Kong and China exemplify the instructional opportunities Dean Robert J. Dolan refers to when he says the Ross School trains leaders in theory and practice. Because these are BBA students, it's also an example of the innovation Thomas C. Jones envisioned when he established the Jones Center for BBA Education earlier this year. This educational experience transformed both students and teacher. For Walsh, an acclaimed MBA instructor who had never before taught BBA students, it was a new and rewarding experience. For the students, the world suddenly became a much bigger and a much smaller place.

On page 20, the Institute of Certified Public Accountants' office provides Ross School students a view of Hong Kong's financial district and the Bank of China Building by architect I.M. Pei. Refer to the chart below to identify the individuals in the insets.

PHOTOGRAPHS BY GRACE AUGUSTINE, MING PHOTOGRAPHY, ERIC NEUMAN, CHARLES SPIEKERMAN AND JAMES WALSH.



Left to right, front row: Melany Hamner, Mona Maitra, Li'er Wong and Grace Augustine; back row, Elizabeth Balten, Emily Walkowiak, Kurt Beyerchen, Charles Spiekerman, Jia Jian Lee, Ryan Ford, Rita Schiesser and Ray Lai.

In the classroom for the four-month term, Walsh focused on theory. Undergraduates studied the history and theories of the corporation, contemporary practices of corporations, stakeholder management, the consequences of corporate irresponsibility for employees and customers, governance failures, accountability and leadership. "Perhaps the most difficult challenge for managers is to sustain their noble aspirations while meeting the practical demands of getting work done and satisfying shareholders," Walsh says.

"Rooted in a clear understanding of corporate governance, this course provides a broad framework for appreciating the

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"Perhaps the most difficult challenge for managers is to sustain their noble aspirations while meeting the practical demands of getting work done and satisfying shareholders," Walsh says. "Rooted in a clear understanding of corporate governance, this course provides a broad framework for appreciating the expanded role companies are being asked to play in society."

* * *

expanded role companies are being asked to play in society."

This whole notion of corporate accountability and responsibility was new to Charles Spiekerman, BBA '06. But Walsh's classroom technique quickly got him up to speed. "We had to submit discussion questions based on the readings before each class, which made us focus our thoughts and encouraged participation," says Spiekerman, who was concentrating in accounting but is now thinking about a career in operations management.

ICPA representatives Peter Tisman, left, and James Wardell and Professor Jim Walsh discuss ways to encourage ethical business practices.

At the conclusion of the term, 12 of the 33 students elected to travel to Hong Kong and China with Walsh and Eric Neuman, a third-year Ross School PhD student in management and organizations. The Ross School group was joined by three students enrolled in the Chinese University of Hong Kong. They helped the Ross students better understand what they were seeing and hearing in Asia; two of the three are taking classes at the University of Michigan as exchange students this fall.

In Hong Kong, students met with representatives at the Institute of Certified Public Accountants (ICPA), Oxfam International, the Independent Commission Against Corruption and the Equal Opportunity Commission and sat in on a seminar about the corporation in society that Walsh taught to Executive MBA students at the Chinese University of Hong Kong. The Ross students also spent three days visiting the cities of Huizhou and Shenzhen in China's Guangdong Province.

"From the time we woke up until the time we fell asleep, our brains were in overdrive, ruminating about sustainability and the Chinese culture," says Emily Walkowiak, BBA '05, who is poised to work at Ford Motor Co.

"I enjoyed the animated discussion we had with representatives from the Hong Kong ICPA about 'gently encouraging' business leaders to practice ethical corporate governance versus the United States' stricter, more rules-based approach. Our



Kalina Tsang, Oxfam Hong Kong



The students' China itinerary included markets, a Huizhou factory that makes injection molding machines and sightseeing at West Lake in Huizhou.

visit to the Equal Opportunity Commission gave greater meaning to concepts such as bona fide occupational qualifications and discrimination tests," Walkowiak adds.

"I was surprised by the level of the people we were talking to," says Ray Lai, BBA '06. "Usually, when students go to a large corporation, you expect to talk to public relations staff. We were talking to top people in the organizations."

From Jim Wardell, executive chairman of the Horwath Corporate Advisory Services Inc. and a member of the ICPA board, students heard an insider's view of government oversight designed to ratchet up ethical corporate behavior. When Wardell shared his conviction that the sole responsibility of business is to make profits, students quickly engaged him in a spirited debate.

"Well aware of the arguments for and against the views of Nobel Prize-winning economist Milton Friedman, our students took the conversation to a sophisticated level very quickly," Walsh recalls. The visit served as a wonderful foundation for the visit to Oxfam, where the students spent the afternoon with Kalina Tsang,

a passionate corporate activist who is not so enamored with the "gentle encouragement" approach to governance reform. "It was a head-spinning experience to hear two incredibly articulate and yet wildly different approaches to the same problem," says Walsh.

The trip also allowed everyone to gain a sense of Hong Kong's business environment. "The Independent Commission Against Corruption, or ICAC as it is known locally, is kind of a hybrid between the FBI and the SEC. It focuses as much on educating the public about the perils of bribery and corruption as it does on detection and punishment," Lai explains. "They have created a much more transparent system for the fluid movement of capital. Their strategy has been pivotal in keeping Hong Kong the financial capital of the East."

In Guangdong Province, a manufacturing center in southern China, the group visited LTK Electrical Wire, one of

the most successful electronic wire and cable manufacturers in China. Students were surprised to see a state-of-the-art factory that belied stereotypes of China's undercapitalized and poorly run facilities producing low-quality products.

At the second factory, Cheng Hsong Group, students watched Chinese workers produce high-quality items for multinational corporations, including injection molding machines weighing up to 75 tons, and talked to mid-level and top management about their challenges.

"We were blown away by the factories we saw. I don't know how the U.S. will compete. It alarmed some of us," confesses Lai. "The Chinese sometimes substitute labor for capital but they do so while maintaining high quality and incredible production flexibility. We now know much more about what a global economy really is."

The factory tours gave Ryan Ford, past-president of LSA Student Government and one of five LSA students who went on the trip, an insight into the mind-set of Asian businesses and the East's and West's differing views of supply chain management. "The goal in the West is to build efficiencies in a kind of partnership relationship. In China, it appears the main goal is to reduce costs. As a result, suppliers aren't as loyal; they

LEFT Charles Spiekerman in a dim sum restaurant

CENTER Rita Schiesser, Eric Neuman and Kurt Beyerchen

RIGHT Left, Jia Jian Lee from the Ross School and Mike Cheng from the Chinese University of Hong Kong in the subway station





LEFT Between meetings with business and NGO leaders, students and their professor relax in a downtown Hong Kong park. They are, left to right, Elizabeth Baiten, Melany Hamner, Jian Jian Lee, Jim Walsh and Ray Lai.
RIGHT Lunch in Hong Kong

have high turnover. It remains to be seen which system will prevail,” says Ford, who graduated in April and is now an actuarial analyst in CIGNA Insurance’s pricing department.

The tours also illustrated what the students had learned about labor relations. “We saw people working 10-12 hours a day, six days a week, earning 40 cents an hour,” Ford says. “They didn’t appear to be working in sweat shops. The facilities were clean. Employees want to work overtime, managers said, and if overtime is not available, they will work for someone else.”

The companies provide food at cost, housing in dormitories and transportation, so employees have few expenses. Lai says: “Forty cents an hour goes a long way over there. A loaf of bread costs a yuan, or about 12 cents. A 20-ounce bottle of water costs the equivalent of 24 cents. We have car payments and rent or a mortgage. Their costs are less than ours.”

“Everyone works hard,” says Walkowiak. “They leave their families to work in the

factories. I think they work harder than we do. It made me appreciate what I have here. I would visit again, but I don’t think I could live in China.”


Among the highlights for students were intense debriefing sessions where the group discussed information management, transparency, the world economy, multinational corporations, corporate governance, leadership and capitalism. Eric Neuman, who taught BBA students last year and assisted Walsh on the trip, says his research agenda has been enriched by the experience. “It was my first trip to China and Hong Kong. It helped me think even more clearly about how my research connects to organizational theory and how organizations interact with society,” he says. “We traveled halfway around the world but so many things are the same, including similarities in our way of life and life in Hong Kong and China. We saw the global convergence.”

Neuman also picked up some teaching tips. “I learned from Jim about what is

Ross School students discover a fast, clean and inexpensive mode of transportation — Hong Kong’s subway. At the station, from left to right, are Mona Maitra, Emily Walkowiak, Li’er Wong and Grace Augustine.

possible to do with BBA students. I saw his passion and how he poured himself into this class. He was very generous with his time. He pushed them to think deeply and hard about important questions.”

Walsh, a teacher/scholar in the Executive and Day MBA programs, Executive Education and the PhD program, taught the course to demonstrate that action-based learning could be extended to BBA students. He is teaching the course again this fall. “BBAs want to think deeply about ideas and how principles shape lives,” he says. “It is a joy to work with people this engaged and smart.”

None of the students were close friends before they boarded the plane for the 23-hour trip to Hong Kong. They returned home talking about reunion events. “It was magical to see the way our students connected with each other and with the course material in businesses, NGOs and government agencies — all on the other side of the world,” says Walsh. 

Mary Jo Frank



1ST Target Case Competition

BBA Seniors Experience the Real Deal



Senior BBA students in Professor Lynn Wooten's Corporate Strategy/International Business course wrapped up their academic work this spring with a Ross School first—a Target Corp. case competition, *The Apprentice*-style. Four teams of finalists pitched their business solutions to Target executives in Hale Auditorium in front of a live audience. No one was fired.

Target's primary customer—female, age 44, well-educated with a moderate to better income—will continue to be at the center of Target's strategy. However, as economic shifts in disposable income occur, Target will have opportunities to connect with new, loyal, long-term customers, according to the analysis provided to students.

Working as consultants, the BBA students created strategic growth plans for Target, looking specifically at the “tween” (8- to 14-year-olds) and “zoomer” (40- to 60-year-olds) generations across various

product categories and recommended ways Target should leverage its strengths to capture profitable market share for these groups.

The Target case competition is just the sort of intellectual challenge that will increase this year and in the future for many more BBA students, thanks to a \$10 million gift from Thomas C. Jones, retired president of CIGNA Retirement & Investment Services and the first director of the Ross School's BBA Program. He established the Jones Center for BBA Education to make it possible for more undergraduates to experience the types of programs usually provided only to MBA students: senior capstone courses that require students to integrate and apply knowledge from across many disciplines, creative programs with a strong leadership focus and action-based learning like the Target competition.

“BBAs are my passion,” says Wooten, PhD '95, clinical assistant professor of

corporate strategy/international business and management and organizations. “I see this elective—in which students have to do more scoping and analyzing strategic business problems through interviewing customers and companies—as a rite of passage and preparation for a career in a professional service firm.”

Wooten says the Target-sponsored case competition is a win-win. “Target looks for partners as part of its efforts to expose new BBAs to retailing. A large proportion of internal and external consulting is developing retail markets, so the action-based learning experience with Target is a good fit,” says Wooten. Two graduate students, **Neerav Shah** and **Madyé Seymour**, both MBA '05, served as Wooten's teaching assistants. Wooten patterned the Target consulting assignment as closely as possible to the seven-week Multidisciplinary Action Projects (MAP) required of first-year MBA students.

Selecting the two first-place winners

was a challenge, says Chris Hagestad, Target director of merchandise planning, decorative home and housewares. He and Reba Dominski, a 1983 LSA graduate and Target director of intimates/hosiery/shoes, jewelry and accessories, judged the presentations. They based their decisions on the breadth and creativity of the students' research and the students' use of media elements in the final presentations.

Members of the two first-place teams each won \$500; students on the second-place teams received \$250. **Christy Dietrich, Mari Jarvinen, Paul A. Mestemaker, Marie Wolfe and Anita**



LEFT Student teams developed real business solutions and recommended ways for Target to leverage its strengths to capture profitable market share for “tween” (8- to 14-year-olds) and “zoomer” (40- to 60-year-olds) generations.

ABOVE Professor Lynn Wooten poses with, left to right, Christy Dietrich, Marie Wolfe, Mari Jarvinen, Paul A. Mestemaker and Anita Yogieman, winners of the zoomer category in the case competition.

RIGHT Left to right, James Kempa, Andrew Finn sporting the tween look and Kyrsta Bartnick, winners of the case competition in the tween category

ALL PHOTOS IN THIS ARTICLE BY STEVE KUZMA

Yogieman took first place in the zoomer category. The team of **Kyrsta Bartnick, Andrew Finn** and **James Kempa** won the tween competition.

Dietrich, who joined J. P. Morgan Chase Investment Bank in Chicago after graduation, says the more than 12 hours it took to assemble her team's PowerPoint presentation was worth the effort: “I felt like this was the culmination of my BBA experience.”

Wolfe, who now works at Unilever on consumer packaging, agrees. “This project tied together all I have learned over the past four years and gave me the opportunity to integrate my knowledge into real-world solutions. It was the perfect rehearsal of a skill I will need to succeed in business — the ability to draw on my knowledge and creatively apply it to current issues.”

Historical case studies are interesting but not as powerful as developing real business solutions, pitching recommendations to high-level executives and knowing perhaps someday a major retailer will implement your ideas, says Mestemaker, who found the competition



reinforced lessons he had learned about the importance of understanding the business, customers and audience.

Mestemaker, now a Microsoft program manager, says, “During the Q & A section, we had to answer a question about potentially tarnishing Target's brand by associating it with zoomers. As our analysis showed, zoomers—40- to 60-year-olds—do not like being known as old or on the verge of retirement.”

Mestemaker had to do some quick thinking at one point in the presentation after he used the word “old” to describe



ABOVE (top) Scott A. Moore, director of the BBA Program, chats with Target representatives, seated left to right, Chris Hagestad, Reba Dominski and Jared Nypen, in Hale Auditorium.

ABOVE (bottom) Collier Bern, BBA '05, and Professor Wooten at a reception for case competition participants and guests

a zoomer in an ad and noticed that two Target representatives in the audience who fit into the zoomer category appeared to be somewhat taken aback. “To validate my point, I had to reframe my terminology while tying in facts about the business and customers so that it would better relate to the audience.”

After spending part of his winnings on a team celebration at Dominick's, Mestemaker invested the rest in Target stock. He has a hunch it will “go straight through the roof.” **M**

Climate Change

The Debate Heats Up: Jobs, Trade and National Security

Discussions about climate change must shift beyond science to issues the public, business leaders and policymakers care about—jobs, trade and national security, said Bracken Hendricks, executive director of the Apollo Alliance, a coalition of labor and business leaders, environmentalists and community groups. “Do we want a GE global economy or a Wal-Mart economy?” he asked.

Hendricks was one of 80 business-people, policymakers, environmental activists and scholars who gathered at the Ross School in June to talk about ways to engage a broader constituency in discussions about climate change.

The University of Michigan’s Center for Advancing Research and Solutions for Society teamed up with the Frederick A. and Barbara M. Erb Institute for Global Sustainable Enterprise to sponsor the conference “Reframing the Climate Change Debate: Jobs, Trade, Security and a Revised Research Agenda.” The conference exemplified the Erb Institute’s mission to provide knowledge and leadership for the achievement of ecologically, economically and socially sustainable enter-

prise. In doing so, participants identified common themes and achieved broad agreement on one issue: It is time to stop debating the science associated with climate change and act.

“We make decisions without certainty every day,” said Michelle Manion, a senior analyst with the Union of Concerned Scientists. “Life is an exercise in risk management. We need to make it simple and frame the climate change debate in terms of families and our children’s future.”

Jobs and Trade

A case in point was DTE Energy. Through its energy management program, DTE Energy is helping business customers become more efficient; the utility has reduced DaimlerChrysler’s energy costs by \$50 million a year. The firm also is working with the Nature Conservancy to plant millions of trees in the Mississippi Delta on land once cleared for soybean production. DTE Energy President **Gerard M. Anderson**, MBA/MPP ’88, believes that forest restoration on a large scale can improve water quality and control erosion.

DTE Energy, which has \$21 billion in energy assets, is replacing old turbines with ones that are 7 percent more efficient. “We’re also in the biomass business, extracting methane from landfills and starting to extract methane from abandoned coal mines,” Anderson said.

Most industry leaders are not excited about the restructuring they anticipate will be necessary to reduce greenhouse gas emissions, Anderson admitted. “They think in terms of ‘what plant will I have to close next?’ We need to get beyond that mindset and define the workable first steps to overcome the fears of economic dislocation at the heart of stalemate. The act of taking the first step is more important than the first step itself. Once people do it, they find taking the second and third steps more workable.”

The Apollo Alliance’s Hendricks recommended building consensus by talking about how a clean-energy future can create well-paying jobs. He told of an Evergreen Solar manufacturing plant that has hired employees previously laid off by Polaroid to build a plant in Germany, where aggressive policies support the

solar industry. Rewiring buildings, rolling new steel and expanding markets for coal would create new job opportunities, said Hendricks, who estimated three million jobs could be generated by bold investment in renewable energy projects.

Self-interest prompted change among the United Mine Workers of America (UMWA). The miners union, once one of the leading labor organizations opposed to the Kyoto Treaty, has changed its position and now endorses a National Commission on Energy Policy proposal for mandatory greenhouse gas controls, which is attracting support from the business community. Low-cost energy has been a competitive advantage in the U.S., one the nation must maintain, said UMWA Attorney Eugene Trisko. "India

U.S. was a leader in wind energy and turbines. Now we're behind and playing catch up, Manion asserted, contending the United States has mistakenly devoted too much time to discussing the science of climate change rather than the politics.

Two days before the conference, California Governor Arnold Schwarzenegger announced steps to reduce California's greenhouse gas emissions 25 percent by 2020. Thomas P. Lyon, the Dow Chemical Professor of Sustainable Science, Technology and Commerce and a conference organizer, noted other political leaders also are taking a stand. More than 130 U.S. mayors have vowed to implement the Kyoto Treaty in their cities.

The size of the U.S. domestic market has been one of this country's great advan-

George H. Kuper, CEO of the Council of Great Lakes Industries, noted that some companies already are reducing their energy consumption and greenhouse gas emissions but are doing it quietly because it gives them a competitive advantage. The nonprofit council represents the interests of U.S. and Canadian industrial organizations for the manufacturing, utilities, transportation, communications, financial services and trade sectors that have investments in the Great Lakes Basin.

BELOW Left to right, Bracken Hendricks, Eugene Trisko and Erb Institute student Alexis Olans, MBA/MS '07, discuss how to reframe the climate change debate.



and China are taking jobs from us. Our greatest opportunity is to export our energy technology so those countries can develop and develop cleanly."

"GE acknowledges that climate change is here and says 'we're going to make money off it,'" Manion said. "Business leaders like GE CEO Jeffrey R. Immelt are staking their careers on the need to change. GE is investing in new technology, not because it is trendy or moral but because it presents business opportunities for GE."

"It is not surprising that businesses such as GE and DTE Energy are in the vanguard when it comes to dealing with climate change," said Andrew J. Hoffman, the Holcim (U.S.) Professor of Sustainable Enterprise and a conference organizer. "Action on global warming — at home and abroad — affects the bottom line, and they want a say in how that happens. Inaction creates regulatory and market uncertainty, something business abhors." Hoffman is an expert on change within institutional and cultural systems and the implications of environmental protection for industry.

In the late 1980s and early 1990s, the

tages, said Marina Whitman, professor of business administration and public policy. If California or the Northeast were to impose stricter environmental standards, a fragmented market would impose substantial competitive and economic costs for companies operating in a national and global market, she noted.

Market forces alone fail when it comes to providing collective goods such as clean air and water, Whitman said. Because no one investor can reap the gains from actions needed to mitigate climate change, it is reasonable to think the market will need a kick-start to move in the right direction. Price mechanisms in the form of taxes or government subsidies are likely to be more effective than mandates, added Whitman, who also talked about the need to build trust between government and industry.

"The major barriers to climate change remediation are political," said Lana Pollack, president of the Michigan Environmental Council. "Business must send a signal to politicians that there is a problem and that business is on board when it comes to making changes," she asserted.

National Security

Equally important as jobs is national security, according to many conference participants, including Daniel Lashof, science director of the Climate Center, Natural Resources Defense Council, and Reid Detchon, executive director of the Energy Future Coalition and senior adviser to the United Nations Foundation. More than 40 percent of U.S. carbon dioxide emissions come from oil, Lashof said, explaining the Middle East has 60 percent of the world oil reserves, while the U.S. has only 3 percent and imports 50 percent of its oil.

Although the U.S. is less dependent on oil from the Middle East now than it was in 1974, oil still influences national security. Being less dependent would have strategic value, said Lashof. "Dependence on oil is dangerous because it affects foreign policy; and at \$60 a barrel times 2.5 million barrels a day, we're spending \$150 million a day on oil. It is dangerous for our economy to be sending that much money to other countries," said Lashof, who suggested the U.S. set flexible but enforceable benchmarks for future savings.



Detchon agreed that reducing the flow of money to the Middle East is in America's best interest. "We ought to allow Americans to lead the lifestyle they prefer but with less environmental damage," he said. Cellulose ethanol—a biomass substitute for gasoline—is an attractive alternative and could help decrease America's dependence on foreign oil. Already 40 percent of Brazil's fuel is ethanol-based, he noted.

Truman Semans, director of markets and business development at the Pew Center on Global Climate Change, said America's dependence on foreign oil and China's growing energy demands have ramifications for U.S. national security.

What Next?

"We don't know what life will be like in 50 years," said Steve Cochran, director of strategic communications for Environmental Defense. The unknown should not be a barrier to taking steps now, he said. "We must focus on near-term opportunities. We're spending too much time seeking

technological breakthroughs when we already have hybrids, diesel hybrids, distributed turbines and biodiesel," he added.

To move the nation to adopt a cap on carbon emissions, Cochran said, "We have to talk to people about things they care about." When Environmental Defense talked to focus groups of economic and social conservatives in South Carolina, Ohio and Kansas, they were willing to support a climate stewardship act that uses market forces to reduce air pollution and encourages the use of alternative fuels, said Cochran.

"Environmental Defense's experience

BELOW Left to right, Andrew J. Hoffman; Economics Professor Stephen W. Salant; Christine Kirchoff, doctoral candidate at the School of Natural Resources and Environment; Marina Whitman; Assistant Professor of Business Law David W. Hess; and Professor Emeritus of Corporate Strategy LaRue T. Hosmer are among University of Michigan scholars interested in climate change.

ABOVE Left to right, Thomas P. Lyon, Dan Lashof, Reid Detchon, Professor Emeritus of Psychology Robert L. Kahn and George W. Klinge discuss the influence of oil on national security.

illustrates what can happen when we reframe the climate change debate," Hoffman noted.

The nation's ambivalence about addressing climate change may in part be the fault of scientists, George W. Kling, professor of ecology and evolutionary biology, told his colleagues. He said scientists have failed to communicate adequately what they do. As a result, people are not well informed about the scientific certainty of climate change and have difficulty weighing in on the climate change debate.

Researchers who attended the conference will continue to meet. One of their goals is to conduct cross-disciplinary research that will provide factual, useful information about climate change that the public and policymakers can trust, Hoffman said. **M**

Mary Jo Frank



RESEARCHERS SEEK TO UNDERSTAND THE IMPACT OF MULTINATIONAL CORPORATIONS

The conference "Reframing the Climate Change Debate: Jobs, Trade, Security and a Revised Research Agenda" is part of a larger research initiative at the University of Michigan focusing on "The Global Corporation and Human Well-being" initiated by Gerald Davis, professor of management and organizations,

and Richard H. Price, research professor at the Institute of Social Research's Survey Research Center and professor of management and organizations at the Ross School. The initiative is supported by the University's Center for Advancing Research and Solutions for Society (CARSS).

"Our goal is to understand the impact of multinational corporations on five domains: natural environment, health, human capital and education, social capital and social structure, and income and inequality," said Davis.

CARSS, established in 2003 to extend and strengthen the intellectual and methodological foundations of social and

behavioral science, emphasizes problem-oriented, team-based projects that bridge disciplines and link research and practical applications.

The more than 40 faculty members who participated in the climate change conference represented 12 of the University's 19 schools and colleges and 20 departments.



Gerald Davis

New “Gas Mileage Game” Fuels Understanding of Environmental Policy

Businesses increasingly are calling upon managers to deal with issues seemingly beyond their control, such as governmental actions, media attention and public scrutiny. A new course, “Non-market Strategy: Setting the Rules of the Game,” offered for the first time last winter at the Ross School, gives students real-world insight by examining strategies for dealing with these types of issues and their public policy implications.

Martin Zimmerman, clinical professor of business and former Ford Motor Co. executive, and Thomas P. Lyon, the Dow Chemical Professor of Sustainable Science, Technology and Commerce,

teach the course that reproduces the dynamics of public regulation-making. Topics addressed include environmental and safety regulation, international trade policy, corporate social responsibility and the integration of market and non-market strategies.

An innovative element in the course—the “Gas Mileage Game”—immerses students in real-world problem-solving by allowing them to take on the competing roles of auto companies, government representatives and non-governmental organizations.

In the game, members of Congress decide what, if any, new gas mileage regulations to enact while trying to maximize their chances

to be re-elected and do what is best for their constituents. Auto companies decide whether to adopt new technologies that will improve gas mileage and try to influence government regulation while preserving sales, market share and profits. Advocacy groups strive to persuade companies and the government to raise car gas mileage standards. Finally, all groups consider what is best for the country and the environ-

“American consumers may be starting to care about higher gas mileage more than in the past and may be willing to pay more for fuel efficiency.”

* * *

ment and factor this into their decisions.

According to Nathan Bos, assistant research scientist in the School of Information and co-developer of the game along with Zimmerman and Lyon, the game draws upon conceptual frameworks from economics, political science and strategic analysis.

Among questions kept in mind during game development were: What is it like to be an automotive executive deciding whether to upgrade your fleet’s fuel efficiency or a member of Congress deciding if new environmental regulation is warranted?

“Tom and I relied heavily on Marty for the aspect of realism,” Bos said. “We would frequently ask things like, ‘what do government and company representatives really talk about when discussing future regulation, and what arguments do environmental advocacy groups make and how do companies respond?’”

Zimmerman, who retired from Ford as group vice president of corporate affairs in 2004, said the discussion often is about environmental benefits, politics and, more important, costs.

Bos, Lyon and Zimmerman tested the game last winter on students who provided valuable feedback. “We really benefited from their input. It was a learning experience for them and us,” Zimmerman said.

He acknowledged it is difficult to compress real-world issues into a three-hour game, and the complexity of the interactions can be a challenge for students. “We were

cautious about adding complexity. If it were too complex, students wouldn’t get it; and if it were too simple, they wouldn’t learn,” he said.

Zimmerman believes the course appeals to a broad range of students. “I would like to see a nice mix of students from the Ross School, School of Natural Resources and Environment and Gerald R. Ford School of Public Policy take the class,” he said.

No one wins in the game. “The essence of it is learning. Students are graded on their debriefing—the strategies they used for the issues they encountered,” Zimmerman explained.

Zimmerman and Bos anticipate the game will evolve over time. “We may have to change the market algorithm next year to reflect higher gas prices,” said Bos. “American consumers may be starting to care about higher gas mileage more than in the past and may be willing to pay more for fuel efficiency. We will pay close attention and think about ways the game can and should be changed to reflect current conditions,” he added.



Martin Zimmerman



Nathan Bos



The “Gas Mileage Game” immerses students in real-world problem-solving.

At Ford, Zimmerman was responsible for corporate economics, governmental affairs, environmental and safety engineering, corporate citizenship and the Ford Motor Company Fund. Before joining Ford, Zimmerman was a Ross School faculty member and served as chair of the business economics group. He rejoined the faculty in January.

Zimmerman serves on the National Commission on Energy Policy and the board of the National Bureau of Economic Research. He is a former member of the President’s Council of Economic Advisers. **M**

Heather Thorne

The Erb Family: Shaping the Future

A new \$10 million gift from **Frederick A. Erb, BBA '47**, and his wife, Barbara M. Erb, promises to significantly enhance the research and education initiatives of the Frederick A. and Barbara M. Erb Institute for Global Sustainable Enterprise, a partnership between the Ross School of Business and



Barbara and Frederick Erb

THE OAKLAND PRESS/DAVID KILKENNEY

the School of Natural Resources and Environment (SNRE).

Building upon two earlier gifts of \$5 million each, the latest gift represents the largest known commitment to a university for interdisciplinary teaching and research in the area of global sustainable enterprise — a field that explores how organizations throughout the world can achieve long-term success by harmonizing economic, environmental and social interests.

The Erbs, of Birmingham, Michigan, and Naples, Florida, were born and raised in the Detroit area. After earning his BBA with honors, Fred Erb promptly bought into his uncle's small lumber and coal business. When sold in 1993, the Erb Lumber Co. was a 45-location diversified business with \$300 million in annual sales. His current businesses include Edgemere Enterprises, a real estate management company in Birmingham.

Barbara's community service has

included board membership for The Music Hall of Detroit and the Michigan Art Train, and membership in the Women's Committee of the Cranbrook Academy of Art and the local chapter of the National Farm and Garden Club.

The Erbs' new gift makes it possible to increase the size of the Erb Institute MBA/MS Program — with 52 students, already the largest of its kind — to 75 students. Erb students simultaneously earn master's degrees from the Ross School and SNRE. The curriculum includes such offerings as Systems Thinking for Sustainable Enterprise, Competitive Environmental Strategy, Business Practices of Human Rights, Sustainable Manufacturing and Social Institutions for Energy Production.

Commenting on the vision motivating their gift, Barbara Erb said, "We want to create a new generation of leaders who will consider the big picture of our world and who have the protection of the environment as a primary part of their thinking and planning."

Fred Erb added, "If we can raise the next generation of business leaders to think about environmental protection as an essential long-term investment — and not a cost to be avoided — we will have taken a major step forward."

The integrated three-year MBA/MS program has produced more than 90 graduates who work within the business, nonprofit and government sectors. These leaders focus on a wide range of issues, including clean technologies, conservation of biodiversity, corporate responsibility, renewable energy, green design and human rights. Program graduates continually draw upon their interdisciplinary training to inspire, develop and implement innovative and practical methods for cultivating a sustainable future.

The new gift also will allow the Erb Institute to dramatically expand its research efforts. "This generous gift will allow the institute to fund PhD students, post-doctoral fellows and important research collaborations with faculty in such diverse areas as business, environmental

science, engineering, public health and public policy to discover and disseminate the leading-edge research required to address the complex issues that matter so much to the health of our planet," said President Mary Sue Coleman.


The Erbs' vision and generosity have helped attract additional institute supporters. "Thanks to earlier gifts provided by Fred and Barbara Erb," Dean Robert J. Dolan said, "we have accomplished the remarkable feat of securing funding for two new endowed professorships with joint appointments in our schools of environment and business. The Holcim (U.S.) and Dow Chemical professorships have allowed us to attract and hire Andy Hoffman and Tom Lyon in the area of global sustainable enterprise. They join Thomas N. Gladwin, the Max McGraw Professor of Sustainable Enterprise. Together, the three faculty members are conducting research on such important issues as clean energy alternatives, human mobility in densely populated cities and business strategies for addressing global climate change."

* * *

"If we can raise the next generation of business leaders to think about environmental protection as an essential long-term investment — and not a cost to be avoided — we will have taken a major step forward."

* * *

Steve Percy, retired CEO of BP America and a member of the Erb Institute External Advisory Board, said, "Leading global corporations are facing rapidly changing public policy, consumer preferences, stakeholder expectations and, most important, competitor strategies in response to concerns about ecological systems and human well being. They know that to succeed they need the very best knowledge and talent for integrating these wider concerns. No institution is better placed than the Erb Institute for Global Sustainable Enterprise to provide the intellectual power they are seeking."

For more information, visit <http://www.erb.umich.edu>. 

ERB STUDENTS RECEIVE TOP HONORS FROM AMERICAN SOCIETY OF LANDSCAPE ARCHITECTS

Two MBA students from the Erb Institute won first place in the communication division of the American Society of Landscape Architects (ASLA) graduate student competition and one of three awards of excellence.

Aaron Harris, MBA/MS '06, and Bryan Magnus, MBA/MS '05, along with Allyson Pumphrey and Zeb Acuff of the School of Natural Resources and Environment, were recognized for their project "Building Green for the Future: Case Studies of Sustainable Development in Michigan."

The 108-page, full-color handbook is intended to demystify "green" development practices for real estate developers, design professionals, and local and state policymakers. It includes 11 case studies of sustainable development projects in Michigan that represent residential, institutional, commercial and educational facilities, and demonstrate the feasibility and benefits of sustainable green development.

Magnus said the Michigan Department of Environmental Quality already had a "green" toolkit for developers and suggested the team create a Michigan handbook showing the benefits of pursuing green alternatives for developers and owners.

The students and adviser Larissa Larsen, assistant professor of natural resources and environment, are to receive their award at the ASLA meeting in Fort Lauderdale in October.



Senator Proposes Rx for America's "Allergy" to Global Warming Treaties

The Bush Administration must "overcome its allergy to international treaties and make a moon-shot-sized investment" to develop technologies to confront the threat of global warming, Michigan Senator Carl Levin said at a University of Michigan conference on climate change.

The United States must engage with other countries in developing "leap-ahead" technologies to reduce the amount of carbon dioxide emitted into the air. "We need a massive infusion of support to develop these technologies," Levin said. "This is an economic issue, a values issue and an issue about our obligation to leave the Earth as we received it."

His talk kicked off the conference "Reframing the Climate Change Debate: Jobs, Trade, Security and a Revised Research Agenda" held at the Ross School June 2-4.

The economic impact of climate change is drawing the attention of major corporations, Levin said. Current energy bills and proposals—including the Kyoto Treaty, McCain-Lieberman Climate Stewardship bill and existing CAFE standards—are not enough, Levin said. Due to a lack of federal support, American companies are being enticed to move operations to other countries instead of finding reasons to make improvements to existing plants in the United States, he added.

"The United States government has become allergic to binding treaties. We need to stick with the process, return to the negotiating table and become part of a broad, international solution," Levin said.

The Kyoto Treaty, an agreement to fight global warming, was ratified and put into effect in February 2005 by 140 nations, with some notable exceptions—the United States and Australia. Signatories are legally committed to meeting emissions targets by 2012. Though Levin is not in favor of the Kyoto Treaty, he said he supports an international effort to confront climate change.

Incentives to businesses and taxpayers will help bring about attractive alternatives such as hybrid automobiles and cleaner burning fuels, Levin predicted. "I much prefer incentives over mandates," he said. "They are essential to attract more attention from business and industry."

Levin urged audience members to speak out on global warming, tax incentives and alternative fuel sources. "Don't give up on your letter or e-mail writing," he said. "Policies do change. I believe this issue is so major that it has to be one of the top three issues of the next presidential campaign." **M**

Nancy Davis



**BUILDING A POWER-
PACKED ROSTER:**

Strong at Every Position



Michelle
Hanlon

Building the faculty of a great business school is like building a great baseball team. Hire only sluggers and you'll get creamed for lack of pitching. A great outfield can't fix the errors of a lousy infield. You need strength at every position.



Tom Lyon



Christie Nordhielm



Bill Hall, MBA '67,
PhD '69, right, with
David Hares, MBA '06

Like building a team, building a faculty means pursuing your strategy in the off-season, long before the draft and the big trades make headlines. It means keeping close tabs on the farm leagues and the competition, so you know which players to watch and which you can afford to forget.



Robert J. Dolan

And it means sticking to your vision of the team you want to build. You can't hire every promising rookie. You have to know what you need.

"It's important to have a strategy that guides you in the first place," said Dean Robert J. Dolan, a diehard Boston Red Sox fan. "Unless you have a strategy in place, you're going to make dumb decisions.

That's why it's been so important for us to develop and articulate a focused strategy that we summarize with the tagline 'Leading in Thought and Action.'"

Here are four behind-the-scenes stories of that strategy in action. They show how key players were found for each of the four types of faculty positions—the traditional tenure-track professor, the clinical professor, the adjunct professor and the endowed chair. And they show, as Dolan puts it, that shaping the Ross School faculty "is really a complex process of mixing and matching lots of different people with lots of different kinds of skills and experiences. A faculty is not homogeneous. We need to develop many skills and attributes in our students. That being our mission, you have to bring together, in a synergistic way, people with varying talents and skills. Fortunately, Michigan is attractive to many different kinds of people."

The Rookie

The hiring season in the world of accounting scholars starts in February, when graduating PhD candidates send out fat packets loaded with resumes, dissertations, recommendations and published papers. When the packets went out in 2002, accounting professors at every top U.S. business school had no trouble seeing that Michelle Hanlon was going to rank high on everyone's list. The only question was who would get her.

Tenured scholars are the backbone of every research faculty. When a tenure-track slot comes open, you take a calculated risk on the best new PhD you can find, hoping that in six years he or she will build a record of great research and teaching worthy of tenure, then go on to a long and productive career as a leader in the field.

Making that bet on a scholar fresh out of graduate school entails risk. And Hanlon was in some ways an unlikely prospect.

Born and raised in a farming family near the crossroads town of Tampico, Illinois (the birthplace of Ronald Reagan), she attended two schools outside the academic fast track—Eastern Illinois and the University of Washington. But at Washington she studied with Terry Shevlin, a national figure in tax accounting. And her dissertation dealt with a fascinating and timely question: If a corporation reports high earnings to stockholders and low earnings to the IRS—Enron is a prime example—is it a good prospect for high future earnings?

* * *

"Faced with a room full of accounting professors, there are things that other people have thought of that a rookie might not have. But when Michelle was presenting her work, she was clearly the expert in the room. She was the person we wanted to hire. We didn't have a Plan B."

* * *

"Every year, you have, say, 300 PhDs coming out in a given field," said Izak Duenyas, associate dean for faculty development and research. "And 270 of them do not have a very good idea of what is an interesting problem. Most top schools converge very quickly on the top 20 or 30 because they've worked on interesting problems."

Of course, their attack on the problem also has to yield important results. Hanlon passed that test too. She compared the performances of firms with large book-tax differences against the performance of firms with small differences, and found that the ones with big differences saw their earnings drop over time. She also found evidence that investors tend to catch on, at least when book income



Izak Duenyas

exceeds taxable income. It was not only a timely study, given Enron's spectacular

fall from grace, but a highly impressive and useful one.

Then there were less tangible factors. What sort of teacher would she be? Would she be a good fit with her colleagues? Hanlon answered those questions with the talk she gave to faculty members. Russell Lundholm, the Arthur Andersen Professor of Accounting and now chair of accounting, remembered the impression she made.

"With tax in particular, a lot of institutional knowledge is required to do it well," Lundholm said. "Faced with a room full of accounting professors, there are things that other people have thought of that a rookie might not have. But when Michelle was presenting her work, she was clearly the expert in the room.

"She was the person we wanted to hire. We didn't have a Plan B."

Hanlon had that effect on other schools too, among them Wharton, Chicago and the Massachusetts Institute of Technology. In a week, she received seven offers. On one frantic day, from 7 a.m. to 10 p.m., she spent nearly every minute on the phone, listening as leading figures in her field—including Douglas Skinner, then Ross School accounting chair—made cases for why she should choose their school.

Her decision came down to intangibles—not just the high quality of the accounting faculty at Michigan, though that was important, but the simple sense of a good fit.

"You know when you're somewhere and you just have a feeling that this is the place you should go?" she said. "I think a lot of people, when they have a lot of good offers, end up making the decision like that. Where will I be the most comfortable? Where will I be the most productive? There's something in your gut that tells you this is the right place."

Russell Lundholm



She said yes, and the bet appears to have paid off for both parties.

"She's a star," said Duenyas. "She's doing great work in the areas of tax and accounting. She looks at many very interesting issues. It's a classic case of one of our areas looking at the fresh PhDs and saying, 'Who's the brightest person coming out, and can we attract them?' And that's what happened."

The Specialist

Often a strong team will develop a gap at a key position, and you need to find a very specific sort of player to plug the hole.

Early in the decade, this had happened in the marketing area. This very strong area offered some of the most popular electives in the school but needed leadership for the required core curriculum. Given the commitments of faculty already here, someone new was needed. Then Marketing Chair Rajeev Batra learned that Christie Nordhielm, a faculty member at Northwestern University's

Kellogg Graduate School of Management, might be ready to make a move.

It was a major piece of intelligence. Nordhielm, known as a superstar teacher of marketing and advertising, had developed an innovative system for teaching the marketing core—a framework emphasizing the interrelatedness of all the decision elements in a marketing strategy. Nordhielm had incorporated her approach in a new text-

book, *Marketing Management: The Big Picture*. (See her Web site, www.bigpictureonline.com/.) And in a top-ranked program known for especially demanding students, she won sky-high ratings. In 2003, Kellogg students voted her "Professor of the Year."

So there was no question that Nordhielm would be a great hire. The question was: What kind of a hire?

The Journal of Consumer Research, the most prestigious journal in her field targeted to other academics, had given her its top award for an article based on her dissertation, so no one doubted the quality of her research. But, over time, her emphasis seemed to be more on



Rajeev Batra

impacting students in the classroom and practicing managers.

So Batra, the Sebastian S. Kresge Professor of Marketing, polled his faculty colleagues and the deans about an appointment as a clinical professor.

Clinical professors are so plentiful in medical schools that few people associate the term with other professional programs, but they exist in business and other schools too. The clinical professor—typically given a multi-year contract, but without tenure—delivers experience in the world of practice, thus balancing the expertise of the tenured research scholar with the pragmatic outlook of someone fresh from the field. They're expected to write, but not necessarily in purely academic journals.

Nordhielm, with a PhD from the University of Chicago, had strong academic training. She also brought to the table five years of experience at the Leo Burnett Co., where she shepherded the careers of such pitchers as Morris the Cat and Ernie Keebler, plus a successful stint as marketing director for a top Chicago radio station.

For a clinical professorship, Batra said, "The crucial thing is years of industry experience, contact with executives and managers, and the ability to bring the perspective of practitioners into the classroom. But then we also look for a mindset that is somehow scholarly and contemplative. It can't be just war stories from the field. There has to be some reflection and the ability to write and share."

It was clear that Nordhielm had all this in spades—plus her credentials as a superb teacher. So with his colleagues' concurrence, Batra extended an offer.

For Nordhielm, it was not an easy decision. Though born in New England, she had become a devoted Chicagoan. But her meetings with Dolan and other marketing faculty members persuaded her that the Ross School offer was the right combination of roles. The clinical glove had found just the right hand.

"It becomes dangerous to think of research and teaching as a continuum, because really it's a cycle," she said. "I teach and come up with this framework and it generates these cases and this discussion, and that generates ideas among my colleagues, I hope, to do more research. They go off and do the research, they come back with results and talk to me and I bring that into the classroom, just as they do."

In her first year at Ross, the cycle certainly worked.

"She hit the ball out of the park," Batra said. "In our core marketing class, I've never seen teaching ratings as high as the ones she's gotten."

The Designated Hitter

When you're finished hearing the story of Bill Hall's career to date, you feel like you've talked to five guys at once. He trained to be an astronaut, jumped to statistics, earned his PhD, taught business at a string of top universities, ran one company and then others, then started and ran his own, including Procyon Technologies, now a leading defense contractor.

As Associate Dean Duenyas put it: "He has credibility beyond the roof."

Which made Hall, MBA '67, PhD '69, the perfect player to step into the special role of adjunct professor, an expert practitioner who brings battle-tested skills to the teaching of a single course.

* * *

"It's very simple, I owe the University a lot. I got my education here. I love the place. [Teaching] is a way of giving something back to Michigan and to the next generation of business leadership."

* * *

Actually, there are two kinds of adjuncts at the Ross School. Some are expert teachers who concentrate on classroom duties to the exclusion of research. Others, like Hall, are street-tested executives who steal time from their jobs to teach their specialties.

Hall's association with Michigan started with a bachelor of science degree in aerospace engineering. Through the 1970s he taught in the business school before switching to a highly successful career in business, first with Cummins Engine, where he was chief of sales and marketing, then as CEO of a series of companies, including several of his own.

All the while, he kept close ties to the University, joining the school's Visiting Committee. In 2002, Dolan asked Hall to chair the committee. Not long after, Eugene Anderson, professor of marketing and associate dean for degree programs, suggested that Gautam Ahuja,

chair and professor of corporate strategy and international business, and Allan Afuah, associate professor of corporate strategy and international business, have a chat with Hall. With his combination of teaching and business experience, Anderson said, Hall might make a perfect adjunct.

So Afuah, Ahuja and Hall met, and last year Hall began to teach a course he designed—the only one of its kind—called “Corporate Intervention.” The course addresses a simple but essential question: How can a corporate headquarters add value to the operations of a business unit in the field? After the managing director of a leading consulting firm sat in on one of the class discussions, he hired two of Hall’s students and said the class should be offered in every business school in the world.

“It turned out to be an amazing fit,” said Ahuja. “He’s done extremely well. The students love him.”

Hall refuses to accept a salary for his teaching. And he’s assisting in the development of a second course, also the first of its kind, titled “The Business of Biology.”

“It’s very simple,” he said. “I owe the University a lot. I got my education here. I love the place. It’s a way of giving something back to Michigan and to the next generation of business leadership.”

The All-Star

Union Carbide in Bhopal, India; Exxon off the coast of Alaska; Metropolitan Edison at Three Mile Island, Pennsylvania. These and other disastrous encounters between corporations and the natural world launched an inexorable movement toward the field now called sustainable enterprise, which seeks ways for corporations to act as responsible stewards of the environment.

The business school was an early adopter, launching the Corporate Environmental Management Program (CEMP) in the early 1990s. With major endowments from **Frederick A. Erb**,

BBA ’47, and his wife Barbara starting in 1995, CEMP became the core component of the Erb Institute for Global Sustainable Enterprise, a joint effort of the schools

Francine Lafontaine



of business and natural resources. But it had only one specialist, **Thomas N. Gladwin**, MBA ’71, PhD ’75, the Max McGraw Professor of Sustainable Enterprise. If Michigan were to be the leader in what was obviously a critical and rising field, the business school would need more major scholars.

Funding soon came from Dow Chemical and Holcim Cement to establish two more endowed chairs, with joint appointments in business and natural resources. The search for the right people extended over two academic years, 2003–04 and 2004–05. The school was seeking two professors, one to teach mostly in the business school, the other to teach mostly in natural resources, but with strong interaction around multidisciplinary research. At the Ross School, it was announced as a school-wide search. The department that made the best case would hold the endowed chair position for the first five years.

That was when Francine Lafontaine, chair and professor of business economics and public policy, thought of Tom Lyon, a faculty member at Indiana University then working at Resources for the Future, a think tank in Washington, D.C.

Lafontaine had met Lyon years earlier. She knew his credentials—BS in engineering from Princeton, PhD in economics from Stanford, an expert on the effects of government regulation on corporate behavior and a pioneer in the study of sustainable commerce. Few people could match his record.

“Even in a world market,” she said, “there are not so many great pitchers.”

But Lyon had been at Indiana for years. Would he move? Here the academic grapevine helped.

“We all have our networks,” Lafontaine said. “If I decided that I wanted to move, I would tell friends in a number of places, they would tell friends in other places and the word would be out. Tom was not in that category, except that I knew he was in his second year of visiting in Washington, which started to suggest that maybe he wasn’t sure he wanted to go back.”

She called Lyon and described the endowed chair. She had been right. He said he would think about it.

Lyon had grown up as a Boy Scout in the Shenandoah Valley of Virginia, a place of great natural beauty where the industrial age has made less of a mark than elsewhere. He loved the outdoors. Then in college he often made the train

trip from Princeton to New York City.

“It really shocked me,” he said.

“You’re riding through the devastated industrial wasteland that surrounds the Port of New Jersey—all these refineries and just enormous ugliness. It was really the first time I had confronted that type of landscape. That was where concerns about protecting the environment really emerged for me.”

Lyon’s signature work—much of it undertaken with an Indiana colleague, John Maxwell—has been to explore why some companies do right by the environment when every economic incentive seems to tell them not to. He has found that some corporations, defying conventional wisdom, are going green to stave off regulation, or at least to retain a voice in the regulatory process. Others gain an advantage over competitors by gaining expertise in sustainable technologies and methods.

Lyon concluded that the Ross School was offering ideal circumstances for pursuing his research, for influencing a cadre of like-minded students in the Erb Institute and for building the leading sustainable enterprise program. He accepted, becoming the Dow Professor of Sustainable Science, Technology and Commerce. (The parallel search led to the appointment of another endowed professor, Andrew Hoffman, now the Holcim (U.S.) Professor of Sustainable Enterprise.)

“I saw this job and it was like somebody made it up for me and dropped it in my lap,” Lyon said. “I am part of a community of people who are pushing the envelope, thinking new thoughts, staying on top of the latest technology and trying to do the right thing for the environment, for the planet and for people generally. The student body is in a sense the biggest draw: They have all the great attributes of MBA students—entrepreneurial, effective, articulate, hard-working, smart—but they also have a broader commitment to make the world a better place. They’re just a cool bunch of people; I enjoy hanging around with them.

“Pretty much every day I have some little experience that makes me say, ‘I am the luckiest person in the world.’”

James Tobin



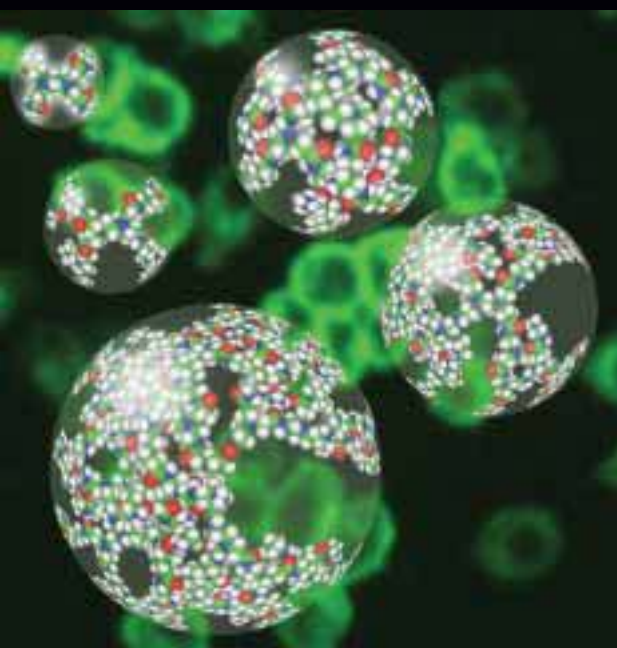
technology

SMALL-TECH WORLD BUBBLES WITH BUSINESS POTENTIAL

In its ever-expanding effort to push the entrepreneurial envelope, the Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies co-hosted the University of Michigan's Fifth Annual Emerging Industry Symposium, "The Business Reality of Micro and Nano Technologies," this spring.

Participants — scientists, entrepreneurs and venture capitalists — talked about business opportunities emerging from breakthroughs on a microscopic scale that allow engineers to create new materials at the molecular level.

University of Michigan scientists are using nanotechnology to fabricate materials and new devices that will make it possible to identify and treat disease in individual cells, nanoparticles that can remove toxic metals from groundwater and nanofilms that will help power more efficient fuel cells.



As executive director of the University's Office of Technology Transfer, **Kenneth J. Nisbet**, MBA '76, works with engineers and scientists to bring new products to market. Other Ross School alumni who are active in the small-tech sector include **Patti Glaza**, MBA '00, **Thomas Kinnear**, PhD '72, **Rick Snyder**, MBA '79, **Maria Thompson**, MBA '88, and **Donn Tice**, MBA '82.

T/J Technologies Expands

Thompson, president and CEO of Ann Arbor-based T/J Technologies, and two Michigan graduates, husband Levi Thompson Jr., who earned a PhD in chemical engineering, and Michael Wixom, who holds a doctorate in physical chemistry, landed their firm's first contract to manufacture ultra-hard coatings in 1991, years before nanotechnology became a buzzword.

T/J Technologies specializes in the design, development and commercialization of nanostructured materials for lithium-ion batteries and fuel cells. It holds seven patents, has many more pending and has won more than 60 research and development contracts.

"We also were working on alternative energy before it became a hot topic. Now we're getting calls from all over the world from companies interested in materials development," notes Thompson. T/J Technologies, with 20 employees, is expanding, hiring more chemists, chemical engineers, materials scientists and electrochemists to join what she says is already "a strong R & D and management team."

T/J Technologies was identified

Preprogrammed dendrimer nanoparticles can transform harmful chemical and biological agents into benign substances.

COURTESY OF MICHIGAN CENTER FOR BIOLOGIC NANOTECHNOLOGY

as "one of 50 companies to watch in Michigan" in April by the Michigan Celebrates Small Business Team, which includes the Michigan Economic Development Corp., Michigan Small Business & Technology Development Centers, Small Business Association of Michigan, U.S. Small Business Administration and the Edward Lowe Foundation.

In 2005, T/J Technologies' \$14 million proposal to NASA for the development of nanoscale materials for high-energy batteries was selected for award. T/J also received a \$5.25 million contract to develop high-power batteries for hybrid vehicles for the Army. T/J Technologies received several other contracts and grants

Maria Thompson, MBA '88



STEVE KUZMA

Buzzwords

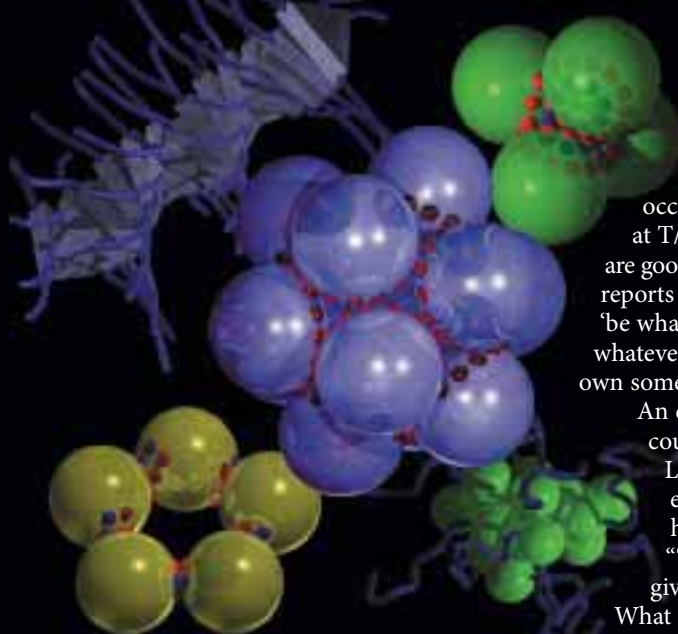
Nano: Derived from the Greek word for "dwarf" and indicates one-billionth of something.

Nanotechnology: The creation and use of objects at the nanoscale, up to 100 nanometers in size.

MEMS—short for microelectromechanical systems: Machines with moving parts smaller than a human hair that contain both electrical and mechanical components on silicon, also referred to as microsystems, microstructures and microstructure technology.

Micro: Short for micron, one-millionth of a meter. Also can refer to MEMS and/or microsystems, a microscale machine that can sense information from the environment and act on it.

Small-tech: Refers to technology at the micron or sub-micron level, including nanotechnology, MEMS and microsystems.



occasionally spend snow days at T/J Technologies. Both girls are good in math and science, reports Thompson. "I tell them 'be whatever you want to be, but whatever you do, make sure you own something.'"

An entrepreneurial studies course taught by Andrew Lawlor and corporate strategy courses have helped in her career, Thompson says, "The business school didn't give me all the answers.

What the business school taught me was how to find answers. After starting the business, I wished I had paid more attention in a few areas, like accounting. But I had made friends in accounting and could call on them," says Thompson.

The school had not yet formalized action-based learning when Thompson was a student. However, as an alumnus, Thompson supports opportunities for students to gain real-world experience by sponsoring Marcel Gani summer interns through the Zell Lurie Institute. The program pairs students with start-up and venture capital firms.

early investor in a number of companies, including Sensicore and Small Times Media, is a leader in bringing small-tech products to the global marketplace. Ardesta also provides business and technical resources to support these companies.

Avalon Investments, another venture capital company founded by Snyder, introduced Glaza to entrepreneurship. She interned as a business analyst at Avalon and went on to serve as director of business development, marketing and operations for HealthMedia Inc., a firm that delivers customized health management programs.

Patti Glaza joined Small Times Media, publisher of *Small Times* magazine, as vice president of finance in 2002 and today is CEO. *Small Times*' goal is to help the small-tech industry grow by providing industry leaders the critical business information needed to make smart decisions.

As researchers and universities spin off new micro and nanotechnologies, more small-tech firms will be looking for market-savvy, seasoned executives like Donn Tice, CEO of Nano-Tex, to help the sector grow, Glaza predicts. Tice, formerly CEO of Winterland, also managed Procter & Gamble's \$1 billion Folgers Coffee business and introduced category-creating new products for

Dreyer's and Edy's Grand Ice Cream, including the industry's first "light" ice cream and packaged frozen yogurt.

from the Department of Energy, NASA, Department of Defense and National Science Foundation for fuel cell, battery and other applications and was named a certified alternative energy technology business by the state of Michigan in 2004.

In June, Thompson was honored by *Minority Enterprise* magazine as one of 50 influential minorities. Thompson spends her days talking with customers, building alliances with partners, working on strategy, going over the financials to make sure they make sense and bringing the "message of the company's vision to the troops," notes Thompson, who says not being a scientist or engineer is an advantage when talking with customers. "I can



Battery technology testing at T/J Technologies

only go so deep into the science. I focus on the benefits and explain the value of what we are doing."

Thompson, who earned an undergraduate degree in fine arts and commercial design, worked as an industrial designer at Steelcase before earning an MBA in marketing. "Creativity is very helpful in running a small business. You don't have the resources of the big companies. You have to think outside the box," says Thompson.

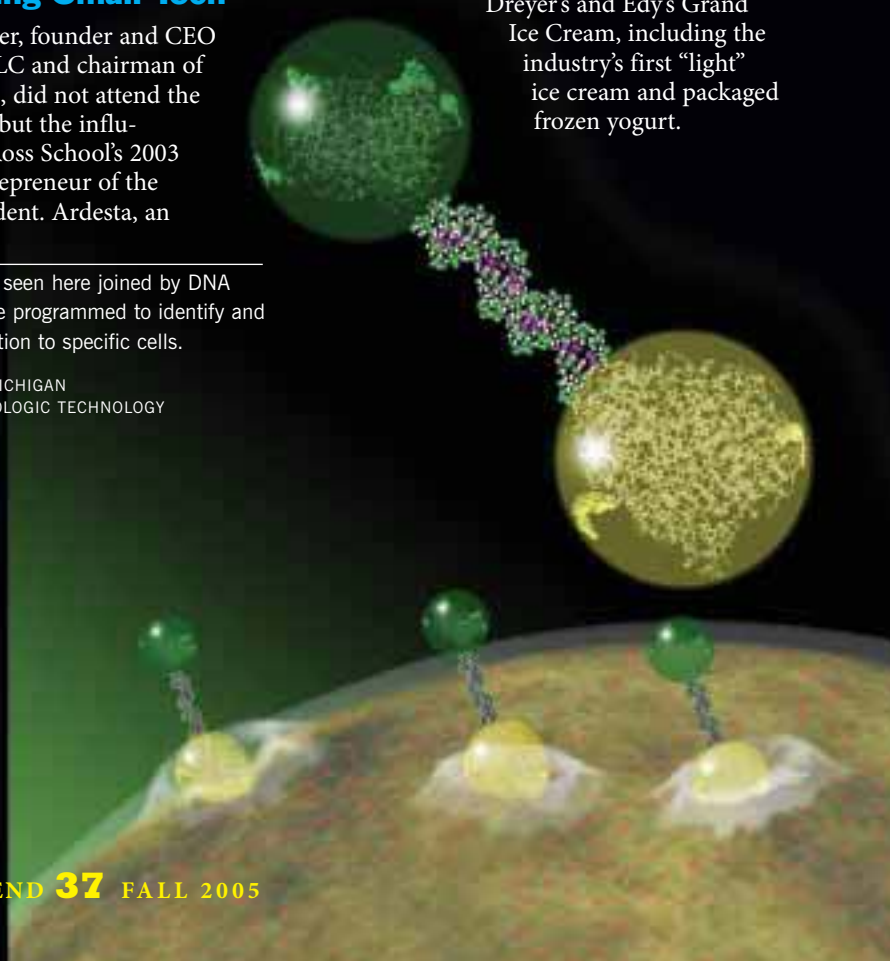
T/J Technologies is a family oriented company. "Many of our employees start with us as graduate students. They get married and have children. It's fun to watch people grow," says Thompson, whose own daughters Marissa, 11, and Sabrina, 8, are among the children who

Supporting Small Tech

Rick Snyder, founder and CEO of Ardesta LLC and chairman of Gateway Inc., did not attend the symposium, but the influence of the Ross School's 2003 Alumni Entrepreneur of the Year was evident. Ardesta, an

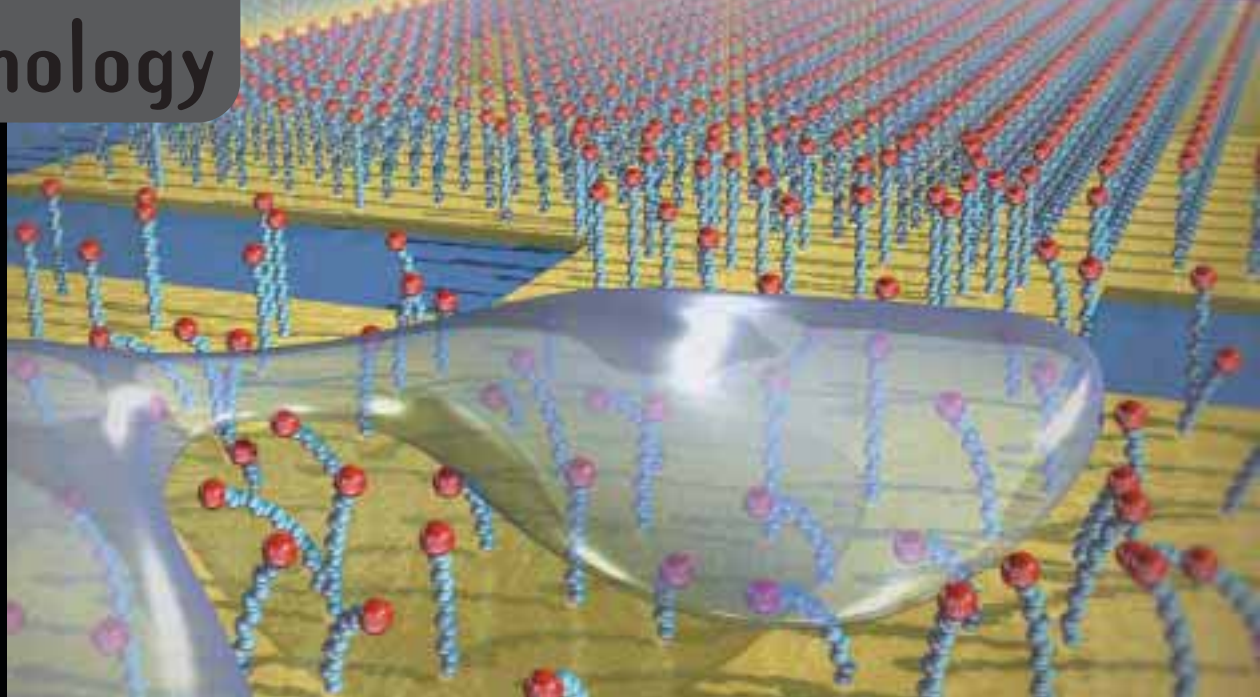
Nanoparticles, seen here joined by DNA strands, can be programmed to identify and deliver medication to specific cells.

COURTESY OF MICHIGAN CENTER FOR BIOLOGIC TECHNOLOGY



Smart surfaces respond to various substances, attracting or repelling them according to pre-programmed instructions.


COURTESY OF
JOERG LAHANN



“Matching business skills with scientists is critical. A person like Donn is perfect. He is a branding expert who understands a leading technology and knows how to take it to market. His skill set is unique,” says Glaza, who tracks trends in the nanotechnology industry.

Glaza, Thompson and Kinnear, the Eugene Applebaum Professor of Entrepreneurial Studies and director of the Zell Lurie Institute, were among the Ross School alumni who spoke at the emerging industry symposium sponsored by the Zell Lurie Institute, the University of Michigan Office of Technology

Transfer and Michigan Small Tech Association.

“Nanotechnology is not a pipe dream any more,” says Kinnear, a Michigan Early Stage Venture Investment Corp. director. “Indeed, nanotechnology firms incubated at the University are operating as real companies in materials science and the biological sciences. NanoCerox, a company that makes ceramic oxide materials, is an example of the former. NanoBio, also incubated at the U-M, is a biopharmaceutical company that develops and commercializes antibacterial and antiviral therapies based on proprietary nanoemulsion technology. Both are involved with the Zell Lurie Institute.” 



Patti Glaza,
MBA '00



Thomas
Kinnear,
PhD '72

Mary Jo Frank

Michigan Moves to 5th Place in National Small-tech Rankings

The state of Michigan's goal is to become a leader in nanotechnology, a field that the federal government has identified as potentially socially transforming as antibiotics and integrated circuits. In *Small Times*' ranking of hot spots for micro and nanotech companies, Michigan jumped from eighth place in 2004 to fifth place (tying with Texas) this year.

Small Times collects information from a number of primary and secondary sources, including the National Science Foundation, National Institutes of Health, NASA, U.S. Census Bureau, U.S. Patent and Trademark Office and the Bureau of Labor Statistics, and ranks each state in a variety of categories, including the amount of funding spent on research, the number of small-tech businesses in the state, availability of venture capital, the size and skills of the state's workforce, and its cost of living. The top five small-tech locations are California, Massachusetts, New Mexico, New York, and Michigan and Texas.

Although Michigan's micro and nanotech companies attracted less than 5 percent of small-tech venture capital and comprised about 5 percent of the total number of micro- and nano-tech-related businesses, the state did better in both areas than the majority of states.

Patents issued to the University of Michigan, Western Michigan University and General Motors are improving the state's prospects in nanotechnology, as are companies like T/J Technologies, a research and development company that specializes in energy materials, and Sensicore, a firm that makes sensor devices to test water for chemicals. The microsystem used in the Sensicore wand was developed and licensed by the University of Michigan.



technology

The Latest Fashion Statement

From colorful iPods to an “intelligent shoe” with a built-in micro-processor capable of performing five million calculations per second in response to the wearer’s environment, technology is today’s ultimate expression of fashion — says Nano-Tex Inc. CEO **Donn Tice, MBA ’82**.

Fashion? Yes, fashion. Tice’s firm uses nanotechnology to transform the molecular structures of fabrics. Nano-Tex, the leader in creating “performance fabrics,” is revolutionizing the apparel industry with garments that are spill resistant, durable, breathable and have a natural feel, said Tice, speaking at the University of Michigan’s Fifth Annual Emerging Industry Symposium focusing on nanotechnology.

Donn Tice greets participants at the University’s Fifth Annual Emerging Industry Symposium.

BELOW Nano-Tex’s Amish Waland uses a spectrophotometer to measure fabric color.



MARTIN VLOET



PHOTO COURTESY OF NANO-TEX



PHOTOS COURTESY OF NANO-TEX



Donn Tice, MBA ’82

In the textile industry, nanotechnology has to be low cost, easy to apply and good for the product, said Tice. He attributes Nano-Tex’s success to a large U.S. market, a scalable business model with a global reach and new technologies that are changing the market, even eliminating static cling. In December, Nano-Tex introduced the industry’s first anti-static finish.

“Nano-Tex’s mission is to become the dominate provider of performance innovation in consumer textiles,” said Tice, who joined Nano-Tex in 2003 and spends much of his time these days calling on brand manufacturers and retailers. Nano-Tex sells products to an end-use market — primarily the apparel industry and interior furnishings. One hundred retailers have adopted Nano-Tex’s nano-treatments. Twenty million Nano-Tex-treated garments were sold in 2004; most carried the Nano-Tex landmark on a hang tag. Nano-Tex plans to expand to other fabrics and projects an annual growth in sales of 30 percent to 50 percent.

The firm’s vision is to change people’s lives. “Procter & Gamble already has noticed that consumers who have purchased clothing with our stain-resistant technology are using fewer laundry products because they are doing less laundry,” Tice said.

Burlington Industries, the world’s leading textile producer, was Nano-Tex’s first strategic partner and sole source of seed capital from 1998 to 2003. Burlington has since been sold to W. L. Ross. Nano-Tex also works with Norwest Ventures, Masters Nanotechnology, Howard Hughes Medical Institute and Firelake Technology.

Nano-Tex, with headquarters in California and regional offices in Greensboro, North Carolina, Europe and Asia, has a sales force of 24 and works with 80 licensed mills worldwide. To protect its intellectual property, the firm builds as much as it can into the Nano-Tex formula rather than the process.

Tice, who previously was CEO of Winterland and at one time managed Procter & Gamble’s \$1 billion Folgers Coffee business, sees parallels between successful companies in the early stage of the Internet and firms such as Nano-Tex. Successful nanotechnology firms are taking advantage of changes in physical properties at the nanoscale to enable new and desirable performance, said Tice, who intentionally dumped water on himself during his talk, telling the audience not to worry. His Nano-Tex-treated suit, shirt and tie would dry quickly and look sharp. **M**

Mary Jo Frank





STEVE KUZMA

Pryor Family and William Hale, was created in 1984 to provide a forum for students to test their business concepts. The late Professor Clayton Hale, William Hale's father, was one of the school's earliest faculty practitioners. Clayton Hale founded and operated a successful insurance company in Cleveland, while commuting to Ann Arbor two days a week to teach at the school. William Hale judges the competition each year.

In April, Incept BioSystems won several prizes at the Rice University Business

nurturing entrepreneurship

University of Michigan researchers have developed a new in vitro fertilization (IVF) device platform that closely mimics the human reproductive system and could revolutionize how cell tissues are grown and analyzed, thus potentially increasing the success rate of conception while reducing multiple births common with IVF. This breakthrough—a combination of microfluidic technology and nanotechnology—is closer to market, thanks to a coordinated effort that includes MBA entrepreneurs **Michael Crowley** and **Charlie Covert**, both members of the class of 2005.

They are among scores of students and recent graduates who have benefited from a special partnership between the U-M Tech Transfer Office and the Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies that introduces students to inventors and coaches students on how to write and present business plans. Students serve as advisers to start-ups; some, including Crowley, become investors.

The MBA students met the two inventors of the in vitro fertilization device platform through the U-M Tech Transfer

Office in 2003. By early 2005, Crowley and the researchers had founded Incept BioSystems, which could bring its cell culture products to market within 18 months and its first full family of products to solve fertility problems in two to three years. Fertility is a fast-growing, high-margin market that can serve as a springboard

for other potential applications for the technology, explains Crowley.

“Charlie and I can’t say enough good things about the Tech Transfer Office. The staff are so open, knowledgeable and committed to our success,” says Crowley.

Covert, who worked at Saint Paul Venture Capital before coming to the Ross School, and Crowley met shortly after arriving in Ann Arbor. Crowley, as a co-founder of several other start-ups, helped raise money for each venture, including Bostech Corp., a high-growth integration software firm located in Indianapolis.

Together, Crowley and Covert have successfully pitched Incept BioSystems and its technology at some of the nation’s most prestigious business competitions.

Incept BioSystems won first place—\$35,000 in funding and legal services—in the 5th annual Jungle Business Plan Challenge sponsored by Jungle Media Group and Fenwick & West LLP. The competition encourages graduate students in business management to pursue entrepreneurial ventures and develop high-growth businesses.

Earlier this year, Crowley and Covert won \$3,000 for the Best Presentation Award, \$3,000 for the Best Written Plan and the \$10,000 Pryor Award for Best Business Plan at Michigan’s 22nd Pryor-Hale Business Plan Competition. The competition, sponsored by the Millard

Plan Competition: the Finger Interests Second Runner-up prize of \$7,500, the Cogene BioTech Ventures Life Sciences Award of \$2,000 for the best life science business plan, \$2,000 for the overall best written plan and \$750 in the Austin Ventures Elevator Pitch competition.

Participating in business plan and elevator pitch competitions forces entrepreneurs to be efficient in both writing and presenting, Crowley says. Winning those competitions also brings in cash to take a business to the next level.

“Incept BioSystems’ wins are the culmination of a total team effort,” says Crowley, who credits staff at the Zell Lurie Institute for helping with the Incept BioSystems business plan and coaching the team. In 2004, the institute awarded Incept BioSystems’ founders a \$10,000 Business Integration Grant to formalize their business concept and prepare for a commercial launch.

In addition to their work with Incept BioSystems, as students in Associate Professor of Finance David Brophy’s Financing Research Commercialization practicum, Crowley and Covert helped write the business plan for NanoCure, a nanotechnology for drug delivery and imaging developed by physician James R. Baker Jr., director of the Center for Biological Nanotechnology at the University.

Crowley also screens applicant companies for the school’s Michigan Growth Capital Symposium and advises the Ross School’s Nanotechnology Commercialization Group, which he, Covert and **Dave Repp**, MBA ’05, founded to build a network of nanotech researchers and to evaluate the business opportunities arising from their innovations. **M**

Incept BioSystem’s in vitro fertilization device platform is shown here under the microscope.



STEVE KUZMA

breakthroughs + biz skills = market solutions

nanotechnology

People buy solutions, not technology, says **Kenneth J. Nisbet**, MBA '76, who leads the University of Michigan's efforts to bring cutting-edge technologies to market.

"Excellence in technology transfer requires a keen understanding of markets in which our discoveries can provide a substantial advantage," says Nisbet. As executive director of University of Michigan Tech Transfer, Nisbet oversees commercialization of University-developed intellectual property through the licensing of technologies to established businesses and new start-ups. The U-M



Left, Kenneth Nisbet and Donn Tice

Tech Transfer Office is comprised of specialists in licensing, business development and law.

In 2004, U-M Tech Transfer launched 13 new business start-ups, including several based on nanotechnology; negotiated 73 new license and option agreements; and earned \$11.7 million in license revenues, most of which was reinvested in research and education. Under Nisbet's leadership, U-M has achieved performance gains and the reputation as having one of the leading tech transfer offices in the nation.

Other Ross School of Business alumni and students also play key roles in the University's commercialization efforts. Five Ross School alumni serve on the U-M Technology Transfer National Advisory Board: **Thomas Kinnear**, PhD '72, executive director of the Samuel Zell & Robert H. Lurie Institute; **Kenneth Pelowski**, MBA '87, managing director, Pinnacle Ventures LLC of Menlo Park,

California; **Thomas S. Porter**, MBA '67, Trillium Ventures of Ann Arbor and executive-in-residence at the Zell Lurie Institute; **Charles Salley**, MBA '76, CEO of CAS Ventures of Birmingham, Michigan; and **Rick Snyder**, MBA '79, chairman of Gateway Inc. and CEO of Ardesta, also of Ann Arbor.

Through TechStart, an internship program run by U-M Tech Transfer with support from the Zell Lurie Institute, graduate students in business, engineering, medicine, law, information science and the liberal arts work in teams to boost commercialization of U-M technologies.

Trushar Naik, MBA '06, MD '06, and **Jay Ng**, MBA '06, were among seven TechStart interns who this summer worked on six U-M tech transfer projects, including a to-be-named microfluidics firm.

"TechStart provides our start-ups with superb business planning and consulting services while the students learn first-hand how businesses are launched and funded," Nisbet says. "The interns help young companies with various aspects of business planning, from evaluating how technologies map to market needs to developing marketing and financing plans. In the process, students learn about nanotechnology and other high-tech career opportunities, which we hope they will consider upon graduation."

Nisbet, who earned a bachelor's degree in mechanical engineering from the University, began his career as an engineer at Ford Motor Co. After taking some business courses in the evening at UM-Dearborn, Nisbet transferred to the Ann Arbor campus, where he attended day classes and worked nights. Over the years, Nisbet worked for The Spiratex Co., a small custom thermoplastic extrusion company, and larger firms, including Digital Equipment Corp. and Nortel, from which he spun out MemoryBank Inc., a mass-storage subsystems business.

Nisbet learned about tech transfer while at Trinova's Corporate Technologies Laboratory, where he directed technology development and in-licensing for its electronics businesses. He joined the University in 1996 as director of new business development and in 2001 was

appointed executive director of U-M Tech Transfer.

"Tech transfer success starts with tremendous technology," Nisbet says. "Our recent achievements also can be attributed to support from University leadership, our effective, professional tech transfer staff and greater Ann Arbor's growing venture capital and high-tech community. And, of course, U-M has a fantastic advantage with the multitude of outstanding schools and colleges, including the Ross School of Business."

Nisbet says the business school taught him how to think creatively and work effectively within teams. His knowledge of finance, engineering and marketing has complemented his work in tech transfer. "I really enjoyed my early business strategy course taught by LaRue Hosmer, professor emeritus of corporate strategy. Professor Hosmer was right: Small businesses are a driving force for innovation."

Nisbet encourages entrepreneurs to consider licensing technology or assisting U-M's new business development efforts as a way to tap into nanotechnology and other technologies coming out of the University. "Starting a business using new technology can be uniquely satisfying, but the focus has to be on market need. Nanotechnology can impact so many fields — healthcare, security, materials and the environment to name a few. Ultimately the market will determine the winners," says Nisbet.

"I would love to hear from other Ross School alumni. We welcome suggestions and volunteers to more effectively transfer our U-M technologies to market," adds Nisbet, who can be reached at knisbet@umich.edu.

To read more about technology transfer at the University, visit www.tech-transfer.umich.edu. 



Kenneth J. Nisbet,
MBA '76

MARTIN VLOET

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EXCEPTIONAL PLACE

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ALUMNI ACTIVITIES

Chicago

The Alumni Club of Chicago hosted its Annual Spring Business Conference, which focused on offshoring, on June 2 at the Sears Tower Conference Center. Robert Kennedy, executive director of the William Davidson Institute and professor of business administration, opened the discussion with his insights on the evolution and future of offshoring. A panel of business leaders then discussed the phenomenon, including how offshoring is affecting their businesses. For more about the Chicago Club, contact **Greg Bolino**, MBA '92, at gbolino@umich.edu.



CHICAGO—Left to right, **David Stowe**, MBA '95, **Omer Abdullah**, MBA '95, and **Rajiv Advani**, MBA '94, were among 55 who attended the conference.

Germany

More than 50 alumni and friends attended the Ross Alumni Club of Germany meeting held May 21 in Frankfurt. Tilman Engel, general manager of Frankfurt Galaxy, spoke to the group about "American Football and the Team Frankfurt Galaxy from an Economic Perspective." Gunter Dufey, professor emeritus of corporate strategy and international business and of finance, shared news about the Ross School. Thomas Eufinger, executive director of the Federal Financial Supervisory Authority, talked about "Insider Dealing in Germany." After lunch, the group visited the exhibition *Wunschwelten: Romantik der Gegenwart (Ideal Worlds: New Romanticism in Contemporary Arts)* at the Schirn Kunsthalle. For more about alumni activities in Germany, contact **Andreas Kirschkamp**, MBA and EX '00, at andreask@umich.edu.



INDIA—Left to right, **Ashish Pabalkar**, MBA '06, **Bharat Patel**, MBA '69, Angus Simmons, **Ranjit Shah**, MBA '81, and **Rajiv Sengupta**, MBA '07, in Mumbai.

India

Ross School alumni entertained 45 students newly admitted to the University at a Go Blue "send off" on May 2 in Mumbai. Among the others who attended were **Ashish Pabalkar**, MBA '06, and Angus Simmons, U.S. Consul General in Mumbai and guest of honor. Simmons talked about ways to improve relations between the United States and India and how to handle visa-related issues, says **Bharat Patel**, MBA '69, who reports, "All in all, it was a wonderful event." For more about alumni activities in India, contact **Atul Bahadur**, MBA '87, at atulbahadur@vsnl.net.

INDONESIA—Left to right, **Andreas Bunanta**, MBA '93, **David Yaory**, MBA '00, and **Rizal Matondang**, MBA '01, were among Ross School alumni who met with Linda Lim, professor of corporate strategy and international business, when she visited Jakarta in March. Lim also met with **Eddy Tamboto**, MBA '99, **Ardy Mu'awin**, MBA '04, and **Herianto Pribadi**, MBA '99.

* * *

The Ross School of Business has numerous clubs around the world. To learn more about the club in your area, visit www.bus.umich.edu/alumnicommunity/alumniclubs

* * *

Minnesota

Al Cotrone, director of the Office of Career Development at the Ross School, spoke to almost 50 alumni from the Minneapolis-St. Paul area on May 5. In his presentation titled "Taking Charge of Networking: The Art of the Self-Directed Career Search," he talked about the steps required to turn the search for career satisfaction into an active, directed and focused program of identifying what should be next on your career path. He also discussed the fundamentals of networking to the next career opportunity. For more about the Minnesota Alumni Club, contact **Tom Yu**, MBA '04, at tsye@umich.edu.



ALUMNI ACTIVITIES



NEW YORK—Team members, left to right, front row, **Steven Rodriguez**, LSA '02, MAcc '03, **Jay Lurie**, BBA '02, **Mike Cuoco**, BBA '00, **Loren Berger**, BBA '02, Alfredo Bequillard, Engin '01; middle row, **Emily Kramer**, BBA '04, **Cynthia Kurzweil**, BBA '04; back row, **Amish Shah**, BBA '04, **Cecil Shepherd**, MBA '00, David Post, LSA '94, broadcast journalist Liz Cho, Logan Welde, and Dan Josephs, Engin '00.

New York

Wolverine bats came alive on Sunday evenings this summer as Michigan's New York City Alumni Softball Team stepped up to the plate on Field 4 of the Great Lawn at Central Park. The field is between 82nd and 83rd streets and is one of the most coveted spots to play softball in New York City, reports team captain **Michael Cuoco**, BBA '00, who founded the team with the help of **Cecil Shepherd**, MBA '00. Ross School MBA and BBA graduates are well

represented on the coed team that plays more than 50 games during its regular season, which runs from mid-April to early September. Among the alumni teams the Wolverines play are the University of Chicago, Cornell, Duke, Georgetown, Massachusetts Institute of Technology, Ohio State, University of Pennsylvania, University of California and the University of Virginia. For more about alumni activities in New York, contact Shepherd at cashephe@umich.edu.



SINGAPORE—Alumni, newly admitted Ross School students and Professor Linda Lim attended a reception held on March 21 at the American Club in Singapore. Among those who attended were, left to right: **Richard Lui**, MBA '01, producer, Channel News Asia, Singapore and Ross School MBA representative to the University of Michigan Alumni Association; Linda Lim, professor of corporate strategy and international business; and **Dennis Teo**, MBA



'96, manager, Deloitte Consulting, and president of the U-M Alumni Association of Singapore. For more about alumni activities in Singapore, contact Lui at rlui@umich.edu.

ABOVE Choon-Peng Ng, MBA '04, product manager, Scios Inc.; Priscilla Rogers, associate professor of business communication; and **K. J. Tan**, MBA '04, managing director, Trelleborg Engineered Systems.

Shanghai

Ross School Alumni organized a welcome event for 15 newly admitted students and their spouses on March 26. Alumni shared accounts of various courses and tips about enjoying life in Ann Arbor and talked about the Ross School's emphasis on cooperation and teamwork. For more about alumni activities in Shanghai, contact Daniell Chen, MBA '00, at cgang@umich.edu.

SHANGHAI—Left to right, **Florian Wang**, MBA '03, **Jie Liu**, MBA '02, **Yiren Dai**, MBA '02, **Jerry Liu**, MBA '02, **Haifei Li**, MBA '02, **James Yu**, MBA '01, **Annie Lu**, MBA '01, **Linda Lei**, MBA '04, and **Daniell Chen**, MBA '00.



SOUTHEAST MICHIGAN—George J. Siedel, the Williamson Family Professor of Business Administration and professor of business law, lectured about negotiations at the May 18 meeting of the Southeast Michigan Club. Pictured here, left to right, are Southeast Michigan Ross School Alumni Club Board members **Peter Scott**, MBA '94, **Larry Saleski**, MBA '96, **David Giles**, MBA '01, **Sanjeev Mirle**, MBA '02, **Thomas Saur**, MBA '86, former club president Steve Morris and **Catherine Farley**, BBA '92. Other board members not in the photograph are **Matthew Schuster**, MBA '00, and **Carmen Saleh-Fakhoury**, MBA '00. For more information about alumni activities in the Detroit area, contact David Giles at dgiles@umich.edu.



Class Notes

Stephen M. Ross, BBA '62

founder and chief executive of The Related Companies, was presented the Harry B. Helmsley Distinguished New Yorker award on January 20 by the



Real Estate Board of New York. Steve oversees a real estate portfolio worth more than \$12 billion and handles more than

250,000 units across the U.S. He also is chairman and founder of CharterMac, one of the nation's leading full-service real estate finance companies. On June 15, he was awarded the National Housing Conference 2005 Housing Person of the Year Award at the National Building Museum in Washington, D.C. He is a member of the executive committee and the board of directors of the Real Estate Board of New York, as well as a member of the boards of the Guggenheim Museum and the Juvenile Diabetes Research Foundation, and is a trustee of the National Building Museum and the Jackie Robinson Foundation. Last year he endowed the Stephen M. Ross School of Business at the University of Michigan.

Lee E. Benz, BBA '67, MBA '70

is president of Benz Insurance Agency, an independent, family owned business serving Ann Arbor for more than 70 years. In April, Cleary University awarded him the 2004 Glenn H. Friedt Sr. Medal of Honor for "upholding a tradition of excellence begun by his father in 1931 and for his contributions and service accruing to the benefit of his community, state and nation." Lee also has been involved in the real estate industry for more than 30 years and is active in numerous community organizations. He also sits on the board of Republic Bancorp and helped to found Republic Bank's third location in Ann Arbor in 1986. The Glenn H. Friedt Sr. Medal of Honor was established in 1988 in recognition of the Friedt family's support for Cleary University. The medal

is awarded annually to recognize an outstanding business person. Friedt, who graduated from Cleary in 1913, became an assistant personal secretary to Henry Ford and went on to forge a successful career in the metal-finishing industry.

Cleveland Christophe, MBA '67

was awarded the Walter Wheeler Jr. Leadership Award on December 1, 2004, by the Business Council of Fairfield County (Connecticut). Cleveland is managing partner at TSG Capital Group in Stamford, Connecticut, a private equity investment firm that manages about

\$750 million worth of capital. Its investment strategy includes a focus on companies in diverse industries serving fast-growing, under-served ethnic markets. He also is a principal of TSG Ventures LP, a private equity investment firm that specializes in financing minority entrepreneurs. Cleveland is treasurer of the board of directors of the National Conference for Community and Justice, a member of the board of directors of the Business Council of Fairfield County, the Robert A. Toigo Foundation and the Stamford Health System. He also is a member of the visiting committee of the University of Michigan. In his honor, the Business Council of Fairfield County will make a donation to the Stamford Health System and Waterside School in Stamford.

Vern Terpstra Represents U-M at Korea University's 100th Anniversary Celebration

Vern Terpstra, BBA '50, MBA '51, PhD '65, professor emeritus of international business at the Stephen M. Ross School of Business, represented the University of Michigan and President Mary Sue Coleman at Korea University's Centennial Anniversary Commemoration held in Seoul on May 4-5.

Korea University President **Yoon-Dae Euh**, PhD '78, hosted the three-day celebration that included an academic forum focusing on global management and education, campus tours, a tree-planting ceremony and banquets, including a dinner hosted by Seoul's mayor.

Michigan was one of 94 universities from around the world to participate in the festivities. The trip was personally significant, Terpstra said, because Yoon-Dae Euh is his former student, one of the many on six continents with whom Terpstra keeps in contact.

Terpstra joined the business school in 1966 and retired in 1992. He served as chair of International Business from 1977 to 1987. He has written more than 55 books and articles and has served as a



Vern Terpstra participates in the tree-planting ceremony commemorating the 100th anniversary of the founding of Korea University.

visiting professor for institutions in the Congo, China, Indonesia, England, the Netherlands and other countries on three continents.

Terpstra received the Significant Contribution to Global Marketing Research Award from the American Marketing Association Global Marketing Special Interest Group in 2004. 

Fred Wessells

Pioneer Creates a Legacy in Reds and Whites

“It’s not the answer that’s important. It’s the questions that lead us. How we frame the question leads us to learn.”

Socratic words like these aren’t immediately associated with winemaking, but sitting in his tasting room and listening to **Arnulf Esterer**, MBA ’55, owner and winemaker at Markko Vineyards near the Ohio and Pennsylvania borders on the shores of Lake Erie, the pairing makes perfect sense. Esterer set out to be an engineer and instead pioneered a regional wine industry.

His questions led him there.

The research process comes naturally to Esterer. Charles Ezra Green, his great-great-grandfather, was Michigan’s first dean of engineering. His grandfather, Albert E. Green, graduated from the University as did his mother, Marie-Louise Burt, a biochemist. His father, Arnulf Karl Esterer, was a researcher. Arnie Esterer earned his undergraduate degrees in economics and Russian studies in 1954 and his MBA the following year.

The challenges of viticulture became

more intriguing than his engineering work at Union Carbide when the young Esterer discovered the work of Konstantin Frank, the renowned Ukrainian scientist making great wines in the Finger Lakes Region of New York.

Although northeastern Ohio grew the hardy hybrid Concord grape, “Dr. Frank insisted we learn to grow the noble, *vini-fera* varieties of Europe — Chardonnay, Riesling, Pinot Noir, Pinot Gris and Cabernet Sauvignon,” Esterer explains. Apprenticing to Frank in summer 1968, Esterer returned home with his mentor’s vine stock to establish a classic varietal vineyard.

Esterer is passionate about wines being true to their region. In these days of technology and designer yeasts enabling winemakers to craft whatever is fashionable, Esterer allows his wines to discover their own character, a true reflection of their region as well as the growing season.

The respect pays off. Markko Vineyard’s Riesling and Chardonnay are exceptional examples of regional



JOEL HILL

wine, and Esterer’s 2002 Late Harvest Chardonnay is exquisite. Once visiting the appellation, wine historian Leon Adams proclaimed Markko’s 1972 vintage Riesling the greatest in the country. In 1997, the American Wine Society presented Esterer its Award of Merit; and earlier this year the pioneer winemaker was a 2005 inductee to the Ohio Winemaker Hall of Fame.

It’s clear that Arnie Esterer has created a red and white legacy. Watch for nuances of blue and gold. They make his wines special. **M**

Zoe Komaransky

Ron Johnson, BBA ’69

was inducted into the Michigan Sports Hall of Fame on September 22. Ron was the Big Ten’s Most Valuable Football Player in 1968, the year he set a school record by rushing for 347 yards in one game. A member of the College Football Hall of Fame, Ron played for the Cleveland Browns in 1969 and the New York Giants from 1970 to 1975. Ron is now the president of Rackson Corp., a Totowa, New Jersey, firm that owns 24 Kentucky Fried Chicken stores in three states.

Dean Rennell, BBA ’75, MBA ’80

is executive vice president of Wells Fargo business banking in Phoenix. Dean and his wife Natalie moved to Arizona in 1981 where she had lived earlier. He started with First Interstate Bank, which became part of Wells Fargo in 1996, when he took over the business-lending group that deals with small businesses. He oversees the bank’s 175-person team in Maricopa County. The group serves

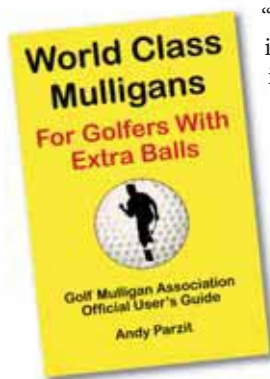
businesses with annual revenues of up to \$20 million. Dean also serves on the St. Luke’s Health Initiative executive committee and the Better Business Bureau board of directors. He can be reached at renneld@wellsfargo.com.

Glenn Rader, MBA ’76

After 28 years working in corporate finance, Glenn founded his own product development and innovation company in

2002, or as he says,

“We produce inventions and ideas.” In May, NooVoo Publishing, a branch of his company, released the golf humor book *World Class Mulligans for Golfers with Extra Balls*,



written by Glenn under the pen name Andy Parzit. The 120-page illustrated book engages the reader in a ridiculous membership process, psychological conditioning, a quiz and other golf antics relating to the fictitious Golf Mulligan Association. For additional information or to order a copy, visit www.worldclass-mulligans.com. You also can reach Glenn directly at glennrader@noovoo.com.

Richard O. Anderson, MBA ’77

a principal engineer with SOMAT Engineering in Detroit, has been elected 2004–2005 president of the Accreditation Board for Engineering and Technology



(ABET). Richard is a licensed professional engineer in six states. ABET, the recognized accreditor

CLASS NOTES

for college and university programs in applied science, computing, engineering and technology, is a federation of 30 professional and technical societies representing these fields. ABET currently accredits some 2,600 programs at more than 550 colleges and universities nationwide.

Yoon-Dae Euh, PhD '78

president of Korea University in Seoul, which just celebrated its 100th anniversary, was awarded an honorary doctorate of law from Waseda University in Japan on March 25.

Ronald I. Heller, MBA '79

recently was appointed by Governor



Linda Lingle to the Tax Review Commission of the State of Hawaii. The commission's task is to prepare an

evaluation of the state's tax structure and recommend revenue and tax policy. Ron practices law with the Torkildson Katz firm in Honolulu, concentrating in taxation, tax litigation and business/commercial litigation. He can be contacted at rheller@torkildson.com.

Rick Snyder, MBA '79

was named nonexecutive chairman of Gateway Inc. in Irvine, California, on May 19. Rick, who was a senior executive at the company from 1991 to 1997, has remained on the board. He is CEO and founder of Ardesta LLC in Ann Arbor, a privately held company specializing in microcomputing technology. He will remain active with Ardesta and continue to reside in Ann Arbor.

Scott Reisfield, MBA '81

is president of Active Life Foods in Boulder, Colorado. He is the grandnephew of Greta Garbo. He and co-author Robert Dance have written *GARBO: Portraits from Her Private Collection* (Rizzoli, New York, 2005), a collection of extraordinary photographs she amassed during her film career. Scott

shares his memories of Garbo and illuminates for the first time her early years in Europe before coming to America in 1925. She made only 26 films and retired in 1941 at age 37. Her life after that was very private, but the "real" Garbo is revealed in this book. An exhibition of the original vintage prints will open at Scandinavia House in Manhattan on September 17 and remain on view through December. You can reach Scott at sreisfieldhome@msn.com.

Ted N. Haddad, BBA '82

is senior managing director of Azimuth Capital Management LLC in Bloomfield Hills, Michigan. With more than 20 years' investment managing experience, he is the former managing director of R. H. Bluestein & Co. and vice president of Goldman, Sachs & Co. Ted is a member of the CFA Institute. He has served as treasurer and a member of the board of trustees of Kensington Academy and as a member of the Alumni Society Board of Governors and the Corporate Advisory Board of the Ross School of Business. You can reach Ted at thaddad@azimuthcap.com.

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Susan R. Arneson, MBA '84 joined the SmithGroup in June as corporate marketing director. The SmithGroup

is an 800-person, international architecture, engineering, interiors, planning and landscape architecture firm specializing in the healthcare, learning, science and technology, workplace and urban design and planning markets. You can reach Susan at susan.arneson@smithgroup.com.

Joel M. Ungar, BBA '84

is a principal in Maddox Ungar PLLC, a certified public accounting firm in Bingham Farms, Michigan. Since graduating, Joel has worked primarily in public accounting with an emphasis on financial reporting services. Prior to forming the firm, Joel was CFO of a large ready-mixed concrete producer in metropolitan Detroit. He is an active member of the Business Administration Committee of

the National Ready Mixed Concrete Association, and developed the industry standard chart of accounts that was adopted in 2004. Joel has spoken about and written articles on accounting and technology issues facing the industry, including a presentation at World of Concrete 2005. Though continuing his involvement in the concrete industry, the



new firm focuses on offering high-level accounting and tax services to closely held businesses in the construction,

real estate, manufacturing and professional services industries. Joel and his family reside in West Bloomfield, Michigan. He can be reached at jmungar@maddox-ungar.com.

Michael J. Perullo, BBA '86

In January 2001, Michael co-founded ecareerfit.com in Atlanta and has been CFO since that time. www.ecareerfit.com is an entrepreneurial company that

develops, markets and delivers Internet-administered career-related assessments and personalized feedback reports. He also has maintained a small CPA practice since 1989. Michael has started a new vacation real estate rental business in Mexico Beach, Florida, and Atlanta. You can learn more at www.mexicobeachusa.com. He also started a self-storage mini-warehousing business in Westcliffe, Colorado, where he has a second home. You can learn more about that at www.uqairport-storage.com. And in his spare time, he founded Orsus Management, an expense management company, at www.orsus-management.com.

Susan T. Stillings, MBA '87

recently joined Ogilvy Public Relations Worldwide as a managing director focused on investor relations and finan-



cial communications, including mergers and acquisitions and IPOs. She will work on develop-

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Paul Hatch, MBA '05 and Lorelei Duterte, MBA '05

CLASS NOTES

business across the whole Asia Pacific region. Susan's experience includes hostile takeovers, crisis management, litigation, intellectual property support and implementing financial communication strategies designed to increase and protect shareholder value. She holds the Chartered Financial Analyst designation and also is a member of the National Investor Relations Institute.

Philippe Prufer, MBA '88

was chosen Executive of Value in the Pharmaceutical Industry segment by the Brazilian newspaper *Valor Economico*. Based on nominations submitted by major executive recruiting firms in Brazil, the award is bestowed on the great corporate management talents in



the main sectors of Brazil's economy. The awards represent, in the person of the recipients, the management

principles that should guide Brazil's economy toward sustainable growth. Philippe is president and general manager of Eli Lilly of Brazil and the Southern Cone. You can reach Philippe at prufer.p@lilly.com.

Loren Heckelman, MBA '89

Captain, Supply Corps., U.S. Navy, is now the comptroller for the U.S. Fleet Forces Command and U.S. Atlantic Fleet in Norfolk, Virginia. His responsibilities include the planning, budget formulation and execution of a \$7 billion annual budget in support of Atlantic Fleet operating forces. You can reach Loren at Loren.Heckelman@navy.mil.

Richard Stanton, MBA '91

has founded an innovative vocal bar in New York City for new music and theater graduates. There is more information at www.voicesbar.com, and if you click on the community pages from there, you can see and hear the performers. There are a host of Michigan graduates featured, and there is talk about doing an all-Michigan event. If you are

in the New York City area, check out the Web site and the venue.

Robert Alpert, MBA '92

Robert, his wife Marci and their one-year-old daughter moved to Marblehead, Massachusetts, this past winter. Robert is a senior manager in KPMG LLP's Advisory Practice, specializing in performance improvement at banks. He can be reached at ralpert@kpmg.com.

Elizabeth Chiarucci Morgan, MBA '92

was promoted to senior vice president, management director of Doner's Cleveland office in March. She is responsible for a variety of management duties as well as for overseeing the marketing strategy for the agency's Kraftmaid, Cleveland Clinic, Sherwin-Williams, DuPont, Carlton Cards and MTD accounts. Doner, headquartered in Detroit, is the largest independently owned advertising agency in North America. Prior to joining Doner in 2001, Elizabeth was vice president, account supervisor for the Leo Burnett Co. in Chicago, and then vice president, marketing for AmericanGreetings.com in Cleveland.

Gautam Singh, MBA '95

founded the smart cube, a London-, New Delhi- and Chicago-based professional services firm specializing in providing customized market and business research and analyses, in February 2003. The firm's clients include investment banks, private equity firms, management consultancies, market research organizations and corporate clients throughout North America and Europe. **Omer Abdullah, MBA '95**, has been named a director of the company and its president for U.S. operations. You can contact Gautam at gautam.singh@thesmartcube.com.

Vasilios Vasiliadis, MBA '95

was appointed vice president of product management and marketing for Univa Corp. in February. Univa, based in Elmhurst, Illinois, is a leading provider of commercial software, technical support and professional services for the construction of grids based on open source Globus software. Vas brings more than 18 years of experience in software product management and consulting to Univa.



Christopher Cortez, BBA '96 was named to fill the new post of director of marketing and public relations at the National Center for Disability Services. He will

oversee brand marketing, advertising and PR, special event marketing, design and logo development, and other communications areas. Chris also will lead the expansion of a campaign to enhance national exposure for the nonprofit agency based in Albertson, New York, which has become a leader in the full integration of people with disabilities into everyday life. For more information, visit www.ncds.org.

Tom Lewand, MBA '96

has been executive vice president and COO of the Detroit Lions for the past nine years. In addition to being the team's chief contract negotiator, he is responsible for taking the Ford Field concept and leading the effort to make it into a reality, as well as being the point person for the Lions on the committee that won the right to bring Super Bowl XL to Detroit in 2006.

Randi Evans, BBA '98

will be marrying fellow Michigan alumnus David Schneiderman in November. They are living in Brooklyn, New York, and Randi owns three clothing boutiques called Rapunzel's Closet, with a fourth opening in November. All are located in Palm Beach and Palm Beach Gardens, Florida, and you can learn all about them at www.shoprapunzels.com. The newlyweds will continue to live in Brooklyn. You can reach Randi at randi@shoprapunzels.com.

Jeffery Li, MBA '98

recently co-founded ESP Equity Partners to focus on private equity investment in global pharmaceuticals. He worked for



Warner-Lambert after graduation and later co-founded ESP Partners and ESP

Banking on a Snowy Winter

For Hudson “Tucker” Holland, MBA ’96, and co-workers at Trak Sports USA Inc., including wife Michelle, a 1992 College of Engineering grad, the road to success depends a lot on the weather. The company’s revenues rely solely on winter sports.

“A lot of people think ‘you own a ski company—how awesome!’ It certainly is great when it snows,” says Holland, a native of Grosse Pointe Farms, Michigan, who now lives in Vermont. “One thing I like in a small company is that you can make decisions quickly and take action. But you also don’t have all the same resources that are available at a large company. You need to wear many hats and do more with less most days.”

Holland credits his entrepreneurial and global spirit being unleashed during his business school days—particularly through opportunities brought about by Andrew Lawlor, Global Projects co-director and architect of the Ross School’s international action-based learning programs.


In 1997, Doug Barbor, the president of Trak Sports, was looking for a business partner when he met Holland, who quickly realized he could combine his passion for the outdoors with his career.

Trak Sports produces winter sports hard goods that cover snowboarding and Alpine

and Nordic skiing. In fact, Karhu, the Nordic division, makes skis for the number-one seller of cross-country skis in North America—L.L.Bean. But Trak Sports is not your typical business either. No one wears a suit and tie in the converted old chocolate factory that now serves as Trak Sports’ United States headquarters in Burlington, Vermont.

As company treasurer, Holland contributes to financial oversight and strategic planning. His wife spent seven years in quality and supply chain management at Toyota, and is now Trak Sports’ director of R&D. Holland notes, “We’ve enjoyed the opportunity to work together a great deal even though it really was our president’s idea!”

Although he grew up skiing in Michigan, Holland has another interest, which is evident on his Vermont license plate—FLYFYSH. Holland feels that he is in a good position to market winter sports products because he enjoys skiing and riding, but they’re not his main passion, which helps him remain objective when evaluating business opportunities. “All in all,” he says, “it’s hard not to love being in this business.”

To learn more about Trak Sports visit the following Web sites: www.karhu.com and www.lineskis.com. 

Melissa V. Pinard



Tucker Holland and wife Michelle

Pharma, a specialty pharmaceutical company sold to Protein Design Labs this year. Focused on emerging biotechnology and pharmaceutical investment opportunities in North America, Europe and Asia, ESP Equity Partners will leverage their pharmaceutical management, production, sales and marketing experience in the international pharmaceutical industry with entrepreneurs and investors worldwide. You can reach Jeffery at Jeffery.Li@equitypartners.com.



Hyung Tai Kim, MBA ’00

has been named vice president of research and development for

Ascension Health. He will be responsible for developing a sustainable, holistic model for the healthcare delivery system of the future. Prior to this, he was vice president of clinical practice leadership at Thomson Medstat and a leader of the healthcare practice at McKinsey & Company. He also holds his BA and MD from Johns Hopkins University. Ascension Health is the nation’s largest Catholic and nonprofit health system, with more than 105,000 associates serving in 20 states and the District of Columbia. You can reach Hyung at htkim@umich.edu.

Rayman Bovell, MBA ’02 started with Lehman Brothers in New York City in the Wealth and Asset Management Group as an investment adviser. In June 2003, he married Kavita, and they have been living in the East




Village in Manhattan since then. “We are active in the Michigan alumni community and always make

time to see fellow alumni on football Saturdays,” says Rayman. He left Lehman last December and traveled with his wife to Costa Rica and to India, where they were joined by Kavita’s parents. He is pursuing his Certified Financial Analyst designation and passed level 2 in June. In May, he accepted a new position as an investment analyst with the Managed Solutions and Analytics Group of Merrill Lynch. You can reach Rayman at rbovell@umich.edu.

Morgan Kinross Wright, MBA '03 has been promoted to director of the Undergraduate Business Career Center at the Carlson School of Management at the University of Minnesota. Previously she was associate director of corporate services at the Carlson School, spent five years as a counselor at Life-Work Planning Center in Mankato, Minnesota, and has worked at General Motors and Eli Lilly. The center assists undergraduate students and alumni in planning their careers and conducting internship and job searches.

Adam Borden, MBA '05 and **Nick Cucinelli, MBA '05**, won first place at the sixth annual Wake Forest MBA Elevator Competition on April 2. They received cash and services totaling \$50,000 for their business plan for DuraPower, a company with a compact, portable fuel cell that uses propane and is designed for outdoor enthusiasts. The competition included 25 teams of MBA students. Each team pitched its business plan to venture capitalists during a pair of two-minute elevator rides, with five finalists selected to make more detailed presentations.

Scott F. Sturges, MBA '06 was reelected to a three-year term as trustee of the Ohio Jury Management Association (OJMA). He also serves as the association's counsel. He is an attorney with McNamara and McNamara LLP in Columbus, Ohio, and an executive MBA student. The OJMA is a nonprofit association that promotes and enhances jury service through education and information. You can reach Scott at ssurges@umich.edu. 

* * *

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The Road Less Traveled


In summer 2001, **Ed Gibney, MBA '02**, did a Domestic Corps internship in Elim, Alaska, a remote Eskimo village reachable only by plane. "I worked on a feasibility study and market entry plan for a granite quarry for this highly unemployed village," says Gibney.

When he received an e-mail from the Peace Corps while finishing his MBA that discussed the agency's advanced business assignments, Gibney says, "It sounded like what I did in Alaska, and it was a good time to do this. Tanya and I had just received our master's degrees (Tanya's in criminology from Eastern Michigan), we had no debt, no children, no house and not a lot of things. And after graduate school for us and years of working odd shifts as a police officer for Tanya, we really wanted time together."

Ukraine was the first country offered, and they happily accepted. "Our first preference was Eastern Europe because of the high technical level of work being done there." They lived in Chernivtsi, a city of about 300,000 that is working on a United Nations World Heritage designation for its historic center. Once an outpost of the Austro-Hungarian Hapsburg empire, the city is dotted with old theaters, churches and a university that was once a palace.

Gibney worked with a small entrepre-

neurial non-governmental organization dedicated to the economic development of the city and surrounding region. "I helped organize and win three grants. The first was for a computer training center with free Internet and inexpensive classes. The second was a Green Tourism (Bed & Breakfast) Marketing Cooperative. You can see this at www.travel.net.ua," explains Gibney. Finally, he established a Women's Entrepreneurial Training Center, which offers free classes to women interested in improving or starting their own business. His wife, Tanya Wyatt, followed up on her master's thesis about illegal trafficking of women to work in a women's center dedicated to stopping this crime. She organized project ideas, wrote and won several grants, trained and consulted.

Gibney and Wyatt left Ukraine at the end of April and arrived in the U.S. in July. They spent time traveling through Eastern Europe, Russia, Mongolia and China. In September, Wyatt entered the PhD program at the University of Kent in England where she will write her dissertation on the prevention of the illegal trafficking of wildlife. Gibney is already seeking positions with an international development company. You can reach them at egibney@yahoo.com. 

Fred Wessells

Tanya Wyatt and Ed Gibney shop at a market in the Ukraine.



Robert William Adams

PROFESSOR EMERITUS OF INTERNATIONAL BUSINESS

died in Sarasota, Florida, on April 17, 2005, at age 87. He was the first chairman of the Department of International Business and headed the Institute for International Commerce at the business school. Bob was born in Fort Wayne, Indiana, and was the first in his family to go to college, attending Northwestern University on a scholarship and waiting tables at his Sigma Alpha Epsilon fraternity house. He graduated in 1940 with a degree in economics and then went to Massachusetts Institute of Technology (MIT), where he studied under Professor Paul Samuelson, before being called into the military during World War II. He was a Lieutenant JG in the Navy, helping develop statistical methods for quality control of munitions production.

While at MIT, Bob was a teaching assistant, and Barbara Cole was an assistant to a professor. They met and were married on December 24, 1943, in Washington, D.C. Barbara earned her bachelor's degree at Vassar and her MA from Harvard. Bob was transferred to San Diego, where Barbara worked in a munitions plant. He later was transferred back to Washington to serve out his Navy term, and Barbara worked in the U.S. Treasury Department. He received his PhD in the 1950s. Bob accepted his first position with Standard Oil Co. of New Jersey, now ExxonMobil, in New York City in 1946. He did worldwide economic forecasting of the need for petroleum, which involved substantial travel—something he enjoyed tremendously.

In 1965 he decided to return to the academic world and accepted the position at Michigan. "What interested him most were the cultural problems of people from different countries working together," says his son David. He loved working with doctoral students, but also soon found himself helping small businesses develop export markets for non-automotive products from Michigan. A small school in the Netherlands entered into a relationship with the University to develop an American-style MBA program, and he also became heavily involved in that project.

Bob and Barbara retired to Sarasota in the early 1980s. Barbara died on November 25, 2002. Bob was extremely dedicated to her, and cared for her until her death. He made every effort to stay active, but even-

tually his health worsened until he died of congestive heart failure. He is survived by his son David of East Walpole, Massachusetts, who works in nonprofit finance, and his son Stephen, a professional saxophonist, his wife Lauren and their son Evan, who live in Oakland, California.

Edwin Leroy Miller

PROFESSOR EMERITUS OF BUSINESS ADMINISTRATION

died on July 10 in Waikiki, Hawaii. Born in Oakland, California, he received his BA and MS degrees from San Jose State College in 1951 and 1957 and his PhD from the University of California in 1964. From 1960 to 1963 he was an assistant professor at San Jose State College. He joined the University of Michigan as an assistant professor in 1964, was promoted to associate professor in 1968 and professor in 1972. From 1986 to 1993 he served as associate dean of the business school. Edwin was highly involved in the early design of the MBA core curriculum and in the beginnings of the school's Asia strategy and other international initiatives, which ultimately led to the formation of the MBA Domestic Corps, the MBA Africa Corps and the Center for International Business Education, among others. He also oversaw the development and growth of the school's division of research.

Edwin retired from active faculty status at the University of Michigan on June 30, 1997. He was a visiting professor at the University of Hawaii's Manoa Business School and the Pacific Asian Marketing Institute. He is survived by his wife Anne, son Erich, daughters Rebecca and Jane and five grandchildren.

Donald H. Skadden

ARTHUR YOUNG PROFESSOR EMERITUS OF ACCOUNTING

died on February 8 in Sanford, North Carolina, at age 80, after a long illness. Following military service in World War II, Don received three degrees from the University of Illinois. After teaching at Illinois from 1955 to 1973, he was a visiting professor at the business school in 1973-74; he then joined the faculty in 1974. From 1975-79, he served as director of the Paton Accounting Center and chairman of the accounting faculty. In 1979 he accepted the position of senior associate dean for academic affairs,

from which he retired in 1988. While in Illinois, he had served as both alderman and mayor for the city of Urbana. He also spent several years on the board of the Illinois Society of CPAs.

Don worked on numerous committees for the American Accounting Association (AAA) and the American Association of Collegiate Schools of Business. For many years he managed a summer tax program for Haskins & Sells at the University of Illinois and then for the American Institute of Certified Public Accountants (AICPA) at the University of Michigan. He was elected president of both the AAA and the American Tax Association (ATA). Don received the highest recognition from the ATA and the AICPA Tax Section. Throughout his career, Don was concerned with maintaining and strengthening the integrity of the profession and served on many committees inside and outside the IRS with that goal in mind. He was kind, considerate, patient and inexhaustible—busy and in demand, but never too busy to listen and, more important, to hear. His favorite quotation was, "Students are not an interruption to my work; students are my work."

James Brinkerhoff

MBA '48

died on May 13 at age 82 in Ann Arbor following what his family termed "a courageous and some say miraculous fight with cancer." He is survived by his wife of 62 years, Margaret, sons Jim, David and William, and daughter Jill Arnold, as well as 11 grandchildren and five great-grandchildren. Born in Chicago and raised in Buffalo, Jim came to Michigan in 1941 to attend Alma College. He was called to active military service in 1943 and fought in the Pacific theater of operations, earning a silver star while fighting in Saipan, Okinawa and in the first army of occupation in Japan. After receiving his MBA, he became the University's director of plant operations and buildings, rising to director of business operations and associate vice



president. He later worked with the management team at Argus Camera in Ann Arbor, then moved

O B I T U A R I E S

into management positions at the University. He left Michigan in 1971 for a six-year stint as a vice president at the University of Minnesota, but returned in 1977 as vice president and chief financial officer and retired from that position in 1988.

After retirement, he and Margaret split their time between Arizona and Michigan. But Jim continued his civic activity. While in Ann Arbor, he served on the city council, chaired the United Way, was active in the Chamber of Commerce, the Brotherhood, the Vice Presidents Club and the Rotary. At First Presbyterian Church, he was ordained an elder in 1951, serving several terms on the congregation's governing board. During retirement in Arizona, Jim was treasurer of the Rio Verde Community Association and active in the Rio Verde Community Church and Habitat for Humanity. Memorial contributions may be made to the University of Michigan Cancer Center and to the Ross School of Business, where a scholarship will be established in his name.

William Johnston Adams

BBA '57, MBA '58

passed away on February 27 after a long illness at age 70. An exceptional gentleman, he mentored countless young people throughout his 45-year career as a CPA. Bill had a knack for helping guide young professionals to success while treating them as an equal member of the team and honoring the unique perspective and skills they brought to the table. Bill's own mentoring was his source of inspiration. "It was always fun to go to work," he once said. "The challenge of working with stimulating individual and corporate clients and with bright young people striving for excellence and quality was a constant incentive." Bill studied under the legendary Professor William A. Paton, was a member of Sigma Alpha Epsilon fraternity, was the president of the Student Council in his senior year and elected to

membership in Michigama, a prestigious recognition of his multiple campus activities outside the classroom.



Bill began his career at Arthur Andersen and became a partner in 1970. After he retired in 1990, he continued to work as a tax and financial consultant with the firm until 2002. He was an active member of the American Institute of Certified Public Accountants and the Michigan Association of Certified Public Accountants (MACPA). He served as a member of the MACPA board of directors, on its political action committee and was the longtime chair of its governmental affairs committee. In 1972, MACPA awarded Bill its Distinguished Service Award. At the time of his death, Bill was board chairman of Detroit Executive Service Corps (DESC), a volunteer organization that helps nonprofit agencies, public schools and government organizations solve management problems. In 2002, the DESC awarded him the Robert F. McGill Leadership Award, named for its founder.

Bill had a tremendous impact on the lives of other young people and adults as a result of his numerous volunteer positions, including serving as a Grosse Pointe School Board member, Junior Achievement adviser, junior hockey coach, and sailing instructor at the Detroit Yacht Club and Detroit Boat Club. His love for sailing was unparalleled. He also served for more than 20 years as the chairman of the Greater Detroit Foreign Trade Zone, president of Civic Searchlight and chairman of the Paton Advisory Board for Excellence in Accounting Education at the Ross School of Business since 1997. For 25 years he was the lead person for the worldwide Andersen firm seeking financial support from Michigan alumni for the University. He took great satisfaction in this role, noting that the firm then had the largest base of Michigan alumni partners and managers of all the major accounting firms.

"Bill Adams was a consummate professional who gave generously of his time to public service," says Carl Griffin, professor emeritus of accounting. "He was a man of great energy and integrity, and a natural leader who sought no glory. One of his greatest joys was guiding and supporting young people. I will miss Bill greatly as a colleague, a mentor and, most important, as a great friend." His friends and family came to visit him regularly, and his wife, Donna Wolcott Adams, received some 200 e-mails, letters and cards expressing love, friendship and condolences. "It's a wonderful

tribute to my Bill," says Donna. Bill is survived by Donna, his son William, his granddaughter Rebecca and his siblings: John Adams, Richard Adams, Elizabeth Kirsten and Anne Adams.

Memorial Contributions may be made to the William J. Adams Scholarship Fund, Ross School of Business, University of Michigan, 701 Tappan St., Ann Arbor, MI 48109-1234.

Millard Pryor

MBA '57

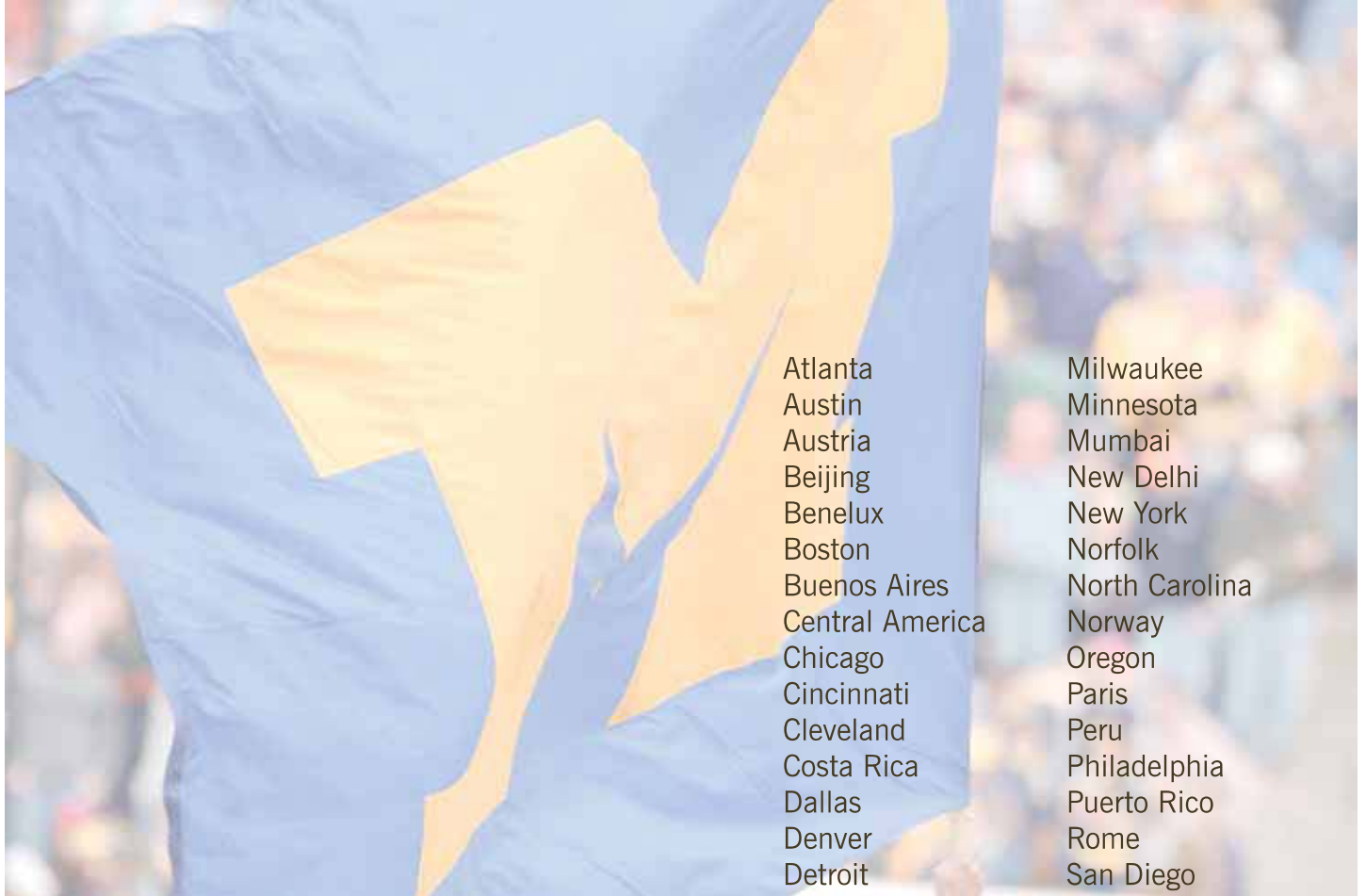
died on March 1 in Hartford, Connecticut, at age 71. Formerly in charge of Lydall Inc., specialty engineering products, he also led the Hartford Symphony, the Connecticut Opera, the Wadsworth Atheneum Museum of Art and the Greater Hartford Arts Council. Other organizations in which he was involved include Camp Courant, the Hartford Courant Foundation, the University of Hartford, the Amistad Foundation, the American Heart Association, Capital Community College, the Institute of Living, the Connecticut Alliance for Arts Education and the United Way of Greater Hartford. He and his wife Claire were dedicated volunteers. "When you are passionate about something, you support it," he once stated when asked how he found time to work with so many nonprofit groups.

Jill Gabrielle Wilson Hamlett

MBA '95

died in Sleepy Hollow, New York, on April 27, at age 36, from breast cancer. Her son, Nathaniel, described her as kind, nice, loving, caring, thoughtful, brave, courageous, noble, understanding, adoring, helpful, beautiful, supportive and strong. She exemplified how fulfilling life can be if we focus on the opportunities God promises and not the obstacles life presents. Wherever she went, Jill sprinkled the world with seeds of kindness and compassion that bore the fruits of love. Jill's legacy will be carried on by her husband **Reginald Hamlett**, MBA '95, and their children Nathaniel Christian and Joshua Gabriel. She also is survived by her mother Judith Wilson, brother Craig Wilson and sister Traci Wilson, as well as many other family members. ☞

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~ I am willing to advise the following groups regarding the business school experience and/or career opportunities. Check all that apply. Please note your e-mail, home and business contact information may be released for this purpose.

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Please note your industry/function: _____

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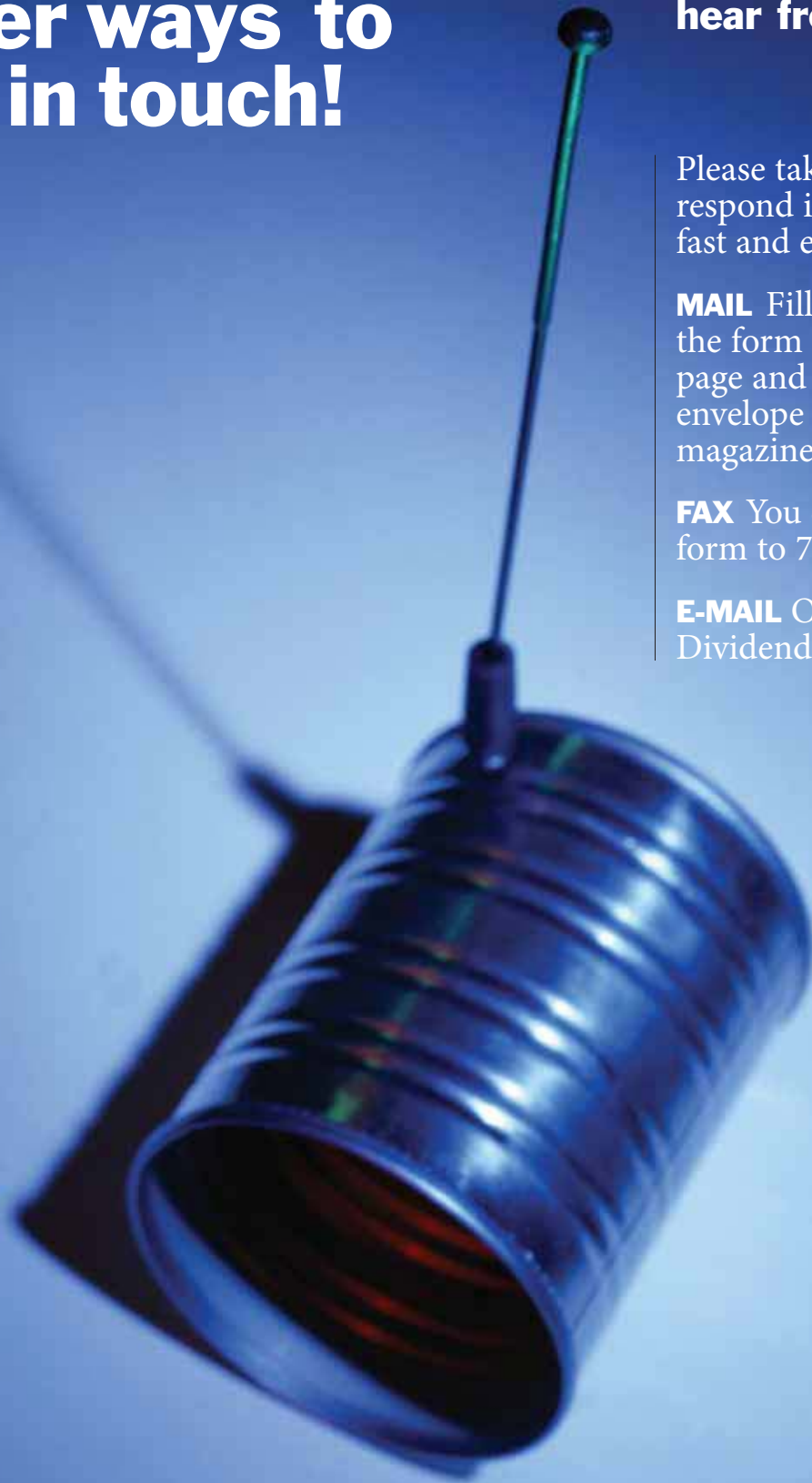
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Powering Momentum

Two years of intense effort paid off for solar car drivers Michael Adams, ME '06, left, and Joe Belter, ME '08, and other Team Momentum members when the University of Michigan's entry into the North American Solar Challenge crossed the finish line in Calgary, Alberta, on July 27. **Michael Brackney**, BBA '06, was

project manager of Michigan's 2005 national champion solar car team. The University has won the national championship four times since the competition began in 1990. Other Ross School Team Momentum volunteers included **Jonathan Plichta**, BBA '06, Web site coordinator, **Jon Bates**, MBA '06, and **Adarsh Das**, MBA '06.



STEFANO PALTERA/NORTH AMERICAN SOLAR CHALLENGE