

Dear Family and Friends,

The chill is in the air, the leaves are on the ground, and the holiday season is almost upon us. It's time to send along our annual *Season's Greetings* letter with news about the doings of the Michigan family. All in all, it's been a very good year indeed!



Of course, our football team got the new year off to a great start by beating Washington in the Rose Bowl after winning their 5th Big Ten football championship in a row. Not to be outdone, the men's basketball and hockey teams took Michigan to its second straight pair of Final Fours. In fact, the men had such a great year that *USA Today* awarded the men the All-Sports National Championship. Just as impressive, however, was the fact that our women won five Big Ten championships—in cross country, gymnastics, softball, swimming, and track!

Our students also had a great year in their other activities. They won their second straight national championship in the solar-powered car race, Sunrayce-93, and went on to compete for the world championship in Australia. Approximately 4,500 of our students were involved in community service activities through programs such as Project SERVE or through one of over 500 student organizations on campus.



It has been a great year in the classroom as well. The reputation of Michigan's undergraduate programs moved up another notch to 7th in the nation (*US News and World Report*). In fact, one rating (the Gourman Report) ranked us as high as 3rd, behind only Harvard and Princeton—although we take this with a grain of salt. According to *US News & World Report*, Michigan continues to rank as a national leader in the quality of our professional schools (e.g., Business—5th, Dentistry—3rd, Engineering—6th, Law—7th, Medicine—10th, Nursing—4th, Pharmacy—5th, Public Health—1st). And our programs in the humanities, natural sciences, and social sciences continue to rank among the very best.

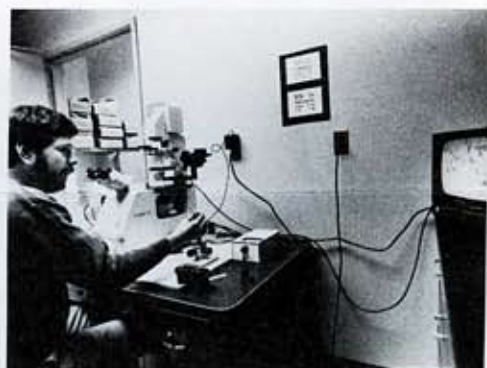


Our faculty had an outstanding year in research as well. Last year Michigan passed MIT in its success in attracting research grants and contracts (\$375 million) to earn the ranking as America's leading research university—at least by this commonly accepted measure. Much of this research activity has important implications for society.

For example, our medical scientists continued their revolutionary work in mapping and identifying the genes responsible for devastating diseases such as cystic fibrosis and breast cancer. They performed the world's first clinical trials of human gene therapy, using modified human genetic material to treat human disease. They also announced major progress in treating muscular dystrophy. And one of the leaders of our team, Francis Collins, took a leave of absence to direct the Human Genome Project, aimed at mapping the entire human genome over the next decade.

UM space scientists continued their efforts in space exploration, placing UM experiments on five of NASA's space shuttle missions. They have also been chosen to participate in the next mission to Mars, a followup to the failed Mars Challenger mission.

Michigan, in partnership with IBM and MCI, continues to operate and expand the National Research and Education Network, the computer network that now links together most universities and laboratories in America and, through the Internet, 17 million users worldwide!



Speaking of international activities, the UM Davidson Institute continues to expand its efforts to help the emerging economies of Eastern Europe, Russia, and China. And our Business School has launched its first MBA program abroad—in Hong Kong!

We always refer to the University as "the leaders and best," but it is interesting to note the areas in which UM achieved a ranking as the nation's best during the past year: many of its academic programs (e.g., anthropology, political science, library science, executive business education, health services administration), research activity (almost \$400 million per year), campus budget (\$2.3 billion), major new discoveries (human gene therapy, high-powered lasers), computer networking (both in terms of installed computers and international networking), hospital



operations (number of patients served and financial integrity), contributions to United Way (\$1 million), and men's athletics. This is quite a set of accomplishments, although it is what we all have come to expect from Michigan!

The news from the financial front is mixed this year. We are grateful to the Governor and the Legislature for protecting us from the deep cuts experienced by many other states. Unfortunately, however, it was yet another year in which state government was unable to provide adequate appropriation increases to keep pace with inflation. In fact, our state support has now slipped to the point where it amounts to less than 12% of our operating budget. Fortunately, the University has been able to compensate for this erosion in state support through private gifts, federal support, student tuition, auxiliary revenues (e.g., our hospitals), and taking strong actions to control costs and manage resources wisely. Of particular importance has been the strong commitment of alumni and friends toward our Campaign for Michigan. In September we passed the halfway point, \$500 million, toward our eventual goal of raising \$1 billion. Furthermore, because of both strong private giving and wise investment, our endowment passed the \$850 million level.

It is both interesting and encouraging to note that despite the serious erosion in state support over the past two decades, the University of Michigan today is stronger and more exciting than ever before. We have become leaner and meaner on our state revenue diet, more focused and committed to excellence and service than ever.

One sign of this new vitality is provided by the amount of construction on campus today. Because of strong private support, the success of our sponsored research and auxiliary activities (e.g., our hospitals), some limited new state support for capital facilities, and low interest rates and construction costs, we have been able to embark on a series of "home improvement" projects that should put most of the campus in tip-top shape within the next few years.

On the Central Campus, we are finally "beautifying the UGLI" (the Undergraduate Library), by gutting the insides and wrapping the old structure in the cocoon of a new building that will be connected by skybridges to adjacent buildings. We also have under construction a new Physics building that will provide badly needed laboratory space. And we have launched a massive effort to renovate and rebuild many of the most important buildings for LS&A, including Angell Hall, C. C. Little, and East Engineering. Indeed, we hope to have completely rebuilt or renovated all of our LS&A facilities over the next five years.



There is lots of activity on the North Campus as well. Earlier in the fall we dedicated a magnificent new building for Aerospace Engineering, made possible by a gift from the Association François-Xavier Bagnoud. We have started construction on a dramatic new library complex for our North Campus schools (Engineering, Music, Art, and Architecture and Urban Planning), and early this spring we will break ground on a marvelous new building for Engineering designed by Michigan's most famous graduate architect, Charles Moore.

Our Flint and Dearborn campuses are also benefiting from construction activity. We are nearing completion of a new library in Flint and are about to break ground on a new classroom building in Dearborn.

The Medical Campus continues to be a place of great excitement. The \$90 million Medical Science Research Building is nearing completion to house our vital efforts in genetic research and human gene therapy. So too, the rebuilding of Mott Children's Hospital should be completed in the year ahead. And earlier this fall we broke ground on the new Cancer and Geriatrics Center, yet another important project that will be made possible by the generous gifts of alumni and friends.

The Athletic Campus has seen the completion of important projects. As many of you know, a private fund-raising effort has allowed us to return the Michigan Golf Course to the original design of Dr. Alister MacKenzie—somewhat more difficult to play, but now clearly one of the finest golf courses in the nation. Our ongoing efforts to renovate Michigan Stadium are nearing completion—although we still haven't figured out just how to grow this Purdue "prescription athletic turf" very well (and nobody else has either!). We also hope to break ground on a new tennis center just south of the golf course in the year ahead.



We've had lots of friends visit the University over the past year. Mike Wallace and his friends from *60 Minutes* arrived to dedicate the new Mike and Mary Wallace House for our Michigan Journalism Fellows Program. It was a great occasion—although we are always a bit nervous when *60 Minutes* comes on campus! In the spring, First Lady Hillary Rodham Clinton came to Ann Arbor to receive an honorary degree and give our commencement address. A few weeks later, President Carlos Salinas de Gortari of Mexico came to campus to receive an honorary degree. And early next spring, we will host the Dalai Lama who will receive the Wallenberg Medal.



We've also managed to take some exciting trips during the past year. Of course, many of you joined us in traveling to Pasadena to watch the football team win the Rose Bowl, and then to New Orleans for the Final Four to see the "Fab Five plus" beat Kentucky and then lose a heartbreaker to North Carolina in the national championship game. There were also many of you with us in Minneapolis this summer to watch Maize and Blue come across the finish line first to win Sunrayce 93. Anne and I, joined by Michigan faculty members Ken Lieberthal, Leonard Woodcock, and Marshall Wu, led a University delegation to China to strengthen our relationships with government, educational, and cultural organizations.



We are encouraged by the great success of the Michigan Mandate, our strategic effort to better serve all ethnic groups in our society. We now have the highest total student of color enrollments in our history, e.g., 7,578 (23%). 2,706 (8.1%) are African American students, and we also have one of the top African American graduation rates of any public university in America (64%). Furthermore, we have increased the number of faculty of color by 43% (to 338) over the past five years.

There have been some people changes at the University. After five years of great success as Athletic Director, Jack Weidenbach has decided to step down. We've asked Joe Roberson—a former Brooklyn Dodger pitcher, holder of three UM degrees, and former dean and chancellor at UM-Flint—to assume the helm of our sports program as athletic director. Joe will bring a rare combination of outstanding athlete, experienced administrator, and visionary educator to our programs. And he bleeds maize and blue!



Homer Neal has come over from Physics to lead our research efforts as Vice President, and Jim and Peggy Renick have joined us from George Mason University to lead our UM-Dearborn campus. We're also saying goodbye to some remarkable leaders of the University: Chancellor Clint Jones at UM-Flint, and Dean Lee Bollinger in Law. We're not letting Jack Weidenbach get away however, since we have convinced him to stay on indefinitely in a part-time role as Athletic Director Emeritus.

One final note of a personal nature: This month will mark 25 years since Anne and I moved to Ann Arbor from Pasadena. A quarter-century of serving the University has not only given us a deep sense of appreciation and pride in just how remarkable Michigan is, but it has also made us about as maize-and-blue as one can be. And we can also say that in all our years at Michigan, we have never found the University to be more vibrant, more exciting, and stronger than it is today.

In summary, 1993 has been a great year and we have lots to be proud of and thankful for. In particular, we want to convey our gratitude for the loyalty, support, and love shown by all of you as alumni and friends of the University.

Season's greetings to you and yours and best wishes for the new year!

Anne and Jim Duderstadt
and the Michigan family...



Seasons Greetings to the Michigan Family